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Dept. of External Affairs  
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## AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada  
 Vol. 6, No. 12, published for the week of Tuesday, December 9, 1947.

Parliament in Session:

A motion of non-confidence in Prime Minister Mackenzie King and his Cabinet; a hint from Mr. King that a general election might be imminent; and a bleak picture of the situation in Europe, highlighted discussion in the House of Commons yesterday. Mr. Bracken, Leader of the Opposition, moved the vote of non-confidence charging the Administration with being "wilfully negligent of the public interest" but the motion was defeated by a vote of 139-69. In reply to Mr. Bracken, the Prime Minister asked "Is there any better test of the confidence of the people than that which is given either at byelections or at general elections?" He pointed out at the same time that the Government had won the last five byelections. The local press took from Mr. King's reference to elections that a general one might be held soon.

In continuing his remarks, the Prime Minister defended the Government policy of taking up the Geneva Trade Agreements at the present time and maintained his stand that the issues of living costs, the farm crisis and the veteran's plight could not be aired in debate on the Speech from the Throne before the Christmas recess.

Mr. King reviewed his recent trip abroad in gravest tones drawing Parliament's attention to the world-wide conflict between democracy and Communism. He declared that everything is being done to stir up unrest in Western Europe to make it impossible for the Marshall plan to operate. While he applauded efforts at recovery in this post-war period, he reported "deplorable conditions" in France through "Communitistic influence"; and despite great improvement over war years, privation, lack of food and materials in London. (Various)

Excise Tax Off Certain Goods:

Electric and gas stoves, ranges and heaters will be exempted from the new tax announced November 17 Finance Minister Abbott has announced. He added that it would remain on electric or gas refrigerators, refrigerating components, oil burners and oil burning equipment when they are intended for household use or for places of amusements such as rinks, halls, clubs and auditoriums.

Commuted Sentence Stands:

The Secretary of State for External Affairs, the Right Honourable L.S. St. Laurent, has issued a statement regarding the commutation of the sentences of two Japanese war criminals who had been convicted of war crimes involving the inhumane treatment of Canadian service personnel at Hong Kong. The accused, Col. Isao Tokunaga and Capt. Shunkichi Saito, were sentenced to death by hanging but the Acting General Officer Commanding at Hong Kong later commuted the former's sentence to life imprisonment and the latter's to 20 years imprisonment. Hon. Mr. St. Laurent's statement noted that in reply to a request from the Department of National Defence through the High Commissioner for Canada in the United Kingdom, United Kingdom authorities have replied that the commutation of death sentence is a matter within the discretion of the Confirming Officer made after careful consideration of the available evidence







# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 30

Monday, January 19, 1948.

Butter Ceiling Set: Effective today, the ceiling on butter in Ontario is 73 cents a pound -- one cent above the prevailing price in Toronto on Saturday and two cents below Hamilton's. The same ceiling applies to the province of Quebec.

In the Maritimes, for top creamery butter in prints, the ceiling is 74 cents, in Manitoba and Alberta 71, in British Columbia 72, and in Saskatchewan, the lowest, at 70.

Price board officials said these prices are based on a wholesale level of 67 cents a pound at Montreal and the mark-ups are the same as when butter previously was under control.

Appointed Honorary Colonel: Major-General H.O.N. Brownfield, CBE, MC, of Kingston, Ontario, whose retirement from the Canadian Army became effective Saturday, was today appointed Honorary Colonel Commandant of the Royal Canadian Artillery. He succeeds Major-General H.A. Panet, CB, CMG, DSO (retired) of Ottawa, who relinquishes the appointment at his own request. Gen. Brownfield has been on retirement leave since last summer when he vacated the appointment of Commander, Canadian Army Staff, Washington, D.C.

War Assets Corporation Sales: Sales totalling \$5,435,500 during December have brought the grand total of receipts by War Assets Corporation from the disposal of war surplus to \$414,995,000, according to a statement issued by the Corporation today.

Sales for the calendar year ended December 31, 1947, amounted to \$100,642,000, an average of about \$8,387,000 a month.

E.E. Thompson Heads War Assets Special Sales: A.H. Boyle, Director of Merchandising for the Corporation, announced that E.E. Thompson, formerly of Toronto and now of Ottawa, has been appointed Chief of the Special Sales Division. Mr. Thompson succeeds J.F. Taylor who resigned to join an industrial organization.

GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 6, No. 31

Tuesday, January 20, 1948.

**Prime Minister Announces New Appointments:** The Rt. Hon. W.L. Mackenzie King, at a press conference last night made the following announcements:

Veterans Affairs Minister Ian Mackenzie, Vancouver, has retired because of ill health, and been named to the Senate.

Fisheries Minister Milton F. Gregg, VC, named Minister of Veterans Affairs.

Reconstruction and Supply Minister C.D. Howe named Minister of Trade and Commerce, George J. McIlraith (Ottawa West) to continue as his parliamentary assistant.

Trade and Commerce Minister James A. MacKinnon named, temporarily only, as Minister of Fisheries.

National Revenue Minister Dr. James J. McCann has resigned as Minister of National War Services and that Department has been wound up.

Chester Payne, associated Deputy Minister, went on retiring leave on January 1 last.

In referring to the last item, Mr. King said of Mr. Payne that he had been in the public service for nearly 40 years. His long experience and wide knowledge, the Prime Minister continued, had been of great value in qualifying him to cope with the variety of questions with which the War Services Department had been called upon to deal in the closing years of the war, and in the period of demobilization. Mr. Payne was retiring from the public services with a record of which he might well be proud, and upon which he was much to be congratulated. It was a fine record of long and faithful service to the Government of Canada.

**RCN Engineers Officers Confer:** Senior officers of the Royal Canadian Navy's engineering branch met in Ottawa this morning for a four-day conference to review conditions relative to the engine room branch, it was announced by Naval Service Headquarters today.

The meetings will bring together ranking engineer officers from Ottawa, Atlantic and Pacific naval establishments, as well as operational ships of the R.C.N., and will consider matters concerning personnel, training and equipment.

**Farm Loan Board Appointments:** The Honourable Douglas Abbott, Minister of Finance, announced today appointments to the Canadian Farm Loan Board arising out of the retirement on December 31, 1947, of Dr. J.D. MacLean, C.B.E., as Commissioner and Chairman of the Board.

Thomas F. Donnelly, M.D., C.M., who was appointed a Member of the Board on May 8, 1945, has been designated as Commissioner and Chairman.

To fill the vacancy caused by the death of Mr. Aime Boucher, Mr. Adrien Beaulieu has been appointed a Member of the Board.

John C. Murray, Chief Inspector of the Board will, in addition to carrying on his present duties, be a Member of the Board. Joseph Ambroise Proulx, M.B.E., has been appointed Chief Executive Officer of the Canadian Farm Loan Board for the Province

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of Quebec. Mr. Proulx succeeds the late Mr. P.A. Angers who died on December 4, 1947.

All appointments commence on January 1, 1948, and in the case of Dr. Donnelly and Mr. Murray will be for one year and in the case of Mr. Beaulieu will be for five years.

GOVERNMENT



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OTTAWA - CANADA

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Vol. 6, No. 32

Wednesday, January 21, 1948.

Mr. King's Address: Prime Minister Mackenzie King on Tuesday night asked the National Liberal Federation to summon a national convention.

The Liberals of all Canada, he said, should be afforded opportunity at this time to review the party's present position and policies, and to consider the most effective means by which Liberal principles may be applied to a solution of problems that have followed in the wake of the war, and which would continue to present themselves in increasing measure, as nations sought to bring into being a new world order.

Following a reference to the need for efficient party organization, Mr. King proceeded: "As you will recall, I was chosen Leader of our party at the Convention held in this city, in August 1919, and have enjoyed this position ever since. Should I be spared, and continue to command the confidence of my fellow-Liberals, to a corresponding date in the present year, I will then have entered upon my 30th year in the leadership of the party. For very obvious reasons, I have for some time past been asking myself if the time had not arrived when the party should be afforded an opportunity of choosing a new leader. As you well know, I have not concealed my desire to be allowed to retire from active politics, just as soon as the party's interests and the country's would seem to justify that step...."

"...I need scarcely say that my decision to ask for the calling of a convention...is not a recent decision, suddenly reached in the light of any new situation which has arisen either in Canada or in any part of the world. Much less is it a decision based on any change of attitude toward myself on the part of my colleagues in the government, the Liberal members of the two Houses of Parliament, or the party throughout the country. It is true, I believe, that while I have very great reason to congratulate myself upon having had the unbroken support and confidence of all these constituent elements of the party, ever since I was chosen leader in 1919, I have never enjoyed that confidence in fuller measure than I do today. This is a reward of years of public service which nothing else can equal.

"I must confess that, over the two and a half years since the last general elections, I have continued to enjoy powers of endurance which, at many times in the past, I had not felt I had a right to expect. That I enjoy the measure of health I have at the moment is, I recognize, due in no small measure to the consideration shown my years by my colleagues in the Cabinet, and by my fellow Members in Parliament, and I think, I should add, by the Canadian public. This, however, is a consideration which, in the party's interests, and in the public interest, I have no right to expect to have shown indefinitely. At the end of the last session of Parliament I saw only too clearly that I should not continue to delay in the calling of a convention, and so informed my colleagues in the Cabinet.

"The life of a Parliament is five years. Assuming that a general election were not to take place before the expiration of the life of the present Parliament, that would leave to a newly appointed leader

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but two years before he would have to undertake a nation-wide campaign. In some respects, that is a short enough time. It is, however, by no means certain that the Government would wish to wait until the expiration of the life of the Parliament before seeking a renewed expression of the people's confidence. It has seemed to me, therefore, that the selection of a new leader of our party should not be further delayed...."

"...At most, we can make but plans. Our futures will be determined by events, and by a Power beyond our own. In asking that a Convention be held this year to review the party's policies, and to decide upon the party leadership, I am planning what I believe to be best for the party's future. What may be best for all, when the Convention meets, we may leave with confidence to the sound judgment of the Convention itself. Our present duty is to see that the calling of a Convention is not longer delayed." The Prime Minister also announced that Parliament would be asked this session to set up a special committee to investigate inflationary prices and the still rising cost of living. On this committee, he said, provision would be made for the representations of members of all political parties. Provision also would be made, he said, "for inquiry into cases where there are reasonable grounds for believing that increases in prices are due to a course of conduct which is unjust and unreasonable in relation to the production, distribution and exchange of commodities and services essential to human well-being."

**Minister Plenipotentiary of Iceland:** The Department of External Affairs announced that Mr. Thor Thors presented on Tuesday to His Excellency The Governor General, at Government House, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Iceland in Canada.

**Broaden Benefits for Veterans:** Major changes in veterans' legislation were forecast for the coming parliamentary session Tuesday by Rt. Hon. Ian Mackenzie in a farewell statement following his move from the Veterans' Affairs Department to the Senate.

The former Minister, whose transfer was announced by Prime Minister Mackenzie King, said these amendments were planned:

1. As forecast in December by Prime Minister King, increased allowances to disability pensioners and those recipients of war veteran's allowances incapable of augmenting their allowance by casual earnings;
  2. Additional protection for the children of veterans by enlarging the definition of an orphan to take in a child with one parent dead and the other having abandoned it;
  3. Extension of the Veteran's Insurance Act to cover merchant seamen and members of the permanent forces;
  4. Amendment of the Veterans Land Act to allow veterans taking university training to switch to land settlement after a short period of training. At present, those starting university training cannot move into the other category;
  5. Another V.L.A. amendment to allow veterans to transfer from university to vocational training. The Minister said present restrictions have proven "prejudicial to proper rehabilitation" in some cases;
  6. Functions of the Board of Review, which deals with cases of veterans denied gratuities because of dishonorable discharge, would be continued within the Department when the Board itself is dissolved.
- The former Minister, reviewing the work of his Department and declared he was leaving the portfolio "in the knowledge that the veterans of no country in the world have a more complete legislative program than that provided for the veterans of Canada." (CP)



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Vol. 6, No. 33

Thursday, January 22, 1948.

Aid to Western Europe: A Washington Associated Press despatch of January 21 said that new Marshall Plan estimates placed before Congress Wednesday showed the United States Government tentatively figured on Canada and Latin America financing about 22 per cent of their combined food sales to Western Europe during the first 15 months.

Such assistance could be given through credits, gifts or sales below normal market prices as Canada has done in wheat exports to Britain, continued the despatch.

Administration tables brought out that Canadian and Latin-American producers are slated to sell Western Europe \$2,791,500,000 worth of grains fats and oils, sugar, meat, dairy products, dried fruit, rice, coffee and other foods.

Of this amount, the Truman Administration estimates Latin America and Canada can finance \$617,800,000.

These figures were supplied by Commerce Secretary Averell Harriman to the House Foreign Affairs Committee during testimony Wednesday.

They contained, however, no breakdown on how much the individual countries are expected to put up in credits to help Europe, the report proceeded.

The Administration estimates also showed that Latin America and Canada are tentatively counted on to finance about 15 per cent of Western Europe's total food purchases in this hemisphere, according to the report.

1947 Work Stoppages: Time loss through work stoppages arising out of industrial disputes in Canada during 1947 was only 55 per cent of the total time loss recorded for the preceding year, it was shown by a preliminary summary of strikes and lockouts for 1947, issued by Honourable Humphrey Mitchell, Minister of Labour. Preliminary figures show 60,000 fewer workers involved in strikes and 2,000,000 fewer man-work days lost during 1947 than in 1946.

The demand for increased wages was one of the principal issues in more than 70 per cent of the strikes of 1947. Two major strikes during the year, one of coal miners in the Maritimes and the other of meat packing plant workers throughout Canada, accounted for about 75 per cent of the total 1947 time loss.

Railway Revenues and Expenses in October: Canadian railways earned \$69,820,158 during October compared with \$65,305,094 in the corresponding month of 1946, bringing the aggregate for the ten months ending October to \$641,294,172 as compared with \$584,668,487 in the similar period of 1946. October operating expenses were \$58,675,819 as against \$54,201,481, and in the ten months, \$568,986,145 compared with \$513,160,026. Operating income for the month was \$8,427,989 compared with \$8,508,707, and in the ten-month period, \$38,346,526 compared with \$44,671,970.



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Friday, January 23, 1948.

Canada's 1947 Exports: Canada's exports during 1947 were valued at \$2,775 millions, which is over three times the average annual value of her exports in the prewar years 1935-1939, and twenty per cent greater than in 1946, according to a statement issued Thursday by the Right Hon. C.D. Howe, Minister of Trade and Commerce. It must be recognized, however, that the general price rise in most products during the year under review contributed in large part to the increase over previous peacetime years.

The statement continues: "There were few pronounced changes from the preceding years in the geographical distribution of Canada's export trade in 1947. The United States and Great Britain continued to provide the principal markets for Canadian products, with over 64 per cent being directed to those countries. Exports to the United States were 37 per cent of the total; to Great Britain 27 per cent; to other British Empire and Commonwealth countries, 15 per cent; and to all other countries 21 per cent.

"Purchases by the United States were valued at \$1,034 millions, which is approximately 16 per cent higher than in 1946. Over one-half of Canada's exports to that country consisted of forest products, with newsprint the largest single item. Exports to the United Kingdom were valued at \$751 millions, which is 27 per cent higher than the corresponding figure for 1946. As in preceding years, food products again dominated the shipments from Canada to Great Britain.

"With regard to Empire countries, the greatest increase was shown in exports to Australia and New Zealand, which rose from \$54 millions in 1946 to \$98 millions in 1947. A decline, however, was evidenced in shipments to the Union of South Africa and India. Exports to the British West Indies were one-third higher than in 1946.

"Purchases by European countries in 1947 were valued at \$348 millions, some 8 per cent higher than in 1946. The principal increases recorded were in exports to France, Italy, the Netherlands, Sweden and Switzerland, while a decline occurred in Canada's trade with Belgium, Poland, the Soviet Union and Yugoslavia.

"The relative consistency in the type of goods exported from Canada is seen best in an analysis of commodity trade. Wheat and flour, taken together, continue their traditional role as Canada's principal export item. Shipments in 1947 were valued at \$461.7 millions compared with \$377.0 millions in 1946. This rise is due both to the larger volume of exports and to an increase in the price of wheat other than that furnished to the United Kingdom under the terms of the current agreement. The sharp increase in newsprint, from \$265.9 millions in 1946 to \$342.3 millions in 1947, also reflected an expansion in volume combined with a rising price. The same factors apply to planks and boards, up to \$208.4 millions in 1947 from \$125.4 millions in 1946, and to woodpulp, at \$177.8 millions in 1947 compared with \$114.0 millions in 1946.

"It should be noted that these four items, wheat, newsprint, planks and boards and woodpulp, which form the "backbone" of Canadian export trade, comprised 43 per cent of all Canadian exports in 1947, compared with 38 per cent last year. This dominance of primary

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products is also evidenced in the six items next on the list. Only one of them, automobiles, trucks and parts, can be considered properly a fully-manufactured commodity.

"Although Canada has grown greatly in stature as a manufacturing country during the past seven or eight years, it is evident that the Canadian goods most in demand by other countries are still derived from the production of Canada's great agricultural, forest, and mining and metallurgical industries. Nevertheless, the relatively small proportion of the export trade that can be ascribed to the output of the manufacturing industries provided the Canadian economy with a challenge for 1948. It was shown, during the war, that manufacturing, more than almost any other type of industry, was capable of rapid expansion in time of crisis, and it is hoped that the proportion of foreign sales of manufactured goods will increase substantially during the coming year.

"The need for more exports, both primary products and manufactured goods, is doubly great at this time. They are required not only for the purpose of assisting in the recovery of Europe, but they provide the greatest single instrument at our disposal for redressing our balance of payments account with the United States."

Visit to Camp Shilo, Manitoba: Arrangements have been made for a group of foreign military attaches and military representatives of the United Kingdom and the United States to visit Camp Shilo, Manitoba, the Department of National Defence announced Thursday.

The party will leave Rockcliffe by air on Sunday morning, January 25, and will arrive at Rivers, Manitoba at 4:30 the same afternoon. From there, they will motor to Camp Shilo. On Monday they will tour the camp, witness training in progress, and the firing of artillery weapons. They will return to Ottawa on Tuesday.

Mr. D.A. MacDonald Appointed: The appointment of Mr. D.A. MacDonald, Acting Dominion Forester, to the Standing Advisory Committee on Forestry of the United Nations Food and Agriculture Organization, was announced in Ottawa by the Hon. J.A. Glen, Minister of Mines and Resources.

Mr. MacDonald is the second member of the Mines, Forests and Scientific Services Branch of the Department to be associated with FAO within recent months. His former chief, Dominion Forester D. Roy Cameron, retired from the Department in October to take charge of the European office of the Forestry Division of FAO. Mr. MacDonald will remain with the Mines, Forests and Scientific Services Branch in Ottawa, travelling to Washington to attend sessions of the Committee.



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Saturday, January 24, 1948.

**Deputy Ministerial Appointments:** Prime Minister Mackenzie King announced changes in Deputy Ministerial posts of three government departments and disclosed that it is planned to transfer responsibility for Canada's Air Services from the Reconstruction Department to the Minister of Transport.

Mr. King announced these changes, effective February 1.

V.W.T. Scully, Deputy Minister of Reconstruction and Supply, to be Deputy Minister of National Revenue (taxation), succeeding Frank Brown of Vancouver who recently retired.

Cmdr. C.P. Edwards, Deputy Minister of Transport, to be Deputy Minister of Reconstruction and Supply for that department's liquidation period after which he will become Deputy Minister of Transport for Air Services.

Jean Claude Lessard, at present Chairman of the Statistics Division of the International Civil Aviation Organization, to be Deputy Minister of Transport in charge of Rail and Marine Services. (CP)

**Urges Increased Production:** Increased production of commodities which have a market in the United States was urged in Winnipeg Friday night by Rt. Hon. Louis St. Laurent as a measure to increase Canada's United States dollar receipts.

The External Affairs Minister told the sixty-ninth annual meeting of the Winnipeg Board of Trade that the aim should be "to create a genuine exportable surplus large enough to enable us to play our part in the recovery of Europe without having to resort to crippling import restrictions." (CP)

**Educational Program Advocated:** A greater educational program for bringing home to Canadians, foreign and native-born, what citizenship entails and as a means of combatting communism, was advocated Friday by State Secretary Gibson, speaking to a luncheon meeting of representatives attending a two-day conference on citizenship.

Sponsored by the Canadian Citizenship Council and the Canadian Association for Adult Education, the conference has brought together 125 representatives of community organizations, education, industry the railways and government agencies in touch with immigration. The Conference is being held in Montreal. (CP)

**22 Czechoslovak Decorations:** Twenty-two Czechoslovak decorations have been conferred upon serving and retired members of the RCAF, it was announced by Air Force Headquarters, Ottawa.

The Czechoslovak War Cross 1939 has been awarded to five officers, the Czechoslovak Medal for Bravery to 12 officers and one warrant officer, and the Czechoslovak Medal of Merit 1st Class to 4 officers.



# AIRMAIL BULLETIN

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Vol. 6, No. 36.

January 26, 1948.

**Parliament Reassembles:** Parliament meets today (Monday) for its main session, with high prices and the rising cost of living expected to provide a continuing and dominant theme.

Attention will centre early in the sittings on a special Commons committee which the Government plans to set up to probe the price field and then may swing over to Government legislation aimed at prolonging many of its wartime controlling powers.

However, before these items reach the order paper, there likely will be lengthy debate on legislation introduced at the pre-Christmas session, dealing with the Geneva trade agreement, financial aid to stimulate gold production and the Government's currency conservation program.

Opposition members also are expected to make the cost of living the main issue in the Throne Speech debate, whenever it is resumed. Party leaders already have spoken in this debate, which permits wide latitude.

Discussion probably will develop when the Government moves to have its control authority, due to expire March 31, extended for still another year. Other legislation related to controls also is expected to appear.

The Commons faces a formidable task in the new and revised Income Tax Act which was introduced last year and was left over for consideration at the current session. The whole field of income tax will be opened up when this bill is presented.

Another important piece of legislation will be the bill creating the Federal labor code while others also will be substantial amendments to the Maritime Commission Act based on an inter-departmental survey made during the Parliamentary recess. - (Journal)

**Importation Restriction Suspended:** Finance Minister Abbott announced that effective February 2 restrictions on the importation of cabbage will be suspended temporarily and price ceilings will be reimposed.

Mr. Abbott said the new ceilings will be based on a maximum landed cost of five cents a pound to the wholesaler at all major distribution centers in Canada. The Prices Board will announce full details of mark-up - margin of profit - controls prior to February 2.

**Export Trade \$2,774,900,000:** With domestic exports in December valued at \$266,200,000, third highest monthly figure for the year, Canada's total export trade in 1947 rose to \$2,774,900,000, an increase of \$462,700,000 or 20 per cent over 1946 and the highest for any peacetime year. The 1947 total has been exceeded only in the three war years, 1943, 1944 and 1945, which averaged \$3,209,900,000, and was three and a third times the total for pre-war 1938.

**Stocks and Marketings of Wheat:** Stocks of Canadian wheat in store or in transit in North America at midnight on January 15 totalled 134,849,965 bushels compared with 137,045,894 in the preceding week, and 142,906,945 bushels in the corresponding week last year, according to figures released by the Dominion Bureau of Statistics. Visible supplies on the latest date comprised 123,382,813 bushels in Canadian positions and 11,467,152 bushels in United States positions.



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Tuesday, January 27, 1948.

Mr. Pearson Speaks on United Nations: L.B. Pearson speaking in Toronto Monday night, deplored the "prostitution of our United Nations organization to an ignoble and aggressive purpose" by Russia and suggested that one way out of its "veto-scarred" dilemma would be the formation of a collective system for defence, within the U.N. Charter of all nations which wished to join.

The Under Secretary of State for External Affairs, in an address to the annual dinner of the Toronto Board of Trade, criticized the Soviet Union for its "irresponsible and selfish" enlargement of the use of the Security Council's veto "beyond anything contemplated when the Charter was drafted."

He said the early post war hope of friendship and co-operation had been "bitterly disappointed" and reduced to the point where "there is less feeling of one world in a political or spiritual sense at this moment in history than at any time, perhaps, since the breakup of the Roman Empire."

Affirming that any abandonment of the U.N. would be "suicidal," he called for cool and temperate conduct to meet Russian intransigence and argued that methods to strengthen the organization should be sought in the face of the distrust among the great powers and "indeed possibly because of it."

Organic strengthening was impossible while the veto was used as it had been used. Custom and convention had made some minor inroads. Abolition would mean the end of the U.N.

If disunity caused continued unlimited use of the veto, three courses were open to nations still wishing to construct a peace-keeping agency. The first would carry on as now, hoping for a favorable break in the international situation and slow structural change.

The second, a last, desperate step, would scrap the U.N. and form a new organization if the veto itself blocked attempts to amend the present veto powers. The third "would frankly recognize that within the present U.N. certain members were determined to form a collective system which would really guarantee their own collective security, even if this could only be done on a limited basis of membership."

A "limited association for collective security" would not be an offensive and defensive alliance of the old type. It would be a "genuine pooling of resources, spiritual and material, for purposes of collective defence." It would exclude no state "which did not exclude itself." (CP)

Currency Conservation Debate: A three-pronged attack on the Government's currency conservation measures developed Monday as the Commons met following the Christmas recess.

The criticism, coming from the CCF, Social Credit, and the Progressive Conservative benches, marked the resumption of debate on second reading of a Government bill to give statutory effect to policies instituted when the U.S. dollar-saving program was launched last November.

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Progressive Conservative and Social Credit speakers criticized the Government's revaluation of the Canadian dollar in 1946 and the newly-imposed prohibition on imports from Britain as well as those from the U.S. while the CCF called for the imposition of rigid price ceilings on the restricted articles. (CP)

Prices Committee: The Parliamentary Committee being established to investigate hoarding and profiteering in the price field will be set up within a week, Prime Minister King Monday told the Commons.

Air Training Memorial: Prime Minister Mackenzie King announced to the Commons Monday the United Kingdom, Australian and New Zealand Governments will establish in Canada a permanent memorial to the Commonwealth Air Training Plan.

The memorial will take the form of wrought iron gates for the entrance to the air training station at Trenton, Ont., where the Governments already have laid down a memorial avenue of English oak trees, flanked by pavilions of native Australian and New Zealand timbers.

Mr. King's announcement of the gift was the first item before the House as it reconvened this afternoon from the pre-Christmas adjournment. The Prime Minister read a letter from the High Commissioners of the three Empire countries expressing gratitude for Canada's part in the training plan. (CP)

Trade Deficiency With U.S.: The program to correct Canada's trade deficiency with the United States is making substantial progress, Trade Minister Howe said in Toronto yesterday in an address to the Canadian Manufacturers Association.



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Wednesday, January 28, 1948.

In Parliament Tuesday: Right Hon. C.D. Howe, Minister of Trade and Commerce, said an embargo on export of United States oil products would be a calamity for Canada.

Finance Minister Abbott reiterated that the Government plans to extend residential rental controls.

J.T. Hackett (PC--Stanstead) branded as "utterly and completely unconstitutional" government currency-conservation measures.

Other opposition members also criticized the measures.

In the Upper Chamber, Senator Norman Lambert (L--Ontario) advocated creation of a Western European bloc of nations.

On Wednesday the Commons will resume the throne speech debate. The Senate will sit.

Air Immigration Plan: Within a few months the Federal Government expects to have an air immigration scheme under way by which four transatlantic flights a day will be bringing displaced persons from Britain to Canada, Trade Minister Howe said in an interview.

"This will mean that about 160 DP's will be coming to Canada every day once the plan is underway," he added.

Trans-Canada Air Lines, which come under Mr. Howe's authority in the Government, will carry out this ocean shuttle. (CP)

Micmac Finding: Cmdr. J.C. Littler, DSC, of Victoria, was dismissed from command of the destroyer Micmac and was sentenced to be severely reprimanded after a naval court-martial found him guilty of "negligently or by default hazarding" his ship. The Court Martial arose from a collision off Halifax Harbor six months ago between the Micmac and the 10,000-ton freighter Yarmouth County and followed a Department of Transport enquiry which fixed blame, but not criminal negligence, for the accident on Cmdr. Littler. Eleven naval ratings were killed in the crash. ~~Commander Littler~~ retains his commission in the navy.

Increase in Price of Tin: The Wartime Prices and Trade Board on Tuesday announced a sixteen cent increase in the price of tin raising the Canadian ceiling price from 80 cents a pound to the world price level of 96 cents per pound. The new prices will go into effect tomorrow, January 28. This action follows a similar step taken last September when the Canadian ceiling price was increased from 71 cents to the then world level of 80 cents per pound.

Mr. Chevrier's Address: "Stabilization of the Canadian economy must of necessity depend upon world conditions and until there is such stabilization in the world, particularly in Western Europe, we cannot expect a return to normal economy," declared Honourable Lionel Chevrier, Minister of Transport, in addressing members of the local Chamber of Commerce Tuesday night in Kingston. He gave warning that even if controls were re-imposed all along the line in Canada "this action alone could not and would not bring a return to a stable economy."



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 39

Thursday, January 29, 1948.

Commons Resumes Debate on Speech from The Throne: The Commons covered prices, veterans, the St. Lawrence waterway scheme and divorce Wednesday as it resumed the debate on the Speech from the Throne, standing over since early in the pre-Christmas sitting.

The debate saw private members turn the parliamentary spotlight on varied problems which they felt should receive preferred treatment this session.

This was the first of two days being devoted weekly to the Throne Speech discussions as part of a working program for the early stages of the session at least, which leaves the remainder of the sittings devoted to the Government's emergency economic legislation.

Speakers included Rev. Dan McIvor (L--Fort William), Arthur Ross (PC--Souris), Eugene Marquis (L--Kamouraska), A.J. Brooks (PC--Royal) and William Irvine (CCF--Cariboo).

Right Hon. Louis St. Laurent, Secretary of State for External Affairs, promised to advise the Chamber later whether the Government has received any representations from the United States regarding Canada's participation in the European recovery plan. (Citizen)

Mr. Massey's Appointment: The Prime Minister, Mr. Mackenzie King, announced the appointment of the Right Honourable Vincent Massey as Chairman of the Board of Trustees of the National Gallery of Canada. Mr. Massey, who has been a member of the Board for many years, succeeds Mr. H.S. Southam, who has been Chairman of Trustees since February, 1929. Mr. Southam recently expressed to the Government his desire to be relieved of the responsibility of the Chairmanship of the Board of Trustees.

Property Tax Declarations: The Department of External Affairs has been advised by the Legation of Italy that the time limit for filing Special Property Tax declarations on the part of Italian and foreign nationals who are owners of property in Italian territory valued at 3,000,000 lire or more, elapses on January 31, 1948. The Department has also been advised that a similar declaration is required in respect of property which, although it is valued at less than 3,000,000 lire, is in excess of 1,500,000 lire. The time limit for filing this latter declaration is extended to March 31, 1948.

Savings Bonds Purchases: Total purchases of \$267,375,850 for Canada Savings Bonds, Series Two, up to December 31st, 1947, were announced Thursday by the Minister of Finance, the Hon. Douglas Abbott.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 40

Friday, January 30, 1948.

Delegation to Economic and Social Council: The Secretary of State for External Affairs announced today that the Canadian Government had given approval to the following delegation to the Sixth Session of the Economic and Social Council which is to be held in New York beginning February 2nd:

Delegate: The Honourable Paul Martin, Minister of National Health and Welfare.

Alternate: Dr. G.F. Davidson, Deputy Minister of National Health and Welfare (Welfare)

Advisers: Miss Dorothy Burwash, Economic Division, Department of External Affairs, Mr. R.B. Curry, Department of National Health and Welfare, Mr. S. Pollock, Department of Finance, Mr. L. Roy, American and Far Eastern Division, Department of External Affairs, Mr. J.H. Warren, United Nations Division, Department of External Affairs, Mr. R.G. Riddell, United Nations Division, Department of External Affairs, will attend the preliminary meeting of the Agenda Committee and will be present from time to time as alternate delegate.

It is expected that this Session of the Economic and Social Council will last for about four weeks. Following the election of a President and Vice-President for 1948, the Council will deal with a lengthy and varied Agenda, ranging from the question of the admission of Monaco to the United Nations Educational Scientific and Cultural Organization to the problem of genocide and a draft convention for its outlawing. The Council will consider reports from many of the special Commissions, such as the Economic Commission for Europe, the Economic Commission for Asia and the Far East and the Commission on Human Rights which has recently concluded its deliberations on an International Bill of Rights. The Government of Yugoslavia has requested the Council to consider "the damage caused to the Federal Peoples' Republic of Yugoslavia by withholding of its gold reserve in the United States", and the Council will consider the reports of such Specialized Agencies as the World Health Organization, the International Refugee Organization, the International Labour Organization and the Food and Agriculture Organization.

The Economic and Social Council is composed of representatives of 18 states elected for three-year terms. Canada's membership will expire at the end of 1948 at which time Chile, China, France, the Netherlands and Peru will also retire from the Council.

Thursday in Parliament: John G. Diefenbaker (PC--Lake Centre) charged that Alberta was using the laws of libel in a manner "never contemplated by Parliament."

External Affairs Minister St. Laurent said the door to union between Canada and Newfoundland has not been definitely closed.

Bona Arsenault (L--Bonaventure) suggested the Canadian people have Prime Minister Mackenzie King named Governor General.

John Bracken, Progressive Conservative leader, asked if the Government would table correspondence relating to the defence of Hong Kong.

(over)



Real Caoutte, L'Union des Electeurs member for Pontiac, said monetary reforms were needed in Canada.

John R. MacNicol suggested establishment of a parliamentary committee to study the projected St. Lawrence waterways scheme.

Senator A.K. Hugessen (L--Quebec) said Russian conduct in Europe stemmed from Marxist dogma and Senator Iva Fallis (PC--Ontario) predicted a \$750,000,000 surplus when the budget is brought down.

Current Manpower Picture: Records of the National Employment Service show that the winter falling off in employment has not been so severe this year as a year ago, according to a statement prepared by the Department of Labour and released by Honourable Humphrey Mitchell, Minister of Labour.

Although the number of winter unemployed has increased during the last month, the pressure for production continues high in many industries, and operations have pushed ahead in spite of seasonal handicaps. As a result unplaced applicants seeking employment at the offices of the National Employment Service are 10 per cent fewer than at the same time in 1947.

On the other hand, the outlook for 1948 in the employment field is bright, and the prospects are that jobs available will outnumber applicants in the summer of this year in several lines, just as was the case at the middle of 1947 when the employment office reported a shortage of 33,000 work seekers.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 41

Saturday, January 31, 1948.

In Parliament on Friday: Finance Minister Abbott said the Government's currency-conservation program has bolstered dollar reserves by \$53,000,000 during the last month.

The Commons voted 84 to 70--approval in principle--for the Government's import restriction policy.

Rodney Adamson (PC--York West) predicted the Government would have to depreciate the dollar before solving the deteriorating currency shortage.

Prime Minister Mackenzie King and other party leaders expressed regret at the assassination of Mahatma Gandhi.

Trade Minister Howe said Canada would have adequate fuel-oil supplies for the rest of the winter.

External Affairs Minister St. Laurent said no definite representations have been made by the United States in connection with Canadian participation in the Marshall plan. (CP)

Canada's Regret: The following is a text of the message sent to the Prime Minister of India and read in the House of Commons Friday by Prime Minister Mackenzie King:

"I desire to express to you, and through you to the Government and the people of India, the profound regret with which the news of the tragic death of Mahatma Gandhi has been received in Canada.

"It is particularly shocking that a life so selflessly devoted to the avoidance of violence should have been brought to its close by an act of violence.

"It is to be hoped that the principle of non-violence for which Mahatma Gandhi stood will gain renewed strength as a result of his assassination.

"May I add, Mr. Prime Minister, the expression of my profound sympathy with yourself and with the people of India at this time."

Inter-Governmental Maritime Consultative Organization: Canada will be represented at a meeting of the Inter-Governmental Maritime Consultative Organization (IMCO) of the United Nations when that body assembles in Geneva, Switzerland, on February 19 next. Honourable Lionel Chevrier today announced the appointment of L.C. Audette, of the Canadian Maritime Commission as Canada's (official) delegate to this important maritime conference.

Accompanying Mr. Audette will be Norman Wilson, Chief of Aids to Navigation, Department of Transport, as alternate delegate and adviser; A.L. McCallum of the Canadian Shipping Federation, Montreal, as senior technical adviser; J.F. Frederickson, Montreal, acting secretary of the Canadian Maritime Commission, as adviser; and Miss L.Gougeon as secretary to the delegation.

10,500 Displaced Persons Welcomed: Acceleration of the movement to Canada of Displaced Persons was further evidenced by the announcement by the Immigration Branch of the Department of Mines and Resources that more than 2,300 homeless people from occupied territory in Europe had arrived in this country during the present month. This figure bettered by more than 300 the previous high monthly total of 1,978 recorded in October.

The Branch also announced the sailing today from Bremerhaven, Germany, of the S.S. "Sturgis" with 859 Displaced Persons aboard.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Vol. 6, No. 42

Monday, February 2, 1948.

**Export Trade at Peacetime Peak:** With domestic exports in December valued at \$266,200,000, third highest monthly figure for the year, Canada's total export trade in 1947 rose to \$2,774,900,000, an increase of \$462,700,000 or 20 per cent over 1946 and the highest for any peacetime year. The 1947 total has been exceeded only in the three war years, 1943, 1944 and 1945, which averaged \$3,209,900,000, and was three and a third times the total for pre-war 1938.

Countries of the British Empire took Canadian merchandise to the value of \$1,168,500,000 as compared with \$904,700,000 in the preceding year, an increase of 29 per cent, while shipments to foreign countries aggregated \$1,606,400,000 as compared with \$1,407,500,000, an increase of 14 per cent. December exports to British countries were valued at \$107,300,000 as compared with \$88,000,000 a year ago, and to foreign countries, \$158,800,000 compared with \$123,900,000.

The United States was Canada's largest market in 1947, purchasing goods to the value of \$1,034,226,000 as compared with \$887,941,000 in 1946, an increase of 16 per cent, followed by the United Kingdom at \$751,198,000 as compared with \$597,506,000, a gain of 27 per cent. In December, purchases by the United States amounted to \$105,972,000 as compared with \$83,868,000 a year ago, and the United Kingdom, \$72,542,000 compared with \$59,360,000.

**Transport Commissioners Order:** Close on the heels of two disastrous railway collisions the Board of Transport Commissioners has made public an order requiring that all wooden coaches be placed at the rear of passenger trains on Canadian railways. (CP)

**George W. Spinney, C.M.G., D.C.L., dies:** George Wilbur Spinney, C.M.G., D.C.L., who began his business career as a drug clerk and became president and chief executive of the Bank of Montreal and held directorates in seven of the Dominion's largest companies, died Sunday in the Ross Memorial Pavilion, Royal Victoria Hospital. He had been ill for some time, Mr. Spinney was in his 59th year.

**Philippine War Damage Commission:** The Department of External Affairs announces that the United States Philippine War Damage Commission is prepared to consider claims for war damage occurring in the Philippines after December 7, 1941, and before October 1, 1945. Such claims must be submitted before March 1, 1948.

**Ceiling Price on Cabbages:** The Wartime Prices and Trade Board has announced maximum ceiling prices for domestic and imported cabbages at a level not exceeding nine cents per pound at retail. These prices become effective February 2.

**General McNaughton Security Council President:** General Andrew George Latta McNaughton, Canadian Permanent Delegate to the United Nations, became President of the United Nations Security Council February 1 for the month of February.



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Vol. 6, No. 43.

Tuesday, February 3, 1948.

**Cost of Living Committee:** In moving on Tuesday in the House of Commons for the appointment of a special committee to inquire into price increases in Canada, Prime Minister Mackenzie King said in part:-

"Today I am asking hon. members to appoint a select committee of this house to examine and report on matters pertaining to the recent rise in prices and in the increase in the cost of living. For obvious reasons some other parts of the government's program could not be disclosed at this time. For example, it had been stated in the press that the proper way to bring down the cost of living is to make certain changes in the tax schedules and the like. As hon. members know, the government cannot disclose its program regarding taxation until the budget itself is brought down. What I am seeking at the moment to make clear is that the resolution before us today does not purport to do other than what appears on the face of it, namely, a request to this House of Commons to appoint a select committee with wide powers to investigate the causes of the recent rise in prices and of the cost of living, and the matters mentioned in relation thereto."

**War Damage Compensation:** The Department of External Affairs announced on Monday that the Netherlands Government had extended the benefits of its war damage compensation legislation to Canadians on a basis of equality with Netherlands nationals. Damage must be reported before March 1, 1948 to the Commissariaat voo Oorlogsschade, Stadhouderslaan 130, The Hague.

Previous registration with any Canadian government department does not constitute the lodging of a claim with the competent Netherlands authorities, with whom the registration and subsequent correspondence must be carried on directly by the claimant.

**Freedom of the Press:** The Canadian member on the United Nations Sub-Commission on Freedom of the Press -- George V. Ferguson -- was chief author of a working paper which has been adopted by that body. The paper is to be submitted to the world-wide Conference on Freedom of information to be held in Geneva next month. Mr. Ferguson is Editor of the Montreal Star.

The working paper sets forth rights, practices and obligations of the press. It was adopted in the face of strong Russian arguments for a ten-point recommendation. The Russian proposal has been opposed by the majority of the Sub-Commission for the past two weeks. (CP)

**Wheat Flour Production:** Reflecting the low carry-over stocks of wheat at the beginning of the crop year and the relatively small wheat crop in the Prairie Provinces, wheat flour production dropped sharply in December to reach the lowest monthly total since July 1942. The month's output amounted to 1,691,610 barrels compared with 2,159,483 in November and 2,350,040 in December, 1946. During the first five months of the current crop year, 11,275,780 barrels were produced compared with 11,687,845 in the similar period of the preceding year.



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Vol. 6, No. 44

Wednesday, February 4, 1948.

In Parliament Tuesday: Speaker Gaspard Fauteux ruled out of order Progressive Conservative and CCF amendments to the Government's motion to establish a price-spreads committee and was upheld 105 to 90.

Veterans Minister Gregg, VC, said payment of increases in veterans' pensions and allowances could not be started until Parliament had approved the necessary legislation.

Agricultural Minister Gardiner warned that when conditions return to normal Canada will be able to maintain world markets only by keeping down production costs.

E.D. Fulton (PC--Kamloops) suggested the Criminal Code be revised to make charging of an unjust margin of profit a criminal offence.

Finance Minister Abbott said the Prices Board had been authorized to spend up to \$15,000 of its funds to assist in the organization of the Canadian Consumers Association.

In the Senate Senator Arthur Roebuck (L--Ontario) approved the experiment of job-sure immigration. (CP)

20,000 Mile Conversation: The first part of a 20,000-mile conversation about life at the Poles between Canadian soldiers in the North-West Territories and members of an Australian scientific expedition in the Antarctic went over successfully Tuesday night. Four Canadian soldiers and an Eskimo sent greetings and described the town of Aklavik, 120 miles inside the Arctic Circle, over Canadian Army station CHAK at Aklavik. (CP)

Greetings to Ceylon: The Prime Minister, Mr. Mackenzie King, has sent a message of greeting to the Prime Minister and Minister for External Affairs of Ceylon, Mr. D.S. Senanayake, on the occasion of the coming into effect of the Ceylon Independence Act on February 4, 1948. The message is as follows:

"The attainment by Ceylon of fully responsible status within the British Commonwealth of Nations is an event of happy and historic significance. The Canadian Government and people join in wishing the Government and people of Ceylon success and prosperity in the years of self-government which lie ahead."

Immigration Office in Rome: The Honourable J. Allison Glen, Minister of Mines and Resources, announced Wednesday in Ottawa that facilities for the examination of immigrants from Italy have now been established in Rome.

The new immigration office, which will be known as the Canadian Legation Visa Office, will be under the direction of an officer of the Immigration Branch, J.F.R.R. Robillard. Attached to his staff will be a Canadian doctor from the Department of National Health and Welfare.

Wildlife Resources: In a review of wildlife conditions in Canada issued today by Honourable J. Allison Glen, Minister of Mines and Resources, Mr. Glen stated that his Department was formulating plans to maintain and enlarge further the wildlife resources of the Dominion and, by improving their utilization, increase their contribution to national wealth and welfare.

GOVERNMENT



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA, CANADA

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The Board of Inquiry into the activities of the Communist Party of Canada has reported that the party has been active in the United States and has been successful in obtaining the release of several persons who had been deported from Canada. The Board also reported that the party has been successful in obtaining the release of several persons who had been deported from Canada. The Board also reported that the party has been successful in obtaining the release of several persons who had been deported from Canada.

**In Parliament Wednesday: Speaker Gaspard Fauteux ruled out of order a CCF amendment to a motion establishing a price-spreads committee and was upheld by a vote of 115 to 87.** M. J. Coldwell, CCF leader, moved the amendment, which called for reimposition of subsidies. He said the opposition would be unjustified in not participating in the price committee. Revenue Minister McCann said compulsory savings collected during the war were being retained against arrears in income tax payments. Agriculture Minister Gardiner said farmers who sold coarse grains before ceilings were lifted will receive additional payments from grain companies and pools.

**On Thursday, the Commons will debate the cost of living. The Senate will sit. (CP)**

**Canadian Aid Exceeds \$5 Billion:** In the last seven years, Canada has contributed more than \$5,500,000,000 to European countries and members of the British Commonwealth in outright gifts, various forms of relief and credit loans. This was made known Wednesday in the Commons by Finance Minister Abbott in a detailed written reply to a question by D.C. McCuaig (CCF--Maple Creek).

The figures given to the Commons Wednesday, showed the outright gifts were \$1,000,000,000 to the United Kingdom, \$19,382,079 in wheat to Greece and \$2,211,070,000 to nine countries under the mutual aid section of the War Appropriations Acts.

The breakdown for the nine mutual aid countries was \$91,119,000 to Australia; \$5,518,000 to the British West Indies; \$26,597,000 to China; \$23,629,000 to France; \$12,000 to Greece; \$18,826,000 to India; \$15,278,000 to New Zealand; \$159,113,000 to Russia and \$1,870,978,000 to the U.K.

In addition to these loans, to be repaid, and the gifts, Canada contributed \$154,000,000 to UNRRA relief.

Canada's contribution to the International Refugee Organization amounted to approximately \$5,400,000.

A further item of European assistance was the Canadian contribution under the combined U.S.-U.K.-Canada program for military relief, under which food, medical supplies and other civilian supplies were provided in the post-liberation period before UNRRA or local governments took over. Credits and loans make up the balance. (CP)

**Appeals Dismissed:** The Honourable J. Allison Glen, Minister of Mines and Resources, on Wednesday announced that he had dismissed the appeals of seven aliens who recently entered Canada by fraudulent means, and that their deportation will be effected as soon as arrangements can be completed for their return to the countries from which they came.

The investigation which resulted in the arrest at Toronto of Maniek Kuper, Morduch Szyja Szulc, Israel Cholewa and wife, Giny, Arthur Magat, Alter Abramowitz and Dawid Fajtlowicz was conducted by the R.C.M.P. following the receipt of information from official sources overseas that a conspiracy existed to bring aliens to Canada

(over)

from displaced persons camps in Germany by fraudulent means. The aliens named were arrested under the provisions of the Immigration Act and examined by an Immigration Board of Inquiry at Toronto, the Board ordering deportation in each instance on the grounds that the person examined had entered Canada by misrepresentation. While two of the aliens had come from Great Britain via the United States and five had travelled from Germany via France and Newfoundland entering Canada by air, the evidence given by each person was similar. They all admitted they had been approached by the same person who, for a substantial sum, offered to obtain entry documents and secure their admission to Canada. The documents furnished were British passports secured by illegal means in the names of British subjects born in the British Isles and admission to Canada was secured by the presentation of these false passports at the Canadian port of entry by the aliens named.

Mr. Glen pointed out that Canada has provided for the admission of a very considerable number of displaced persons from Europe, many of whom have been examined and approved and are patiently awaiting transportation facilities. It would be unthinkable to allow any person to secure advantage over these people by fraudulent means. Any other attitude would not only be most unfair but would encourage further efforts on the part of those who would reap financial and other benefits from this illegal procedure.

Cost-of-Living Index: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, advanced a further 2.3 points from 146.0 to 148.3 between December 1, 1947 and January 2, 1948. The increase in this series between January, 1947 and January 1948, has amounted to 21.3 points. Group indexes for foods, home furnishings and services, and miscellaneous items contributed a predominant proportion of the rise for the month ending January 2, 1948.



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Friday, February 6, 1948.

In Parliament Thursday: Speaking in the House of Commons Thursday on the motion to appoint a special committee to inquire into price increases, Hon. J.L. Ilesley, Minister of Justice, said in part:

"....As I have been asked to say something about what is being done under the Combines Investigation Act, I think I can tell the House that at the present time six major inquiries are being proceeded with, that the report in one case is expected before long and that the others should be made during the next few months...."

"....The Combines Investigation staff has also undertaken a preliminary study of the trend in amalgamations and mergers in Canada and is bringing together the available information on such developments. Attention is also being given to general questions affecting patents and trademarks in so far as they are related to amendments made to the act in 1946. I believe that the outline I have given indicates a full measure of activity on the part of the commissioner in relation to domestic combinations as well as international cartels...."

Toronto Mayor Hydro Chairman: Appointment of Mayor Saunders of Toronto as Chairman of the Ontario Hydro-Electric Power Commission was announced at Toronto Thursday night and Mr. Saunders said he would resign the mayoralty before his provincial appointment becomes effective March 1. (CP)

N.R.C. Creates New Division: A Radio and Electrical Engineering Division has just been established by the National Research Council, it was announced by President C.J. Mackenzie. Head of the new Division is B.G. Ballard, O.B.E., B.Sc., who has been in charge of the electrical engineering laboratory since his appointment to the staff in 1930.

Output of Refined Petroleum Products: Canadian output of refined petroleum products in November totalled 6,679,892 barrels compared with 5,840,512 in the corresponding month of 1946, bringing the aggregate for the 11 months ending November to 67,286,158 barrels compared with 61,123,833 in the similar period of 1946. Total for November 1947 included 3,115,997 barrels of motor gasoline, 19,706 barrels of aviation gasoline, 1,492,003 barrels of heavy fuel oil, 1,137,173 barrels of light fuel oil, 302,666 barrels of kerosene and stove oil, 49,227 barrels of tractor distillate, 75,762 barrels of naphtha specialties, and 487,358 barrels of other refinery products, such as lubricating oils, asphalt, coke, etc.

Barbara Ann Scott Olympic Winner: Canada's Barbara Ann Scott won the Women's Figure-Skating Championship at the fifth winter Olympics, it was reported by Canadian Press at noon today.





## AIRMAIL BULLETIN

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Saturday, February 7, 1948.

December Imports: "Imports into Canada in December were valued at \$194.2 millions, \$35 millions down from the November total", the Right Hon. C.D. Howe, Minister of Trade and Commerce announced Friday. "Imports from the United States fell by \$33 millions and, with an increase of \$13 millions in December exports, the monthly trade deficit with that country was reduced from \$80 millions in November to approximately \$34 millions in December."

The statement went on to say that, although the December figures showed that restrictions imposed by the government on November 17th were taking effect, it would be unwise to assume that imports could be maintained at the December level throughout 1948. "A certain amount of abnormal stockpiling of imports undoubtedly took place in October and November, which would account in part for a natural slowing down in the general movement of imports subsequent to the imposition of restrictions. It should also be noted that December imports normally tend to be lower than those in the two preceding months, and this seasonal factor may have contributed to the decline."

The statement continues: "Total Canadian imports for 1947 were at an all time high of \$2,574 millions, 33 per cent above the previous record year of 1946. Imports from the United States were valued at \$1,975 millions, a 40 per cent increase over 1946, and represented an even larger proportion of total imports than in the preceding year. The distribution between countries was approximately as follows: United States, 77 per cent; United Kingdom, 7 per cent; other British Commonwealth countries, 7 per cent, and all other countries, 9 per cent.

February 6, 1948.

Parliament Applauds Barbara Ann: The following is the text of a cable sent Friday morning by the Prime Minister, Mr. Mackenzie King to Miss Barbara Ann Scott, in St. Moritz, Switzerland:

"Dear Barbara Ann:

The word of your having won the Olympic Championship has just been received. From one end of Canada to the other, there is great rejoicing at your victory and at the high honour you have brought to yourself and to our country. The government joins with the people in extending warmest congratulations to you. All are delighted beyond words.

W.L. Mackenzie King,  
Prime Minister."

The House of Commons applauded as the Prime Minister read his telegram at the opening of Friday's sitting.

GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 6, No. 48

Monday, February 9, 1948.

**1947 Trade Record:** Canada's foreign trade zoomed to record-breaking lengths in 1947, totalling \$5,385,700,000, the Dominion Bureau of Statistics reported Sunday.

The previous high was reached in 1944 when war materials formed the bulk of the total of \$5,241,000,000. In 1946 trade was valued at \$4,266,400,000.

Canada ended the year with an over-all favorable commodity trade balance with all countries of \$237,800,000, compared with \$411,900,000 in the preceding year. Debit balance with the United States was \$918,100,000, compared with \$496,700,000 in 1946, while the favorable balance with the United Kingdom was \$564,300,000, compared with \$397,400,000.

In December the balance of trade in favor of Canada was \$76,700,000, the highest monthly figure since August 1946, compared with \$26,900,000 in November and \$32,400,000 in December 1946.

The month's debit balance with the United States reached the lowest point since March 1946, amounting to \$33,900,000, compared with \$79,800,000 in November and \$60,100,000 in December 1946. Favorable balance with the United Kingdom was \$52,500,000 compared with \$51,600,000 in November and \$47,800,000 a year earlier.

Merchandise imports reached record values in 1947, totalling \$2,573,900,000, compared with \$1,927,300,000 in 1946, the previous peak year. In December the first full month in which the import restrictions were in effect, imports declined to \$194,200,000, compared with \$229,100,000 in November and \$254,500,000 in October. Total for the month was \$12,300,000 above that of December 1946.

With domestic exports in December valued at \$266,200,000, third highest monthly figure for the year, Canada's total export trade in 1947 rose to \$2,774,900,000, an increase of \$462,700,000 over 1946 and the highest for any peacetime years. The 1947 total has been exceeded only in the three war years, 1943, 1944 and 1945, which averaged \$3,209,900,000, and was three and a third times the total for prewar 1938. (CP)

**Canada Wins Olympic Hockey Title:** Canada's RCAF Flyers on Saturday regained the Olympic hockey championship.

The Canadians defeated Switzerland 3-0 to gain a first-place tie with Czechoslovakia and win the title on the basis of a better goal average. The Dominion thus regained a championship lost at Garmisch-Partenkirchen, Germany, 12 years ago.

The triumph boosted Canada's total in the final team standing to 24½ points--10 for the hockey championship, 10 for Barbara Ann's figure-skating conquest, four for a third place in mixed pairs figure-skating and one-quarter of a point gained in speed skating.

Canada finished ninth among the 28 countries competing at St. Moritz, 13 of which did not score a point. (CP)

(over)

Canada's Congratulations: The Prime Minister, Mr. Mackenzie King, on Sunday sent the following message to Squadron Leader A.G. Watson, Manager, Canadian Olympic Hockey Team, St. Moritz, Switzerland:

"Word has just been received that Canadian Olympic Hockey Team has won the Olympic Hockey title. The victory of our team will be received with rejoicing throughout all parts of Canada. On behalf of the Government and the people of Canada I send to yourself and members of the team heartiest congratulations on the team's splendid achievement in winning the Olympic Championship.

W.L. Mackenzie King."



# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

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Not for Publication--Not for Distribution in Canada

Vol. 6, No. 49 Tuesday, February 10, 1948.

**Finance Minister's Speech:** Canada's reserve of United States dollars has not yet stopped rising, Finance Minister Douglas C. Abbott told the opening luncheon of the three-day conference of the Canadian Lumbermen's Association in Montreal Monday.

"While we expect to see fluctuations in these reserves, nevertheless the early financial results of the (government's dollar-saving) program have been distinctly encouraging. Even more encouraging I believe has been the co-operation of the business community," said Mr. Abbott. He was speaking to more than 1,000 members of the Association and some 100 leading lumbermen from the United States.

The subject of the Minister's address was Canada's contribution to world recovery, and the effect this contribution has had on this country's financial position. "In relation to population and national income our contribution probably exceeds that of any other country," he said.

Canadians, like free men everywhere, are watching closely while the Congress of the United States debates the European Recovery Plan. Fortunately Canada is not one of the countries whose existence depends on the plan. Canada has never had to depend on foreign aid.

"Our interest is that of a country which on its own initiative and at some considerable cost to itself, has already made a substantial contribution to the economic restoration of Europe and the world in general, and which realizes that the main burden of the task must be assumed by those who are able to bear it and carry it through to a successful conclusion."

Mr. Abbott cited at length previously-announced figures on the amount of help Canada gave Britain--and the world--during the war. Too, there had been much private generosity, said Mr. Abbott. For example, overseas parcels, mainly food, sent to Britain and other European countries in 1945 from Canada totalled 11,351,000 pounds. In 1946 this total was nearly 25,000,000 pounds, and in 1945 nearly 40,000,000 pounds.

In postwar credits, too, "Canada has contributed to reconstruction and recovery on a scale that will bear comparison with any country in the world," said the Minister, speaking of credits to Britain, Belgium, China, Czechoslovakia, France, the Netherlands, the Netherland Indies, Norway and Russia, in particular.

"In total since the conclusion of the war, Canada has extended credits to Europe and China amounting in all to \$1,857,000,000, and has already put at the disposal of the borrowing countries under the credits, goods and services valued at \$1,434,000,000."

All this struck a serious blow at Canada's dollar reserves, Mr. Abbott pointed out. Canada had hoped that before now there would have been a sufficient measure of recovery to enable European countries to export enough goods to ease the dollar shortage. Unfortunately, due to a number of factors, including "to put it mildly, the non-co-operative attitude of Russia," these hopes have been disappointed. Canada, therefore, looks with interest to the time when the European Recovery Plan will start to work.

(over)

Canada's part in this program could not be detailed at once, but this country will certainly play an important part "as a major source of supply of essential foodstuffs, materials and equipment. Beyond that, our assistance in one way or another must inevitably be limited by our capacity," said Mr. Abbott.

The Finance Minister said he noted a spirit of co-operation and adaptability on the part of Canadian business in accepting the restrictions made necessary by the dollar shortage. With that spirit we can shorten the period during which these restrictions must remain in effect. (Gazette)

In Parliament Monday: Resources Minister Glen gave notice of resolution establishing a joint Senate-Commons committee on Indian Affairs.

Transport Minister Chevrier said the cost of establishment of a coast guard would be prohibitive.

Veterans Minister Gregg said a statement would be made as soon as possible about increased allowances for veterans attending universities.

Opposition Members criticized the Government's price-investigation committee; Liberal members extended support. (CP)

Imports of Complete Automobiles: The basis on which imports of complete automobiles will be permitted in 1948 was announced Tuesday by the Right Honourable C.D. Howe. Each importer will be given a dollar allotment based on the number of passenger cars and trucks he imported from the so-called "scheduled" countries during the twelve months ended October 31, 1947. The dollar allotment will be arrived at by multiplying the number of units imported during the basic period by \$230, a figure which is calculated to be 75% of the average foreign currency content of automobiles manufactured in Canada.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 50

Wednesday, February 11, 1948.

**Price Committee Launches Probe:** The Commons sent its special price-investigating committee into action Tuesday with a 120 to 80 vote of approval as Prime Minister King capped a week-long debate on the enabling resolution with a denunciation of the "delaying" tactics of Opposition parties.

The 16-man committee clothed with the authority of a Royal Commission to probe the causes of the rising cost of living promptly held an organization meeting preliminary to embarking on a lengthy inquiry aimed at searching out hoarding and profiteering in the price field.

Closing a debate which he himself opened a week ago, Mr. King charged that the Opposition, with flights of "declamation" and "ridicule", "angry displays" and "threats of boycott", had attempted to belittle and "obscure" the importance of the committee and make it "as difficult as possible" to have it appointed.

At the same time, he turned down Opposition demands that the committee be given policy-making authority. (CP)

**Mr. Martin Chosen Chairman:** Health Minister Martin indicated Tuesday night at the first meeting of the Parliamentary Prices Committee that the initial investigations would be into high prices of bread, butter, meat, vegetables, shoes and clothing.

Elected unanimously to the chairmanship of the 16-member committee, Mr. Martin said he was confident that the members will not permit it "to be used as a smokescreen." (CP)

**In Parliament Tuesday:** Opposition members questioned Finance Minister Abbott about dollar-conservation measures and were told there was no indication how long they might last.

Trade Minister Howe announced that legislation dealing with an increase in the initial wheat payment would be introduced within a few days.

Mr. Abbott reiterated the Government does not propose to subsidize sugar beet production.

The Senate gave third reading to a bill aimed at clearing legal doubt about the Government's right to proceed with hydro-electric power development near Yellowknife. (CP)

**Minister in Cuba:** The Secretary of State for External Affairs has announced the appointment of Mr. Charles P. Hébert as Canadian Minister in Cuba. He succeeds Mr. Emile Vaillancourt who has been appointed Canadian Minister in Yugoslavia. Mr. Hébert has recently returned from Havana where he was Canadian Delegate to the International Trade and Employment Organization Conference.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 51

Thursday, February 12, 1948.

In Parliament Wednesday: In reply to a question in the House of Commons as to whether the Government in signing the Geneva Trade Agreement had agreed to remove the embargo against the importation of oleomargarine, Right Hon. L.S. St. Laurent, Secretary of State for External Affairs, replied that the effect of the exceptions on such legislation as exists in Canada that would amount to prohibitions is being considered at the present time by the Department of Justice.

Wing Cmdr. Lawrence Skey (PC--Toronto Trinity) called on the Government to build the RCAF to the status of a first-line air force as the cheapest and most effective line of defence.

Transport Minister Chevrier rejected claims that Canadian ports should revert to local control.

Clarie Gillis (CCF--Cape Breton South) renewed demands for construction of a causeway over the strait of Canso in Nova Scotia.

The Senate gave final reading to a bill ratifying an agreement between Canada and the United States for controlling the slaughter of fur seals.

Prices Committee: The Commons Price Probe Committee was told Wednesday by Kenneth Taylor, Government economist, that continuation of full wartime price control would not likely have prevented an upsurge in Canadian prices.

Testifying before the 16-member committee investigating causes of skyrocketing prices, he said: "I do not think you will find all or even a major part of the explanation of this problem within the boundaries of our own country." (CP)

Bank of Canada Report: Canadians were advised to produce more and spend less for non-essential purposes in Wednesday's annual report of the Bank of Canada.

The report addressed to Finance Minister Abbott from Graham Towers, Governor, cautioned against heavy capital expenditures; stated that business is depending more on banks for financing; noted that provincial municipal and corporate debts are up for the first time in years and said Canada needs to increase its foreign exchange holdings. (CP)

1947 National Accounts: Preliminary estimates indicate a gross national product and expenditure of \$13.1 billion for 1947. This represents an increase of \$1.4 billion or 12 per cent over 1946. While some of this increase in gross national product was the result of increased real production, a substantial portion was the result of price increases. The cost-of-living index rose by 9.6 per cent from 123.6 in 1946 to 135.5 in 1947, while the index of wholesale prices rose 18.7 per cent from 108.7 in 1946 to 129.0 in 1947.

Retail Sales Up 11 Per Cent in 1947: Value of retail sales in Canada in 1947 was 11 per cent higher than in the preceding year, according to index numbers compiled by the Dominion Bureau of Statistics. Widening the gap between 1947 and 1946, which became marked from September on, sales in December increased 16 per cent over the same month of 1946 and rose 20 per cent over November.



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Saturday, February 14, 1948.

Friday in Parliament: Prime Minister Mackenzie King said the Department of Immigration and also to a limited extent the Government is considering the question of Communists entering Canada.

Gordon Isnor (L--Halifax) accused Clarence Gillis (CCF Cape Breton South) of persistently painting a cold, dreary and dismal picture of Maritime prospects.

Liguori Lacombe (Ind--Laval-Two Mountains) said the Government kept Canada tied too long to the United Kingdom and called for a distinctive Canadian flag.

Douglas Harkness (PC--Calgary East) charged political interference with Civil Service appointments.

J.W. Murphy (PC--Lambton West) said the time had come for a federal minister in charge of immigration. (CP)

Alaska Highway Opened: The Honourable J. Allison Glen, Minister of Mines and Resources announced today in Ottawa that restrictions on tourist and pleasure travel over the Alaska Highway have now been removed and that permits to travel over the highway will no longer be required.

The Alaska Highway, which extends for 1,523 miles from Dawson Creek, British Columbia to Fairbanks, Alaska is an all-weather, gravelled road constructed during World War II as a defence measure, and permission to travel over the Canadian Section has been limited in the main to persons having business reasons for using the highway.

Wholesale Sales Up 12 per cent: Dollar volume of wholesale sales in nine lines of trade for the year 1947 was 12 per cent higher than in 1946, according to the Dominion Bureau of Statistics. December sales were 13 per cent in excess of December 1946, but dropped 15 per cent from November. The general unadjusted index of sales, on the base 1935-39=100, stood at 251.8 for December, 295.0 for November, and 222.2 for December, 1946.

Probe Alleged Bread Combine: Rt. Hon. J.L. Ilsley, Minister of Justice, announced the appointment of H. Carl Goldenberg, barrister, of Montreal as a Special Commissioner under the Combines Investigation Act to investigate an alleged combine of bread-baking firms in the provinces of Saskatchewan, Alberta and British Columbia. This action follows preliminary inquiries started some time ago by the Combines Investigation Commission as a result of complaints that bakers in these provinces had entered into agreements fixing and enhancing prices of bread and otherwise suppressing competition in violation of the Combines Investigation Act.

Named Special Ambassador: The Prime Minister announced the appointment of Mr. James A. Strong, Canadian Ambassador in Peru, as Special Ambassador of Canada at the inauguration of President Elect Don Romulo Gallegos as President of the Republic of Venezuela.





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INFORMATION DIVISION  
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Vol. 6, No. 54

Monday, February 16, 1948.

Federal Surplus Report: Surplus in the Canadian Treasury at the end of the first 10 months of the current fiscal year jumped ahead to \$741,313,889 compared with \$646,230,821 a month previously and \$354,226,458 a year ago, it was shown in the monthly report of the Comptroller of the Treasury.

However, the Comptroller, B.G. McIntyre, drew attention this month to the fact that this surplus did not take into account loans to the United Kingdom and other governments, amounting to \$384,450,030.

He emphasized that while this amount could not be charged against government expenditures, it could not be included in the surplus as a cash asset, since the loans were provided for out of the total surplus. On this basis the actual surplus would amount to \$356,863,859. (CP)

Barbara is World Champion: Barbara Ann Scott on Sunday wound up her 1948 European figure-skating campaign with her third major success in a month, retaining the world title she won last year at Stockholm.

The twice-crowned European champion and Canada's first winner of the Olympic figure-skating gold medal was a thrilled and happy girl as she rested in her dressing room following the free-skating performance which clinched the world competition.

The two other Canadian skaters, Marilyn Ruth Take and Suzanne Morrow, both of Toronto, placed 12th and 13th respectively.

Prime Minister Sends Canada's Congratulations: The following is the text of the cable sent by the Prime Minister, Mr. Mackenzie King to Miss Barbara Ann Scott, in Davos, Switzerland:

"My dear Barbara Ann:

All Canada is prouder of you than ever. Once more, warmest congratulations upon winning for the second time, the world championship in figure skating contests. Your triumph is shared by all your fellow Canadians who now await your return to accord you a truly national welcome. I extend these congratulations on behalf of the Government as well as on behalf of the people of Canada. In the world arena of sports you have indeed brought high honour to our country and to yourself.

W.L. Mackenzie King"

Tribute to Mahatma Gandhi: Tribute to Mahatma Gandhi was paid by Sir Alexander Clutterbuck, High Commissioner for the United Kingdom; Chinese Ambassador Liu Chieh; Turkish Ambassador Muzaffer Goker, and Leonard W. Brockington, K.C., in the Convention Hall of the Chateau Laurier Sunday afternoon.

Prime Minister King, members of the Cabinet, members of the diplomatic corps and several hundred persons who, in the words of Mr. Brockington, learned to revere Mohandas Karamchand Gandhi, were guests of Sardar Singh Malik, High Commissioner for India, at the memorial meeting. (Citizen)



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Vol. 6, No. 55

Tuesday, February 17, 1948.

Increases in Veterans' Pensions: The Government announced increased rates in payments to disabled war pensioners and widows and to married student veterans, which brought their greatest relief to those who are supporting families.

Prime Minister Machenzie King announced in the Commons that the Government is proposing:

1. The pension for a totally disabled veteran be boosted from \$75 to \$87 a month; for his wife from \$25 to \$30; for a first child from \$15 to \$18, a second \$12 to \$14 and for others \$10 to \$12. Instead of \$137, such a man with wife and three children now would get \$161. Increases for lesser pensions would be on a proportionate percentage scale.

2. Widows' pensions would go up from \$60 to \$70 with the same increases for children as those for children of disabled pensioners.

3. Married student veterans attending universities of vocational schools would get \$90 a month instead of \$80, plus \$18 a month for the first child instead of \$12; \$14 for the second instead of \$12 and \$12 for the third instead of \$10. For a man with wife and three children the monthly cheque would be \$134 instead of \$114. (CP)

In Parliament Monday: Labour Minister Mitchell said unemployment in some Maritime centres was largely seasonal.

James Sinclair (L--Vancouver North) protested against rejection of members' travelling expenses on the ground they had travelled by air.

The Commons voted 49 to 42 against limiting currency-saving import restrictions to dollar countries, mainly the United States.

Mr. Abbott said he was convinced import restrictions were helping United Kingdom trade with Canada.

Opposition members criticized power held by Trade Minister Howe, responsible for capital expenditure imports.

Senator J.W. Farris (L--British Columbia) said Stalin now is a greater threat to world peace than Hitler.

Statement by Mr. St. Laurent: Replying in the House of Commons Monday to a question previously asked, based on certain newspaper articles, Right Hon. L. S. St. Laurent, Secretary of State for External Affairs, said in part:

"....There has been no communication whatsoever from His Majesty referring to the manner in which it would be agreeable to him to have letters of credence to Canadian ambassadors and ministers dealt with since May, 1947 and there has been no communication at any time which would amount to an intrusion by the Government of Great Britain in our foreign politics.

"Any suggestion that His Majesty may have been acting on advise of the United Kingdom ministers in the course of the correspondence with the Prime Minister of Canada about these letters patent is fantastic. I will merely recall, because it is too clear to require any comment, that the right to advise His Majesty in prerogative matters affecting Canada resides exclusively in the Government of Canada."

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INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 56

Wednesday, February 18, 1948.

Mr. St. Laurent's Palestine Statement: In the House of Commons Tuesday the following question and answer in respect of the Palestine situation was recorded by Hansard from M.J. Coldwell, C.C.F. leader and Right Hon. L.S. St. Laurent, Secretary of State for External Affairs, respectively:

Mr. M.J. Coldwell (Rosetown-Biggar): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. In view of the grave warning made by the Palestine commission to the Security Council yesterday that "a tragic and dangerous precedent" will be established if force or the threat of force is allowed to thwart the decision of the United Nations, is the Government prepared to accept its share of responsibility in such action as may be taken by the Security Council with a view to averting further bloodshed in Palestine and implementing the Assembly decision?

Right Hon. L.S. St. Laurent (Secretary of State for External Affairs): Mr. Speaker, I listened with care to the question the hon. member has just put, because it was not quite in the terms of the notice I was handed just before I came into the House. In answer I can only state that Canada accepted full responsibility under the Charter of the United Nations and has at all times been pressing to have all the organs of the United Nations set up in accordance with the Charter and in such a manner as to make the Charter fully effective. There is no intention of not complying with the requirements both of the letter and of the spirit of the Charter.

Exchange Conservation Bill: One of the most contentious clauses of the Government's Foreign Exchange Conservation Bill was passed by the Commons Tuesday as Opposition members called a halt to their efforts to have import restrictions aimed solely at the United States and other dollar countries.

The clause gives the Government authority to apply the restrictions against all countries without discrimination. It passed on division--without a recorded vote--after E. D. Fulton (PC--Kamloops) made another plea that restrictions be not applied against the United Kingdom and Commonwealth countries.

Also passed was a section providing Finance Minister Abbott with authority to deal with cases of hardship arising out of application of the restrictions. Another clause approved provided authority for the drafting of regulations to cover the importation of goods which may be brought here on a quota basis. (CP)

Automobile Import Quota: Britain can more than triple her current exports of automobiles to Canada under a new quota arrangement, it was shown Tuesday in a document tabled in the House of Commons by Finance Minister Abbott.

The quota provides that Britain--and each of the other non-dollar countries--may ship to the Dominion this year up to \$7,500,000 worth of cars. Last year, imports from the United Kingdom in this line were only \$2,000,000. (CP)



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Vol. 6, No. 57

Thursday, February 19, 1948.

In Parliament Wednesday: Prime Minister Mackenzie King said the Government has not decided whether legislation increasing war veterans' allowances should be submitted to the Veterans Committee.

Gordon Graydon (PC--Peel) urged the Government to take active steps for the release of evidence of the 1942 Royal Commission on Hong Kong defence.

Resources Minister Glen denied there had been political interference in the proposed appointment of W.J.F. Pratt, his private secretary, to an Indian Affairs position.

J.M. Macdonnell (PC--Muskoka-Ontario) charged the Government was ignoring inflation and urged steps be taken.

In the Upper Chamber Senator W.D. Euler (L--Ontario) launched a bill to legalize the sale, importation and manufacture of oleo-margarine. (CP)

Harbours Traffic Increase: An increase of 3,899,000 tons or 14 per cent in the aggregate volume of traffic at Canada's national harbours in 1947 as compared with the previous year, is announced by the Honourable Lionel Chevrier, Minister with jurisdiction over the National Harbours Board. In releasing the preliminary National Harbours Board traffic statistics for 1947 the Minister said that "each of the eight national harbours concerned participated in this traffic. The fact a substantial increase was achieved despite a reduction in grain shipments is indicative of the diversification and volume of Canada's export trade."

The aggregate cargo tonnage, inward and outward, at harbours administered by the National Harbours Board was 31,071,000 last year as compared with 27,172,000 in 1946. Vessel arrivals during 1947 numbered 42,876, having a net registered tonnage of 29,860,000. Totals for 1946 were 39,823 vessels of 26,879,000 net registered tons.

ICAO General Meeting: To facilitate international air transport by permitting the unimpeded passage of aircraft and the traffic they carry across national borders is the prime purpose of an International Civil Aviation Organization divisional meeting to be held in Geneva, Switzerland on May 17, 1948, according to an announcement made at ICAO Headquarters in Montreal. The meeting will climax several years of effort initiated by the Organization to reduce the great number of governmental customs, immigration, and public health requirements that hinder and delay both passengers and freight at border crossing points.

Citrus Fruit Controls: The Wartime Prices and Trade Board on Wednesday announced the reimposition of markup control on oranges, grapefruit, limes, lemons and tangerines, effective Thursday, February 19.

This action, officials said, is in line with the Government's policy of imposing markup control on those imported fruits and vegetables at present under import restrictions.



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INFORMATION DIVISION  
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OTTAWA - CANADA

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Vol. 6, No. 58

Friday, February 20, 1948.

Thursday in Parliament: J.M. Macdonnell (PC--Muskoka-Ontario) urged the Government to allow interest rates to rise and thus discourage expansion that would lead to a depression.

Revenue Minister McCann said he would investigate the question of allowing income tax deductions for expenses incurred by teachers taking summer courses.

Norman Jaques (SC--Wetaskiwin) said Canada should not participate in any military force sent to Palestine to enforce partition.

Ten members participated in the Throne Speech debate.

In the Upper Chamber, Senator Arthur Marcott (PC--Manitoba) said democracies could preserve peace if they remained strong enough to awe their enemies.

Address By Mr. Gardiner: Canada should set its immigration objective at 500,000 a year, Agriculture Minister Gardiner told the Empire Club in Toronto Thursday. Within 10 years this objective should be boosted to a million a year, the federal minister said. Most of the immigrants would come from Britain and Europe.

Canada will continue to lose population to the United States, Mr. Gardiner stated, but over a term of years many would come to Canada and the situation would balance. "If we all get busy and boost the country, we can more than double our population in 15 years" he said. History has shown, he added, that the population of any new country increases rapidly after 10 to 12 millions are settled. (Globe)

To Exploit Television: The Senate Tourist Committee was told Thursday that Canada is preparing to exploit the "vastly greater importance" that is anticipated for television in the States this year.

Ross McLean, Chairman of the National Film Board, testified that the short-length film would dominate in television and that the board was producing the sort of films that would fit in. He predicted that the present small television audience in the United States would boom to 5,000,000 this year.

Merchandise Exports in January: Canadian merchandise was exported in January to the value of \$235,400,000, down \$30,800,000 from the December total but up \$26,800,000 over the January 1947 figure, according to the Dominion Bureau of Statistics. The month's export trade exceeded the monthly average for 1947 by \$4,200,000. Exports to foreign countries rose from \$129,700,000 a year ago to \$146,900,000, and to British Empire countries from \$78,900,000 to \$88,500,000.

Purchases of Canadian commodities by the United States rose from \$79,453,000 in January last year to \$104,999,000 while the value of shipments to the United Kingdom increased from \$50,465,000 to \$64,948,000. France was third with a total of \$8,484,000 compared with \$7,441,000, followed by the Union of South Africa at \$4,128,000 compared with \$6,174,000.



## AIRMAIL BULLETIN

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Saturday, February 21, 1948.

In Parliament Friday: Prime Minister Mackenzie King announced the Government plans to ask for a summer recess if work is not completed by July.

Labor Minister Mitchell said he had been advised no workers had been dismissed by the Robert Simpson Company to make way for immigrants.

Mr. King said the United Kingdom Government has replied to a request to make public evidence of the 1942 Royal Commission on Hong Kong but added he wished to show the reply to John Bracken, Progressive Conservative leader, before making a statement.

Opposition parties called for more efficient Government censorship on publications entering Canada.

Stanley Knowles (CCF--Winnipeg North Center) called on members to stop deleting remarks from Hansard merely because they were "ashamed" of them.

Import Restrictions Statement: Finance Minister Abbott, giving the first hint as to how long Canada's exchange conservation program may remain in force, told the Commons that import restrictions on fresh fruits and vegetables likely will be continued throughout this year, and possibly into 1949.

Replying to requests that the Government give Canadian growers some indication of how long the restrictions would be retained, so that they could arrange to supply all the needs of the Canadian market, Mr. Abbott said:

"As I now see the situation, and as I now view the prospects of our exchange position, I think it is highly improbable that a complete removal of these restrictions with respect to fresh fruits and vegetables will occur much before the end of this calendar year, and it may be that some degree of restriction will continue into the early part of 1949."

He made the statement shortly before members voted 43 to 23 against a CCF move to have fresh fruits and vegetables removed from the list of banned imports in the Foreign Exchange Conservation bill.

Mr. Abbott said the import restrictions on fresh fruits and vegetables were intended to be temporary.

United Nations a Success, Declares General McNaughton: General A.G.L. McNaughton reiterated Friday his views that the United Nations has not failed, reports a Canadian Press despatch from Lake Success.

"On the contrary, it has been a decided success", he said.

The Canadian leader, President of the Security Council for this month, told a group of high school boys and girls from Ottawa and Toronto:

"Many people think that the United Nations has not been a success. On the contrary, it has been a decided success. Its work for good is gathering momentum with every day that passes." (CP)



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 60

Monday, February 23, 1948.

1947 Tourist Expenditures: Expenditures in Canada in 1947 by tourists and other travellers from the United States, Newfoundland and overseas countries totalled \$242 million, an increase of \$19 million over 1946, according to estimates by the Dominion Bureau of Statistics. This advance may be compared with increases of \$46 million in 1945 and \$57 million in 1946. These figures indicate that the rapid growth in the tourist trade which characterized the immediate post-war period and reached a peak in 1946 had lost momentum in 1947. The aggregate travel receipts consist of \$230 million from the United States and \$12 million from overseas countries and Newfoundland. The American expenditures are only six per cent higher than in the previous year, but the amount spent by overseas travellers shows a gain of 71 per cent.

The most encouraging feature of the tourist trade in 1947 is the strong showing made by the automobile traffic, the traffic which before the war formed the backlog of the tourist industry in Canada. American dollars brought into Canada by motorists in 1947 almost equalled the aggregate amount brought in by train, boat, bus, airplane and all other methods used to cross the international border.

Expenditures of Canadian travellers in other countries during 1947 are estimated at \$167 million, just over twice the amount spent two years ago, and \$33 million more than the previous record established in 1946. For purposes of comparison with pre-war data, the average expenditures for the period 10 years immediately preceding the war were \$73 million, and the pre-war high in 1929 was \$108 million.

Canadian expenditures on tourists trade account in 1947 comprise \$152 million spent in the United States and \$15 million spent in other countries. The amount which went to the United States is 17 per cent more than the sum spent in that country in 1946, and the overseas expenditures are almost four times their size in 1946.

Rent Control: The Wartime Prices and Trade Board Sunday announced that all tourist cabins which are now vacant or which may become vacant in the future will be free of rent and eviction control. Tenants now in occupancy are still protected by the rentals regulations and cannot be required to vacate so long as they are well behaved. If a tenant does vacate, the accommodation will then be free of control. This rule will also apply to ski lodges, winter chalets, hunting lodges, and summer cottages.

Officials explained that as this type of accommodation is considered to be in the same category as hotel accommodation this action is similar to that taken in the Spring of 1947 when hotel rooms were freed from rent control.



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Vol. 6, No. 61.

Tuesday, February 24, 1948.

In Parliament Monday: Trade Minister Howe said the Government hopes motion picture production will develop in Canada as result of the dollar-conservation program.

M.I. Coldwell, CCF leader, urged encouragement for filming of full-length stories of Canadian life.

First reading was given a bill extending for three years the Farm Loans Improvement Act of 1944.

Exchange Conservation Bill: The Commons Monday night completed study of the itemized schedules appended to the Government's controversial Exchange Conservation Bill after Opposition members tried unsuccessfully to learn how long import restrictions will remain in effect and how many United States dollars they are likely to save.

Finance Minister Abbott would say only that restrictions will be removed when Canada's reserves of U.S. dollars reach a "more normal and reasonable level" and are likely to continue at such a level.

Trade Minister Howe said it originally had been estimated that the import restrictions would save an estimated \$100,000,000 U.S. annually. Now it was expected that the figure might be \$150,000,000, but it was difficult to estimate the final saving.

Mr. Howe said the bill, which will come up for third reading Tuesday, would not be used to encourage industries which could not prosper when the restrictions were lifted, whether that be in six months, six years or 60 years.

He also warned that if industry used the legislation as protective tariff, import permits might be granted to discourage the idea.

Mr. Howe reiterated that the Government planned to approach the U.S. Government on a bilateral trade agreement under which products made by American branch plants in Canada could be sold in the U.S.A. (CP)

Ontario Power Blackouts: As Southern Ontario began a second week of hydro-electric power blackouts, now a familiar routine, an Ontario Hydro-Electric Power Commission statement gave hope that interruptions would be less frequent and rationing measures less stringent.

The Ontario Commission is embarking on an "extensive reallocation of available generation," taking power from municipalities which seem to have more than their share and re-routing it to others which appear to be under-supplied. Special regard would be made for centres of concentrated industries. (CP)

Cheque for Child Relief: Prime Minister Mackenzie King Monday presented the Canadian Appeal for Children with a cheque for \$200,000 "on the understanding that the sum will be put at the disposal of the International Children's Emergency Fund for the purchase in Canada of relief supplies". (CP)





# AIRMAIL BULLETIN

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Vol. 6, No. 62

Wednesday, February 25, 1948.

In Parliament Tuesday: Prime Minister Mackenzie King said evidence of the Royal Commission on Hong Kong will be made public, with some parts paraphrased; the United Kingdom again will be asked to permit publication of all documents.

The Commons voted 104 to 96 against an amendment aimed at confining currency-conservation legislation only to dollar countries; the bill was approved by a vote of 102 to 92.

Transport Minister Chevrier said he hopes better weather and faster unloading of cars will make a larger number of cars available for the movement of coal to the Maritimes.

Revenue Minister McCann contended that new income tax guides and forms had been well received by farmers.

Agriculture Minister Gardiner said he will place before Cabinet, Maritime proposals for Federal aid in dyking marshlands.

Third reading was given a bill extending the Farm Improvement Loans Act for another three years.

Dominion Labor Code: Labor Minister Daley of Ontario said Tuesday night that the Ontario Government planned legislation to make the proposed new Dominion Labor Code applicable to all industry in the province.

In a radio address, the Minister said that the Dominion Code--which has not yet been adopted--might not be entirely satisfactory to the Province but he added:

"It is therefore the decision of the Ontario Government, which I am authorized to announce as the stated policy of the Ontario Legislature, a bill will be introduced which...will enable the necessary administrative arrangements to be made and the Dominion Code to be applied to all provincial works, undertakings or businesses strictly within the provincial field. The result will be that one Code will apply to all Labor relations within Ontario, without distinction between Dominion or Provincial works, undertakings or businesses."

Ontario Power Shortage: Measures adopted by the Ontario Hydro-Electric Power Commission to distribute power more equitably through the Province, combined with voluntary rationing efforts of industrial and domestic consumers, on Tuesday gave Toronto power users assurances that cutoffs would be limited to one a day in future. (CP)

Farm Labor Agreements: Although immigration during the past year and a half relieved considerably the actual shortage of farm help, the seasonal movements of farm labor from one region to another to assist in harvesting the crops were necessary again in 1948, Honourable Humphrey Mitchell announced following his tabling in the House of Commons of an Order-in-Council (P.C. 559) providing for the Dominion to enter into agreements with the provinces covering these movements.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 6, No. 63

Thursday, February 26, 1948.

Mr. St. Laurent on United Nations: "If freedom loving states waver in their support of the United Nations and its ideal they will help to precipitate collective insecurity and irresponsibility among the nations", said Right Honourable Louis S. St. Laurent, Secretary of State for External Affairs, in an address to the Ontario Good Roads Association, in Toronto, on February 25.

Speaking of Canada's responsibilities as a member of United Nations, he said: "...We cannot hope to avoid these primary responsibilities for the world by saying that Canada is a small nation. We are comparatively small, but geography, history and the current fortunes of peace and war have faced us with the challenge to play an important role in international affairs. We must remember how many nations have been ravaged by war, how many are subject to recurrent famines and diseases, how many have been unnerved and how many lack even our experience in international relations. Whether we like it or not, we occupy a significant position among the free democracies of the world. If the free democracies lose the initiative in world affairs and in the United Nations in particular, we cannot expect the ideals embodied in the United Nations to receive any lasting support from the totalitarian nations or from those lands still immersed in the primary problems of creating a national structure...."

In Parliament Wednesday: The Government edged the opposition 103 to 98--narrowest majority of this Parliament--on a division over a motion for production of papers.

Finance Minister Abbott said maturing War Savings Certificates still must be sent to the Registrar of War Savings Certificates at Ottawa.

The Commons adopted a motion for production of a paraphrased copy of evidence of the Royal Commission on Hong Kong.

G.K. Fraser (PC--Peterboro West) criticized National Film Board expenditures.

J.M. Dechene (L--Athabaska) protested against what he said were attempts by some sections of the press to belittle Parliament.

Prize Court Decisions: The Department of External Affairs announced Wednesday that under provisions of treaties of peace signed with three countries--Italy, Roumania and Finland--Canada has the right to re-examine the decisions of all of their prize courts held during the Second World War.

In the event Canada finds that the decisions of these courts were not in conformity with international law, the Governments concerned are required to set the decisions aside and revise them according to the wishes of the Canadian Government. All three treaties of peace in this matter are substantially the same.

At the same time, the Department announced that provisions are contained in the treaties of peace with Italy, Roumania, Hungary and Finland for the revision of judgments by public courts. The Governments of these four countries are obliged to enable the nationals of the United Nations to submit for review any judgment where the national has been unable adequately to present his case, either as plaintiff or defendant.



THE CHARGE D'AFFAIRES, A.I.,  
CANADIAN EMBASSY,  
25 STARO KOLIMSKENNY PEREULOK,  
MOSCOW, U.S.S.R.

## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 64

Friday, February 27, 1948.

In Parliament Thursday: Gordon Graydon (PC--Peel) asked if Prime Minister King had any knowledge, three days before the Hong Kong expedition sailed in 1941, of a communication which said that "altered circumstances" obtained in the Pacific.

Defence Minister Claxton said the Government could not go back on an undertaking to the United Kingdom Government that documents in the Hong Kong inquiry would not be made public without Britain's consent.

Lionel Bertrand (L--Terrebonne) urged appointment of a full-time tourist and publicity minister.

Angus MacInnis (CCF--Vancouver East) said the Government was giving priority to measures that would restrict rather than expand world trade.

David Croll (L--Toronto Spadina) reviewed the Palestine problem and said it is of vital concern to Canada.

Canadian Federation of Agriculture Requests: The Canadian Federation of Agriculture on Thursday presented a brief recommending:

1. International commodity agreements.
2. Stabilization of feed prices and placement of coarse grains marketing under the Canadian Wheat Board.
3. Continuation of freight assistance on feeds "until such time as it may be embodied in a national grain policy."
4. Floor prices for agricultural products.
5. Federal marketing legislation without further delay.

Dr. Newman Retires: Creator of wheat varieties which have brought the title of Wheat King to a score or more of growers, conqueror of wheat diseases threatening hunger, Canada's Leonard Harold Newman retires on superannuation from the post of Dominion Cerealists tomorrow, February 28.

Dr. Newman has devoted his life to the breeding of better wheats for the baking of better breads. For the past 25 years, he has headed the Cereal Division of the Experimental Farms Service, Dominion Department of Agriculture.

New Bank of Canada Director: Hon. Douglas Abbott, Minister of Finance, announced today the appointment of Mr. Norman A. Hesler of Sackville, N.B., as a Director of the Bank of Canada to fill the vacancy occasioned by the resignation of Mr. Fred Magee of Port Elgin, N.B.

Stocks and Marketings of Wheat: Stocks of Canadian wheat in store or in transit in North America at midnight on February 19 amounted to 114,018,000 bushels compared with 117,427,000 on February 12, and 122,140,000 on the corresponding date last year, according to the Dominion Bureau of Statistics. Visible on the latest date comprised 107,347,000 bushels in Canadian positions and 6,671,000 bushels in United States positions.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 65

Saturday, February 28, 1948.

Relations With Czechoslovakia: The matter of Canada's future relations with Czechoslovakia is now under consideration, Right Honourable L. S. St. Laurent, Secretary of State for External Affairs, told the House of Commons yesterday in the following exchange:

Gordon Graydon (PC--Peel) Does the Government endorse and approve the Three-Power Statement issued yesterday by Great Britain, France and the United States respecting Czechoslovakia? What immediate effects, if any, will the recent change in the Czechoslovakian Government have on our relations with that power in the diplomatic financial and trade fields?

Mr. St. Laurent: To the first question all I can say is that the statement published in the newspapers has not been before the Government for consideration. To the second question, the matter of our future relations, financial and otherwise, with Czechoslovakia is now under consideration, and that consideration probably will not be completed until we get more accurate and fuller official information. When it is completed and a decision has been arrived at, it will be announced to the House.

In Parliament Thursday: Justice Minister Ilesley said he expects to announce establishment of a Committee to study revision of the Criminal Code.

Trade Minister Howe announced the Government is taking the power to make periodic advances in the initial wheat payment; an increase being planned will not be announced until legislation becomes law.

Mr. Howe said the Government will not use authority to place domestic marketing of barley and oats under the Wheat Board until Prairie Provinces have passed complementary legislation.

The Progressive Conservative party, supported by the CCF and Social Credit spokesmen, moved an amendment to split the wheat bill into three parts.

Province of Quebec Budget: Quebec Provincial Treasurer, Onesime Gagnon, reported in his budget speech that provincial revenues during the current fiscal year ending March 31 would reach the record figure of \$166,930,000 exceeding estimates by nearly \$20,000,000. Mr. Gagnon forecast revenues during the coming 1948-49 fiscal year of \$142,411,000, with an overall surplus of \$420,543.

He estimated Quebec will have a surplus in the current year on ordinary account of \$43,012,000 with an over-all surplus of \$1,640,000 after capital expenditures of \$41,372,000. (CP)

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 66

Monday, March 1, 1948.

Air Vice-Marshal Sir Leslie Brown: Air Vice-Marshal Sir Leslie Brown, commandant of Britain's Land-Air Warfare School, said here he did not believe the Arctic provided any natural defensive barrier for North America.

The former Commander of 84 Tactical Group of the Royal Air Force, which supported the First Canadian Army throughout the campaign in Northwest Europe, indicated that he believed war could be waged across the Arctic wastes.

"We in Britain, however, are looking to Canada and the United States for the solution of the problems that the Arctic creates for military operations," he added, suggesting that the work already done by the armed forces of the two countries has been progressing satisfactorily.

The Air Vice-Marshal will be in Canada for the next two weeks before going to Washington for conferences with United States Army Air Force officers. (CP)

Immigrants From Malta: The Department of External Affairs announced today that arrangements have been made by the Honourable J. Allison Glen, Canadian Minister of Mines and Resources, with the Honourable J.J. Cole, Minister of Emigration in Malta, for the admission to Canada of 500 immigrants as construction workers from that island. The movement will take place this spring and the Maltese authorities will make all transportation arrangements.

March Immigration: In a statement giving a breakdown of the passenger list of the S.S. "Sturgis", en route to Canada with 860 immigrants, the Honourable J. Allison Glen, Minister of Mines and Resources, announced that March is expected to be a record month for arrivals of Displaced Persons from Europe.

The "Sturgis", whose arrival will bring the total of Displaced Persons welcomed to Canada to nearly 12,000, is carrying 417 domestics, 60 garment workers, who are bringing 50 dependents with them, 105 hydro-electric workers, 75 railway workers, 73 miners, 45 steel workers, and 35 woodworkers.

Canadian Statistical Review: The first issue of the CANADIAN STATISTICAL REVIEW has been released for distribution by the Dominion Bureau of Statistics. Successor to the MONTHLY REVIEW OF BUSINESS STATISTICS, which has been published without interruption since 1926, the new Review provides a comprehensive presentation of current Canadian statistics in attractive and readable form. Economic factors are reviewed in great detail and cover such fields as labour, income and earnings, prices, fuel and power, mining, manufacturing, construction, food and agriculture, domestic and external trade, transportation and finance.

1947 Tobacco Crop: Canada's 1947 tobacco crop was valued at \$41,709,000, according to the first estimate released by the Dominion Bureau of Statistics. Producers expect to receive \$7,763,000 less this season than last when the crop was valued at \$49,472,000.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 67

Tuesday, March 2, 1948.

In Parliament Monday: Trade Minister Howe announced the Government is extending to July 31, 1949, support prices for oats and barley.

Prime Minister Mackenzie King said the United Kingdom has declined to alter its decision with respect to tabling certain documents produced at the Hong Kong Royal Commission.

Defence Minister Claxton said he hopes to make an announcement soon on establishment of the Industrial Defence Board

Two members urged lifting of the embargo on cattle shipments to the United States.

W. Chester S. McLure (PC--Queens) urged that Prince Edward Island be given cabinet representation in the Government.

R.W. Gladstone (L--Wellington South) urged Canadians to beware of Communism.

More than a half-dozen members participated in the Throne Speech debate, discussing topics ranging from taxation to the high cost of living. (CP)

Parcel Post to Palestine Suspended: The Post Office Department announced Monday that effective immediately parcel post service to Palestine is suspended.

The suspension also included money order service with Palestine, Saudi Arabia and Trans-Jordan territories.

Deputy Postmaster General W.J. Turnbull explained that the suspension resulted from a similar move by British authorities a few days ago. (CP)

Parliament's Easter Recess: Prime Minister King announced Monday in the House of Commons that Parliament's Easter recess will extend from the evening of Wednesday, March 24, to Tuesday, March 30.

Current Manpower Picture: In issuing the monthly current manpower picture, Hon. Humphrey Mitchell, Minister of Labour, stated that the peak in seasonal unemployment had been reached and that marked improvement in employment might be expected during the course of the next few weeks.

The Minister pointed out that the usual seasonal slump in employment activity had continued during the past month and had been accompanied by a gradual increase in unplaced applicants. However, several other temporary factors contributed to the increase in the unplaced applicants registered with the Employment Service.

War Brides: The curtain falls on "Operation War Brides" when the Aquitania docks in Halifax Tuesday.

Seven wives of Canadian servicemen and their five young children will step down the gangplank, closing the final chapter in the Canadian Government scheme through which more than 64,000 Second World War brides and children have come to the Dominion. (CP)



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Vol. 6, No. 68

Wednesday, March 3, 1948.

In Parliament Tuesday: Prime Minister Mackenzie King denied he or the Government knew, before the sailing of the Hong Kong expedition in 1941, that war was imminent in the Pacific.

Health Minister Martin said improved old age pensions and a national health insurance program are matters of Government policy.

Trade Minister Howe said some cities, including Vancouver, are increasing the taxes of tenants on wartime housing erected on municipal property.

Two British Columbia Liberal members left the chamber after protesting that the Speaker was not enforcing the rule against reading of speeches.

Dr. W.G. Blair (PC--Lanark) said 15,000 infants died in 1945 although many could have been saved by proper treatment.

J.L. Gibson (Ind--Comox-Alberni) charged the Government was not treating disabled war veterans as favorably as citizens who stayed at home during the war.

N.J.M. Lockhart (PC--Lincoln) urged the Government to get behind civilian flying clubs.

Stanley Knowles (CCF--Winnipeg North Center) asked for better treatment of Canada's old-age pensioners.

Donald Brown (L--Essex West) said industry would have to turn to some other fuel if it could not depend on gas supplies.

Displaced Persons: Domestic workers form almost half of the total number of Displaced Persons due to arrive in Canada next week, according to a statement by Honourable Humphrey Mitchell, Minister of Labour.

Of a total of 860 DP's, 385 are single domestics for jobs in the Maritimes, Quebec, Ontario, and the Prairie Provinces. In addition to these, there are 16 married couples, for domestic employment in Ontario and Quebec.

Also on board the S.S. General Sturgis, which sailed from Bremerhaven on February 26th and is due to arrive in Halifax on March 7th, are 110 garment workers, who will go to Montreal, Toronto, Winnipeg and Vancouver, and 75 railroad workers, who will be employed on track maintenance in various parts of Canada.

The balance of the passenger list is made up of 105 hydro construction workers; 73 metal miners; 45 steelworkers; and 35 woodworkers.

All are from Displaced Persons camps in Germany and Austria.

Minister to Witness Arrivals: The Honourable J. Allison Glen, Minister of Mines and Resources is proceeding to Halifax on Thursday, March 4th, to witness the first arrival in Canada of the BEAVERBRAE, bringing from Europe a full complement of 773 D.P. close relatives of Canadian residents. Mr. Glen will arrive in Halifax on the evening of March 5th.

Mr. Glen will also take the opportunity of inspecting the R.M.S. AGUITANIA, on which the Government has recently made arrangements for special immigrant priorities to be available. During the Minister's visit, it is expected, too, that the I.R.O. ship, GENERAL STURGIS, carrying some 860 group worker Displaced Persons, will reach Halifax.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 69.

Thursday, March 4, 1948.

In Parliament Wednesday: Trade Minister Howe said Saskatchewan has asked for advice on complementary legislation to facilitate the placing of coarse grains under the Canadian Wheat Board.

E.D. Fulton (PC--Kamloops) urged the Government to make a frank statement on foreign policy.

E.G. McCullough (CCF--Assiniboia) criticized the Government's treatment of old age pensioners, veterans, laborers and farmers.

C.E. Stephenson (PC--Durham) stressed the need for development of natural resources. (CP)

Czech Minister Resigns: Resignations riddled the Czechoslovakian Legation in Ottawa Wednesday as Dr. Frantisek Nemeč, the Minister, and five of his staff resigned.

The 50-year-old Dr. Nemeč told a press conference that he, the First Secretary, the Commercial Attaché and two secretaries had informed Prague, by wire, of their intention to resign. Later he said a messenger had also decided to follow them in their decision to remain in Canada as private citizens. (CP)

Ontario Legislature Opens: Legislation aimed at encouraging construction of low-cost housing, and review of the present system of financial grants to municipalities was forecast Wednesday for the Ontario Legislature.

Plans for these and other Government measures were outlined in the 35-minute Speech from the Throne read by Lieutenant-Governor Ray Lawson.

Development of such natural resources as mines and forests, assistance to gold mining communities; continued expansion of power-producing facilities and rural electrification, and enlargement of the highway building program provided the nucleus of other legislation forecast in the 4,800-word Speech.

In addition, Ontario plans to continue its air immigration scheme; establish a permanent research council; adopt the pending Dominion labor code; increase school grants; expand geological surveys, and co-ordinate public assistance administered by the province and municipalities. (CP)

Farmers' Cash Returns: Cash returns received by Canadian farmers from the sale of farm products in 1947 reached an all-time high record of \$1,990,600,000, an increase of \$237,900,000 over the revised figure of \$1,752,700,000 for 1946, according to the Dominion Bureau of Statistics. When compared with the previously recorded high of \$1,829,000,000 in 1944, the 1947 cash income showed an increase of \$161,600,000, or 8.8 per cent. Including supplementary payments--payments made under the Wheat Acreage Reduction Act, the Prairie Farm Assistance Act and the Prairie Farm Income Act--cash receipts in 1947 amounted to \$2,002,200,000 as compared with \$1,769,609,000 in 1946.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, March 5, 1948.

In Parliament Thursday: The Commons voted 173 to 38 against a CCF motion of non-confidence in the Government, The motion read as follows:

"This House regrets that Your Excellency's advisers have failed to use the powers provided by Parliament to control prices, and by their actions have caused alarming increases in the cost of living and a dangerous lowering of the living standards of the Canadian people."

Donald Fleming (PC-Toronto Eglinton) challenged the Government to call a general election.

Finance Minister Abbott declined to give any hint of Government policy after decontrol of commercial rents next Monday.

Maxime Raymond (BP--Beauharnois-Laprairie) charged the Government is placing the needs of Britain ahead of those of Canada.

F.D. Shaw (SC-Red Deer) moved a motion asking for increased income tax exemptions, increased family allowances and adequate provision for disabled persons.

Cost-of-Living Index: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, rose from 148.3 on January 2 to 150.1 on February 2, 1948. The increase in this series between February 1947 and February this year amounted to 22.3 points. From August, 1939 to February 2, 1948, the increase in the Dominion cost-of-living index was 48.9 per cent.

The increase over January 2 was equal to the average monthly advance recorded during the preceding 12 months, but slightly less than gains recorded in each of the past two months. More than half of the rise during January was attributable to the food index which mounted from 182.2 to 186.1. Seasonal declines in eggs and citrus fruits were heavily overbalanced by increases for meats, cereal foods, vegetables and other food groups.

U.S. Highway Traffic: An increased volume of United States highway traffic crossing to Canada more than made up for a drop in Canadian traffic returning home, and brought total crossings from south to north seven per cent higher than in January last year, the Bureau of Statistics reported Thursday.

Total number of vehicles crossing was 366,000, including 267,000 foreign entries and 99,600 Canadian vehicles returning.

U.S. Honor for Air Vice Marshal Anderson: The United States Legion of Merit, Degree of Commander, was on Thursday, conferred upon Air Vice Marshal N.R. Anderson, CB, RCAF retired, of Westboro, Ontario, by Colonel J.C. Hodgson, Air Attaché of the United States Embassy.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 72

Monday, March 8, 1948.

Governor General to Visit England: Government House announced Saturday that, on the invitation of The King, the Governor General and Lady Alexander would visit England in April of this year.

The 600th Anniversary of the Institution of the Garter is to be celebrated at Windsor on April 23rd (St. George's Day).

There will be a service in St. George's Chapel in connection with which an Installation of new Knights will be held. The Governor General was appointed a Knight of the Garter, December 3, 1946, and his Installation will probably take place on this occasion.

Their Excellencies will travel by air, leaving Canada on April 10 and returning to Ottawa on April 26.

Minister Raps Communist Methods: The obstinate obstruction by the Soviet Union in the field of international co-operation was criticized by the Honourable Brooke Claxton, Minister of National Defence, at a meeting of the graduates of McGill University and others at South Porcupine, Ontario, on Saturday.

The Minister said: "The Soviet Union's use of the veto twenty-three times when the other great powers have used it twice cannot be interpreted as evidence of her determination to make the United Nations an effective body for world co-operation. Every move which might strengthen the United Nations to meet our hopes and become a great agency for peace and order has been blocked, every conference has been hindered and delayed. This doesn't mean that other nations have not made mistakes - of course they have. This doesn't mean that the utmost was always done at the right time to achieve understanding - of course it wasn't. But the mistakes made by other countries have been errors of judgment, failings of human personality, honest difficulties due to the magnitude and complexity of the problems confronting the world. The reasons which have led to Russia making her grand contribution to international misunderstanding have been deliberate, part of a well worked out plan."

Barbara Ann Scott Reaches Montreal: Barbara Ann Scott, Olympic, European and world figure skating champion, arrived in Montreal this morning by Trans-Canada Airlines from the United Kingdom. She was greeted on her arrival by a battery of movie and press camera men as well as many well-wishers.

After a rest overnight in Montreal, she will come by train to Ottawa where a gala street parade and civic reception awaits her. She is accompanied by her mother, Mrs. Clyde Scott and her trainer, Sheldon Galbraith.

Canada draws on New Loan: An announcement from Washington today said the Canadian Government has drawn its first \$50,000,000 of a \$300,000,000 line of credit at the Export-Import Bank. The Canadian line of credit is available only until the end of this year with interest at  $2\frac{1}{2}$  per cent. (CP)



## AIRMAIL BULLETIN

INFORMATION DIVISION  
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Vol. 6, No. 73

Tuesday, March 9, 1948.

In Parliament Monday: A Government Motion establishing a House Committee on Veterans Affairs was adopted.

A Progressive Conservative motion to extend service benefits to members of the merchant marine was ruled out of order.

Veterans Affairs Minister Gregg disclosed that increases for disabled pensioners, war widows and dependents could be mailed in early April if the Commons passed enabling legislation before Easter.

Two Liberal senators opposed a bill to permit the sale and manufacture of oleomargarine. One Liberal approved the measure.

Ottawa Welcomes Barbara Ann: The undisputed queen of the ice, Barbara Ann Scott, returned to Ottawa today from her triumphant appearances in Europe where she won the Olympic, European and World Figure Skating Championships.

An admiring city saluted this champion of champions as the 19-year old girl was cheered while she rode through the streets in an open car and then was accorded an official civic welcome.

She was welcomed at the Union Station by Prime Minister King and Mayor Stanley Lewis of Ottawa while the band of the Governor General's Foot Guards played. Royal Canadian Mounted Police constables on horseback headed the long parade.

Compulsory Savings Refunded: The Revenue Department announced yesterday that between March 15 and 31 individual Canadians will receive \$57,347,425 as the compulsory savings refunds of their 1942 income tax. In addition, they would receive another \$5,162,524 in interest, or a total of \$62,509,949.

In the same period corporations will receive \$31,200,000.

Civil Aviation In November: Scheduled Canadian airlines earned \$1,601,940 during November as against \$1,432,626 in November 1946. Operating expenses, however, increased from \$1,800,881 to \$2,054,644, which increased the operating loss from \$368,255 to \$452,704. Non-scheduled carriers also showed a loss in November of \$276,487 as against \$81,505 for November, 1946.

The number of revenue passengers transported by Canadian scheduled carriers declined from 38,438 in 1946 to 37,215 and for foreign international carriers from 15,611 to 12,347. Non-scheduled carriers showed an increase from 3,015 to 5,329, making the total for all carriers 54,891 as against 57,064 in November, 1946. (DBS)

Output of Petroleum Products in 1947: Output of refined petroleum products in Canada during 1947 totalled 73,076,516 barrels as compared with 66,752,345 in the preceding year, an increase of nine per cent, according to the Dominion Bureau of Statistics. Amount of crude oil received during the year was 76,720,879 barrels as against 70,215,016 in 1946. Of the receipts in 1947, 69,827,914 barrels were imported and 6,892,965 were from Canadian sources. Inventories of crude at refineries at the end of the year amounted to 4,049,795 barrels compared with 4,140,911 at the end of 1946. (DBS)



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 74 Wednesday, March 10, 1948.

Estimates Tabled in Commons: Estimates of Government expenditures for the 1948-49 fiscal year have been tentatively set at \$1,985,146,060, \$131,000,000 less than for the last fiscal year, but Finance Minister Abbott said that further expenditures may later be found necessary.

Mr. Abbott tabled the estimates in the Commons just before the dinner adjournment on Tuesday and later issued a press statement on the contents of the 300-page blue booklet giving details of the proposed expenditures.

Further supplementary estimates for the fiscal year ending March 31 still are to be submitted to the Commons.

"And it may be expected", said Mr. Abbott, "that, in accordance with the usual experience, supplementary estimates for the new year 1948-49 will later be found necessary to cover requirements that now cannot be foreseen."

The decreases, said the Minister, "arise largely from the lower amounts required for food and cost of living subsidies, relief to Europe, and for the closing out and contraction of various demobilization and reconstruction activities, as well as a reduction in the number of veterans still drawing benefits, gratuities and re-establishment credits." (CP)

In Parliament Tuesday: The Commons voted 107 to 95 to adopt the Address in Reply to the Speech from the Throne.

Trade Minister Howe disclosed that Canada has indicated formal approval of the new international wheat agreement.

Defence Minister Claxton said the aircraft carrier Magnificent will be available during the summer to replace Warrior.

Opposition members criticized steps taken by the Government to impose excise taxes and called for Mr. Abbott's resignation.

Immigration Totals: Latest official totals of immigrant arrivals announced Tuesday by the Immigration Branch of the Department of Mines and Resources show that 11,072 Displaced Persons had been welcomed to Canada by the end of February.

Of this figure, 3,432 people came to close relatives already residing in the Dominion, 400 were orphan children, and 7,240 were workers who were brought to this country in response to requests submitted by various industries.

The workers comprised the following groups: domestics, 1,264; woodworkers, 3,564; textile workers, 200; garment workers, 581; garment workers' dependents, 409; miners, 705; railway workers, 214; steel workers, 91; steel workers' dependents, 7; foundry workers, 64; hydro workers, 141.

Twenty-six per cent of the immigrants, or 2,830, are of Polish origin, the next largest racial group being Ukrainians, who numbered 2,620. Another large group were Lithuanian, their numbers totalling 1,614.

(over)

More than one-half of the Displaced Persons, 6,054, went to Ontario. Quebec received the next largest number, 3,058, and 920 have gone to Manitoba.

**External Trade of Canada in January:** External trade of Canada in January was valued at \$445,200,000, down about \$20,000,000 from the December total but almost \$61,000,000 above the figure for January last year, according to the Dominion Bureau of Statistics. The month's total was about \$3,600,000 below the monthly average for the calendar year 1947.

**Dr. Morrell Leaves for Europe:** Dr. C.A. Morrell, chief Dominion Analyst and Director of the Food and Drugs Divisions of the Department of National Health and Welfare, has just left on a six weeks' visit to the United Kingdom and Europe during which he will discuss with Government officials abroad Canada's food and drug controls.



# AIRMAIL BULLETIN

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Vol. 6, No. 75

Thursday, March 11, 1948.

On the Death of Jan Masaryk: In the House of Commons on Wednesday, Right Hon. L.S. St. Laurent, Secretary of State for External Affairs commented on the death of Jan Masaryk, Foreign Minister of Czechoslovakia, in part, as follows: "On behalf of the Canadian Government and people, I wish to express to the family of Jan Masaryk and to the Czechoslovak people our deep sympathy in their great loss. His contribution to the effort to establish a peaceful democratic world of free and friendly peoples will not be forgotten.

"In making this reference to that great patriot in this House, lest there be any misunderstanding, I think I should take this occasion to say that in my view the Canadian Government and the Canadian people at large associate themselves in every respect with the declaration about the tragic events in Czechoslovakia which was made by the three great powers on February 26 last."

Mr. John Bracken, leader of the Progressive Conservative Opposition, and Mr. M.J. Coldwell, C.C.F. leader, both associated themselves with the statement made by the Minister.

In Parliament on Wednesday: Defence Minister Claxton tabled the evidence taken by the 1942 Royal Commission on Hong Kong.

Progressive Conservative motions for the tabling of correspondence between the Canadian and British Governments on Hong Kong were rejected, one of them on a 146 to 61 division.

External Affairs Minister St. Laurent said Canada regards it as a paramount necessity that the United Nations Security Council make every effort towards conciliation before considering the use of force to enforce partition in Palestine.

Finance Minister Abbott, speaking during debate on the Government's 25-per-cent excise tax resolution, said Canada would have to reduce consumption if she was to continue assistance to Europe.

Senator John T. Haig, Progressive Conservative leader, and Senator Arthur Roebuck (L--Ontario) criticized the Foreign Exchange-Conservation Bill, which drew support from Senator Wishart Robertson, Government leader.

Mr. César Montero Bustamante Presents Credentials: The Department of External Affairs announces that Mr. Cesar Montero Bustamante presented today, to His Excellency The Governor General, at Government House, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Uruguay in Canada.

The Right Honourable L.S. St. Laurent, Secretary of State for External Affairs, was present.

Mr. Montero was presented to His Excellency The Governor General by Mr. Howard Measures, Chief of Protocol, Department of External Affairs.

Mr. Montero entered the Foreign Service of Uruguay in 1910 and was Consul General in France, Spain and the United Kingdom. From 1941 he was successively Chargé d'Affaires for the Diplomatic Missions in the United Kingdom, Belgium, Norway, Poland and the United States of America. He was appointed in 1945 Minister Plenipotentiary at the Embassy of Uruguay in London, England. He was a Delegate of his country at the first session of the General Assembly of the United Nations.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 76

Friday, March 12, 1948.

Statement on Newfoundland: The Prime Minister, Mr. King, made a statement in the House of Commons Thursday on the impending Newfoundland referendum. He said in part:

"We have been advised by the United Kingdom Government that a statement is to be issued today in Newfoundland announcing that the people of Newfoundland will be given the opportunity shortly to vote in a referendum on their future form of government. Three questions will be submitted to the people: continuation of commission government for a five-year period; restoration of responsible government as it existed in 1933 prior to the establishment of commission government; and confederation with Canada. If no form of government receives an absolute majority, a second vote will be held some time later on the two forms receiving the largest support....

"....The decision to include confederation on the ballot having been taken by the United Kingdom Government, the outcome will be watched with deep interest by the people of Canada. The question as to their future form of government is of course, one for the people of Newfoundland alone to decide. Neither the Government nor the people of Canada would wish to influence in any way their decision. Should the people of Newfoundland express clearly their will that Newfoundland should enter confederation, I am sure that the people of Canada will welcome them as partners in a larger Canada. Should they decide otherwise, this decision, I am no less sure, will be received with understanding and respect by the people of Canada."

Bar Communists: The Secretary of State for External Affairs, Mr. St. Laurent, in the following exchange, announced in the House of Commons Thursday the Government's decision to refuse entry into Canada of alien communists:

Mr. A.L. Smith (Calgary West): I should like to repeat a question I have asked for the last two days, as to what has been done or what is the Government policy with respect to the exclusion of known communists at our ports of entry.

Mr. St. Laurent: Mr. Speaker, I did not prepare any special answer to the question, but I can say this much. The sections of the act and the regulations have been under review by the members of the Government in the light of known conditions with respect to certain persons who could be described as known communists, who were believed to be coming to Canada for the purpose of exercising here activities which under the Taft-Hartley Act they can no longer exercise in the United States. The decision has been that the immigration officers are to be asked or directed to take the view that under the existing law and regulations such persons are not admissible to Canada.

Thursday in Parliament: Veterans Minister Gregg promised to consider suggestions that the Government form a permanent House of Commons Veterans Committee.

Finance Minister Abbott said the Government's 25 per cent excise tax yielded more than \$5,000,000 between November and February.

Senator A.K. Hugessen said in the Upper Chamber that Canada should halt exchange of diplomats with Czechoslovakia.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Saturday, March 13, 1948.

Continue Some Controls: Twenty-three of the 50 wartime Orders-in-Council contained in the Transitional Measures Act passed at the last session of Parliament have since been revoked, Justice Minister Ilsley said Friday in the Commons in moving legislation to continue those still in existence for another year. Of the 27 remaining, some have been partially revoked.

The Minister moved a resolution preliminary to a bill to keep the existing orders, including those covering price controls, domestic rentals ceilings and eviction controls, operating until March 31, 1949, and said he felt there would be general agreement that some of the orders must be continued "for a while at least".

There would be provision for extension for an additional year by addresses of both Houses of Parliament if thought necessary.

John Bracken, Progressive Conservative leader, said his party's stand was that it favored orderly decontrol and did not think that some orders, such as those on rents, should be "abandoned precipitously".

Solon Low, Social Credit leader, said his party was agreeable to the proposed procedure if the Government later would give the reason for the extension of each control, and added that Social Crediters generally were opposed to controls.

The House turned to second reading of a Government bill to amend the Canadian Wheat Board Act and heard opposition members express opposition to sections placing the marketing of oats and barley under the board.

A motion referring the Geneva trade agreement to the Banking and Commerce Committee was adopted. (C.P.)

Stocks of Canadian Meat: Stocks of Canadian meat held by packers, abattoirs, wholesale butchers and cold storage warehouses on March 1 totalled 129,746,000 pounds compared with 134,974,000 on February 1 and 68,120,000 on the corresponding date last year, according to the Dominion Bureau of Statistics.

World Wheat Situation: Combined wheat supply of the United States, Canada, Argentina and Australia -- the world's four major exporting countries-- amounted to 1,580 million bushels at January 1, a gain of 19 per cent compared with supplies at the beginning of 1947, according to the Office of Foreign Agricultural Relations of the United States Department of Agriculture. Substantial increases in the United States and Australia are the notable features, with a decline in Canadian stocks more than balancing an increase in the Argentine supply.

Index Numbers of Farm Prices: Prices received by Canadian farmers for agricultural products at January 15, 1948 were generally higher than at the same date a month earlier and substantially higher than at the corresponding date in 1947. The gain in the index number of farm prices from 186.5 at January 15, 1947 to 222.1 at the same date this year is attributable to increased prices for nearly all farm products considered in the index.





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Vol. 6, No. 78.

Monday, March 15th, 1948.

**Seeking Scientists:** Extension of the scientific research facilities of the Department of National Health and Welfare is foreshadowed in a competition currently being held by the Civil Service Commission for positions as bacteriologists, biochemists, chemists and pharmacologists in the various laboratories operated by the National Health Department.

Salaries range from a minimum of \$2,100 per year to a maximum of \$5,400, with appointments being made at salary rates depending on the applicant's qualifications. The competition closes March 20.

The posts in the food and drugs laboratories provide opportunities for research and analytical projects in chemistry, physics, bacteriology, pharmacology, biology and biometrics, while those in the Laboratory of Hygiene call for laboratory and clinical studies of virus and bacterial diseases, immunology and control of vaccines, toxoids and antitoxins, biochemical and therapeutic studies of such products as penicillin and streptomycin, and food and sanitary bacteriology.

**Army Tackles Big Bridge Project:** Canadian Army engineers of the Northwest Highway System soon will tackle one of the biggest jobs the highway has offered to date -- the construction of a 1600-foot bridge over the Donjek River some 200 miles north of Whitehorse.

The new bridge will consist of eight 200-foot steel spans on concrete piers and will take an estimated three years to construct. It also involves the re-location of the highway as the new steel structure is to be built two miles downstream from the present crossing.

**Pay For Bisley Competitors:** Canadian Army Reserve and Supplementary Reserve Force marksmen selected as members of Canada's next Bisley team will be "called out" on Active Service and paid active force rates of pay in order that they may attend the English rifle classic, it was learned in Ottawa this week.

They will not receive subsistence, ration or quarters allowances, however, nor will their travelling expenses be paid. If married, they will draw "dependent's allowance" on a par with similar allowances granted members of the active force. Rates of pay will be according to rank.

**U.S. Army Editor to Visit Ottawa:** Lt.-Col. John Kenderdine of the United States Army will visit Ottawa early in April for the purpose of gathering information for an article on Canada's peacetime forces, Ottawa authorities said this week.

Col. Kenderdine is stationed at the U.S. Army's Information School, Carlisle Barracks, Pa., and is editor of the School's "Army Information Digest". His article on the Canadian forces will be published as a special supplement to the Digest.



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Vol. 6, No. 79.

Tuesday, March 16th, 1948.

Monday in Parliament: The House of Commons approved in principle a bill to extend wartime controls.

Policies on Japanese in Canada were debated when Labor Minister Mitchell sought authority to continue orders controlling their movement.

Prime Minister Mackenzie King said the Government is not considering printing additional copies of the Hong Kong Royal Commission evidence.

Speaker J. H. King ruled that any interference when Transport Minister Chevrier introduces Government legislation in the Senate will be out of order.

Canada at United Nations: Canada on Monday hit at the "moral paralysis" of the Big-Five veto power in the United Nations Security Council, and said the Council's failures "have disheartened and alarmed the peace-loving nations of the world"; Canadian Press reported from Lake Success.

But Canada, R.G. Riddell told the U.N. Little Assembly, does not favor immediate amendment of the world organization's charter to eliminate the veto in Security Council deliberations. He said the U.N. first should seek to modify its use within the framework of existing machinery.

While not favoring an immediate amendment of the charter, Riddell said Canada would not accept "indefinite postponement" of the question. It was illogical that the five Great Powers, Great Britain, the United States, Russia, France and China, had been given voting privileges while all other members, including Canada, were left as an "undifferentiated mass."

The Canadian position was one of support of the United States, which has proposed a list of Security Council decisions which would be exempt from the veto, wielded 22 times by Russia in the two years since the 11-power body was established.

Housing Construction: The number of dwelling units in Canada which were under construction at the end of 1947 is estimated at 42,215, an increase of 2,045 over the number under construction at the end of 1946. Of these, 70 per cent were located in urban centres with a population of 5,000 or more, 12 per cent in smaller urban centres, and 18 per cent in rural areas.

These estimates released by the Dominion Bureau of Statistics are the result of a nation-wide survey which took place in January. This survey covered all metropolitan areas and urban centres with a population of 5,000 or more and approximately 400 sample areas in the remainder of the country.

January Sales Volume Up: There was no slackening in the currently high rate of consumer spending in January when dollar sales in retail stores increased 18 per cent over January a year ago. Since price increases have undoubtedly contributed to this gain, it should be noted that the change from January 1947 reflects the increase in the flow of dollars into Canadian retail stores rather than physical volume of trading. The general index for January, unadjusted for seasonal variations and price changes and on the base 1935-39=100, stood at 213.1 as against 181.2 a year ago.

All 14 trades represented in the general index reported increased sales over January a year ago.



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Wednesday, March 17, 1948.

Tuesday in Parliament: Defence Minister Claxton said good progress is being made in bringing Canada's armed forces to peacetime strength. Opposition members criticized the Government's housing program. Members debated a bill to increase the initial payment of wheat to farmers.

Transport Minister Chevrier became the first non-Senator Cabinet Minister to discuss Government legislation in the Senate.

Statement on Uranium: Reconstruction Minister Howe announced Tuesday night to the Commons that private exploration and private mining of uranium and other radioactive ores now is being allowed in the Northwest Territories and the Yukon.

He announced also that the ores, once mined, will be purchased by Eldorado Mining and Exploration Company or any other Government-operated agency designated.

To encourage the search for these ores, the Government will pay a price, to be based on uranium content, of \$2.75 a pound in buying the atomic material.

Mr. Howe said the Government now was satisfied it was in the best interests of Canada that restrictions against private prospecting and private development of radioactive materials be removed. (CP)

Minister's Inspection Tour: Making his first inspection tour of service establishments in the north and northwest, Honourable Brooke Claxton, Minister of National Defence, will leave Ottawa by air March 20 on a 10-day trip to points along the Northwest Highway System and RCAF detachment bases in the sub-arctic. The trip will total 8,265 miles and will take the Minister further north than a cabinet minister has ever been.

Mr. Claxton will be accompanied by Air Marshal W.A. Curtis, Chief of the Air Staff; Air Vice Marshal K.M. Guthrie, Air Officer Commanding Northwest Air Command; Col. H.L. Cameron, Defence Secretary. Maj.-Gen. M.H.S. Penhale, General Officer Commanding Western Command (Army) is expected to join the group at Edmonton for the flight up the Northwest Staging Route to Whitehorse.

A short distance of the highway system in the Fort Nelson area will be travelled by car.

Dr. O.M. Solandt, chairman of the Defence Research Board of Canada, will join the party later at Fort Churchill, Manitoba.

Olympic Champions' Return: The RCAF Flyers, Olympic hockey champions, presently engaged in a post-Olympic series of exhibition games in Europe, will return to Canada next month, arriving in Ottawa on Tuesday, April 6, it was announced Tuesday by the Hon. Brooke Claxton, Minister of National Defence.

The Flyers, who regained the Olympic hockey title Canada lost to Britain in 1936, will arrive in New York aboard the Queen Mary, Monday, April 5. They will travel overnight to Montreal and arrive in Ottawa at 12.40 p.m. (noon) Tuesday, where they will be met by Government, Civic and Service officials.

# AIRMAIL BULLETIN

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Vol. 6, No. 81

Thursday, March 18, 1948.

**Leaders Denounce Communism:** Leaders of Canada's four major political parties in the House of Commons Wednesday declared themselves solidly opposed to Communism.

Their declarations came as Progressive Conservative Leader Bracken warned that the peace of Canada is being menaced by Communist agents and Justice Minister Ilesley urged Canadians to become alert to the development of Communism in labor and see that it does not "spread any further".

"Canada is regarded by the Communists as of supreme strategic importance in the Communist bid for global domination", said Mr. Bracken. He offered full support to any Government effort aimed at suppressing Communism.

Prime Minister King, while not minimizing the threat of Communism to the world, said that in his opinion the Communists had their minds at the moment on the countries of Europe and Asia.

"Nevertheless I do believe that anyone who had regard to future world development would look upon Canada as perhaps one of the most enviable spots in the whole globe."

CCF Leader Coldwell said that the Leftist Labor Progressive Party now was trying to infiltrate into his party. As long as he was leader he would not permit Communist infiltration. (CP)

**Security Trade:** Canada's international trade in outstanding securities resulted in a small inflow of capital in 1947, in contrast with the predominant inflows from this type of transaction during the previous decade. The net purchase of securities from all countries during the year amounted to \$18 million compared with net sales of \$134.6 million in 1946 and \$191 million in 1945. There were net purchases from all countries in each month of 1947 with the exception of January and July.

The principal factors influencing the change in direction were the decline in United States demand for Canadian securities and a reduction in liquidations of United States securities by Canadians. Net transactions in all outstanding securities with the United States led to a purchase balance of \$10.5 million compared with net sales of \$170.2 million in 1946. In trade with the United Kingdom, net purchases declined to \$9.2 million in 1947 from \$35.4 million in 1946, while transactions with other countries showed a sales balance of \$1.7 million in 1947.

**Canada Sends Thanks:** The thanks of the Government and of the armed forces of Canada for the rescue last November of a critically ill RCAF sergeant at remote Cambridge Bay, Victoria Island, by a U.S. Air Force plane, have been sent to the Hon. James V. Forrestal, United States Secretary of Defence, by the Hon. Brooke Claxton, Canadian Minister of National Defence.

**Tour Deferred:** Defence Minister Claxton Wednesday announced that his projected trip to the Northwest Territories has been postponed.



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Friday, March 19, 1948.

Canada's Representatives at Geneva: The Department of External Affairs on Thursday announced names of the Canadian delegation to the United Nations Freedom of the Press Conference at Geneva March 23.

Jean Désy, Canadian Minister to Italy, who has represented Canada on numerous international conferences, will head the Canadian group.

Other members will be: Arthur Ford, editor-in-chief of the London Free Press; W. Arthur Irwin, editor of Maclean's Magazine; Lorenzo Paré, Ottawa correspondent of L'Action Catholique, Quebec; and Daniel C. McArthur, chief editor of the CBC News Service.

Advisers to the Canadian group will be Max Wershof of the Canadian High Commissioner's office in London; Campbell Moodie, Information Officer of the same office; George Hambleton of the External Affairs Department, Information Division, in Ottawa; and Llewellyn A.D. Stephens of the Canadian Legation at Berne, who will act as secretary to the delegation.

Trade Agreement with Turkey: The Department of External Affairs announced Friday that, by an exchange of notes between the Secretary of State for External Affairs and the Ambassador of Turkey to Canada, the Governments of Canada and Turkey have agreed upon a Commercial Modus Vivendi which provides for the reciprocal exchange of most favoured nation tariff treatment.

Under the terms of this agreement, Canadian products imported into Turkey and Turkish products imported into Canada will not be subject to duties or charges higher than those levied on products of third countries. The agreement excepts any advantages accorded by Canada exclusively to other parts of the British Commonwealth and Empire, as well as advantages accorded by Turkey to countries which were separated from the Ottoman Empire in 1923.

The Modus Vivendi will remain in force for one year, after which it will be subject to termination by either Government at any time on giving three months' notice.

In Parliament Thursday: Jean François Pouliot (Ind. L--Temiscouata) suggested jurisdiction over the West Indies be transferred from the United Kingdom to Canada.

CCF members opposed lifting of restrictions against private prospecting and mining of uranium and other radioactive materials.

Prime Minister Mackenzie King said he could give no information as to whether steps will be taken to extend the five-power treaty of mutual defence.

A Government member, Ralph Maybank (L--Winnipeg South Centre) opposed legislation to introduce state marketing of feed grains.

Effect of New Excise Tax: Finance Minister Abbott told the House of Commons Thursday night he could not give an estimate of the amount of United States dollars being saved by the new 25-per-cent excise tax. (CP)

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Saturday, March 20, 1948.

Thursday in Parliament: Finance Minister Abbott tabled supplementary estimates for the fiscal year ending March 31 totalling \$79,809,338. CCF and Progressive Conservative members protested an increase in capitalization for the Bell Telephone Company. Discussion was started on legislation empowering the Government to buy products needed to fulfil Anglo-Canadian food contracts.

77,000 New Dwellings: Increased house building gave Canada at least 77,000 new dwellings last year, the Central Mortgage and Housing Corporation estimated in its annual report issued Thursday. "Dwellings" covers self-contained apartments as well as houses and the report did not estimate the number of individual houses. It noted, however, that the total of 77,000 was 13,000 above the increase in the number of families in Canada with the result that some inroad was made on over-crowding. (CP)

1947 C.N.R. Deficit: The Canadian National Railways had an operating deficit of \$15,885,000 in 1947 for its second straight post-war loss, Finance Minister Abbott disclosed in the Commons Thursday. The deficit compared with one of \$8,961,000 for 1946 and with a surplus of \$24,756,000 for 1945 following a succession of wartime money-making years. (CP)

Scientist Visitor: Dr. Vannevar Bush, President of the Carnegie Institute and Chairman of the newly established Research and Development Board under the U.S. Secretary of Defence, is visiting Ottawa to confer with Canadian scientists, it has been announced by Dr. O.M. Solandt, OBE, Chairman of the Defence Research Board of Canada.

While in Ottawa, Dr. Bush will attend a meeting of the Defence Research Board and inspect the laboratories of the National Research Council. Saturday evening he is to be the guest of the two organizations at a joint dinner. He will visit the Chalk River Atomic Energy Project on Sunday.

Dr. Bush during the war was the Director of the Office of Scientific Research and Development under which many of the great American scientific advances of the war were achieved. Following the recent unification of the Armed Forces in the United States, Dr. Bush was appointed Chairman of the Research and Development Board.

To Aid Children's Fund: The Hon. Brooke Claxton, Minister of National Defence, announced Friday that the RCAF Flyers, Olympic hockey champions, will play a benefit game against an NHL and QSHL All Star team in Ottawa, Saturday April 10, in aid of the Canadian Appeal for Children Fund. In this way the Flyers will be helping to send aid to children in the countries they visited after winning the Olympic championship.



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Monday, March 22, 1948.

Entrance to Service Colleges: Applications for entrance to H.M.C.S.

"Royal Roads" and Royal Military College will be received up to May 22 for the terms starting next September, the Minister of National Defence said here Sunday. Previously it had been announced that applications would close on March 31.

Mr. Claxton said he had directed that the date be extended at least until May 22 "so as to give parents and boys every chance this first year of taking advantage of the opportunities extended".

"We want boys of good physical and educational qualifications", the Minister continued, "suitable to make first-class officers in the Active or Reserve forces of the three services".

For both colleges there will be a number of Dominion cadetships available to sons of men who were killed on active service, and also scholarships awarded on the basis of academic qualifications, Mr. Claxton announced. He estimated that pay for work in the summer months will practically cover the cost of tuition in the second or subsequent years.

Both service colleges will first and foremost be educational institutions where serious work is done to obtain high qualifications in the courses necessary to a good education of university standard. During the college terms there will be a minimum of military subjects with full-time work with the Navy, Army and Air Force during the summer.

Coal Production: The strike in the coal mines of Alberta and British Columbia continued during February and reduced the Canadian output of coal to 1,151,000 tons, from the January total of 1,386,000 tons. The month's output was about equal to the tonnage produced in February last year when similar conditions prevailed with the strike in New Brunswick and Nova Scotia. During the first two months of this year 2,537,000 tons were produced compared with 2,837,000 in the similar period of 1947.

Car Loadings: Car loadings on Canadian railways for the week ended March 13 increased to 74,643 cars from 74,610 cars for the preceding week and 72,728 cars for the corresponding week last year. Pulpwood declined from 8,375 cars for the week ending March 6 to 7,192 cars, and other commodities showed minor changes.

Dominion Drama Festival: Fourteen plays, competing against 72 productions in regional drama festivals across Canada, have been selected for presentation in the Dominion Drama Festival, D. Park Jamieson of Sarnia, chairman of the Dominion Drama Festival, announced Sunday. These plays will compete for honors at the Dominion Festival in Ottawa during the April 26 week.

N.H.L. Champions: For the first time in a decade Toronto Maple Leafs are champions of the National Hockey League, thanks to an uphill fight Saturday night which carried them to a 5-3 victory over the second-place Detroit Red Wings.



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Vol. 6, No. 85

Tuesday, March 23, 1948.

Korea Statement: The Secretary of State for External Affairs, Mr. St. Laurent, stated in the House of Commons Monday that the Government had decided not to recall Dr. George Patterson from Korea for consultation. After saying that the reports in the press that Dr. Patterson had walked out of the United Nations Commission were incorrect and misleading the Minister said in part:-

"The Government has decided that it will not be necessary to recall Doctor Patterson for consultation, because he has been able to send us a very full account of what happened. Instructions have been sent to Doctor Patterson authorizing him to continue to serve with the Commission, because the Commission conceives its duties to be to observe, consult and advise Koreans and the United States military government authorities regarding the conduct of these elections; but the responsibility for running the elections rests with the United States military government authorities and any action towards the establishment of a government in Korea following the elections will not be on the strength of the resolution of the General Assembly but on the legal position of the occupying military authorities. Further, the chairman of the Korean Commission has drawn attention to the fact that the Commission has the authority to withdraw at any time if it is not satisfied that it can perform a useful function in remaining in Korea to observe the manner in which the elections are to be held."

1948 Forecast: A 17 per cent increase in private and public investment outlay for new capital goods is planned in Canada for 1948 compared to the previous year. Increased production of many of the basic and building materials required for this program is also expected. Supplies of materials, particularly those produced domestically should be generally adequate to meet the requirements of the investment program even though some "key" items will remain in short supply.

These are the conclusions indicated by two reports tabled Monday in the House of Commons by the Right Honourable C.D. Howe. The first report entitled "Private and Public Investment in Canada, Outlook, 1948" is based on a survey of investment intentions and provides a forecast of the new investment program for the entire Canadian economy including business undertakings of all kinds, institutions, housing and municipal, provincial and Dominion governments. The second report, "Production of Basic and Building Materials in Canada, Outlook, 1948", deals with the 1948 production intentions of suppliers of nine basic materials and 30 building materials that are or have been until recently in short supply. The reports were prepared by the Economic Research Branch of the Department of Reconstruction and Supply with assistance from the Dominion Bureau of Statistics in conducting the surveys and assembling the material upon which the reports are based.



The report dealing with investment intentions indicates for 1948 a capital program of \$2.8 billion, the highest in Canada's history. If realized this will be about 17 per cent in excess of the \$2.4 billion spent in 1947. The program involves an anticipated \$1.6 billion on new construction and \$1.2 billion on new machinery and equipment, representing increases of 21 and 12 per cent respectively over 1947 levels. With allowance made for the price rise over the year, the intentions would involve an increase in physical terms of approximately 5 per cent for new construction and possibly no change for machinery and equipment.

Exports Up: Canada's merchandise export trade in February was valued at \$208,300,000, showing an increase of 16 per cent over last year's corresponding total of \$179,500,000, but off 11.5 per cent from the January figure of \$235,400,000, according to the Dominion Bureau of Statistics. During the first two months of this year, merchandise was exported to the value of \$443,700,000 compared with \$388,100,000 in the similar period of 1947, an increase of 14.3 per cent.

Adding to the rate of increase shown in January, Canadian exports to the United States rose nearly 37 per cent in February over last year as against 32 per cent in the previous month, advancing to \$94,816,000 compared with \$69,396,000, and bringing the two-month total to \$199,815,000 as against \$148,849,000 in the like period of 1947. February shipments to the United Kingdom were valued at \$51,660,000, up 15 per cent over last year; for the two months, January and February, the total advanced from \$95,336,000 to \$116,608,000.

Belgium and France were Canada's next largest customers in February, shipments to Belgium being valued at \$4,731,000 as compared with \$4,161,000 a year ago, and to France at \$4,186,000 compared with \$5,395,000.



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Vol. 6, No. 86 Wednesday, March 24, 1948.

In Parliament Tuesday: Trade Minister Howe announced the Government is initiating a \$4-a-bushel floor price for flax and removing the ceiling.

Four members told the Government it should do something about floods.

Finance Minister Abbott said he could not indicate when the budget will be brought down.

Justice Minister Ilesley said it has not been decided whether to appeal acquittal of 18 dental firms charged with violating the Combines Act.

Agriculture Minister Gardiner said there is no doubt Britain will take and pay for all quantities involved in food contracts.

The Commons voted 122 to 45 to approve extension of powers to bulk-purchase farm products.

Debate ranged from consideration of supplementary estimates to the National Film Board and income tax forms for farmers.

The Senate criticized legislation to place coarse grains under the Wheat Board. (CP)

Wheat Board Report: The Canadian Wheat Board has built up a surplus of \$158,467,000--equal to about 27½ cents a bushel--on the wheat it has so far handled under its five year crop pool, Parliament was advised Tuesday.

Details of the operation of the five-year pool, which started August 1, 1945, were given in the Board's annual report, tabled in the Commons by Trade Minister Howe.

The surplus was built up on the 576,398,606 bushels of wheat the Board had bought under the scheme by July 31, 1947, for which it paid producers \$756,763,785. Its sales and stocks on hand then amounted to \$929,244,667, against which had to be charged its operating and administration costs and the cost of the 10 cents a bushel additional payment made on the 1944 crop.

The Board had sold 530,435,715 bushels from the pool by last July. (CP)

Lieutenant Governor: His Excellency the Governor General on Tuesday afternoon, approved the appointment of Dr. J. M. Uhrich as Lieutenant Governor of the province of Saskatchewan to fill the vacancy created in that office by the sudden death, Tuesday morning, of the late Honourable R.J.M. Parker.

Fisheries Report: An exceptionally large catch of herring in Pacific waters was the outstanding feature of Canada's commercial fishery operations during February. The herring for the most part was converted into meal for poultry and animal foods. The Atlantic Coast also enjoyed better fishing. The total value of landings in the four eastern provinces was \$710,000 compared with \$308,000 in February, 1947.

Fish Imports Up: The total value of fisheries products imported into Canada in 1947, was \$5,073,000, an increase of \$473,000 over the 1946 total. (DBS)

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, March 25, 1948.

In Parliament Wednesday: The Government's Excise Tax Bill was finally passed after three Opposition amendments were rejected in the House of Commons.

Finance Minister Abbott said he could not indicate when the Government will vacate amusement and pari-mutuel tax fields.

The Senate voted 25 to 17 to re-insert in the Government Wheat Board Bill a clause providing state marketing of oats and barley.

Parliament adjourned until April 5 for Easter recess.

Enemy Property Report: Residents of liberated and neutral European countries last year got back \$101,350,000 worth of property impounded in Canada during the war. With few exceptions residents of enemy countries have not received any property seized here.

The property belonging to allied or neutral citizens was seized under the Trading with the Enemy Act. In the case of allied countries, seizure was made when the Axis powers occupied their countries.

The figures on released property were contained in the annual report of the Custodian of Enemy Property.

It disclosed that \$218,750,000 is still held. Much of it belongs to residents of Italy, Hungary, Romania, Germany and Japan. (CP)

Commission "Magnificent" April 7: Canada's new aircraft carrier, H.M.C.S. "Magnificent" will be officially commissioned at Belfast, Ireland on April 7th, at 3 p.m. Greenwich time, it was announced Wednesday by Hon. Brooke Claxton, Minister of National Defence. The last R.C.N. personnel left H.M.C.S. "Warrior", the original Canadian carrier, on March 22nd, on which day the ship was returned to the Royal Navy. By April 6th, "Magnificent's" crew will be complete except for flying personnel, and the following day after the official commissioning ceremony, Commodore H. G. DeWolf, C.B.E., D.S.O., D.S.C, R.C.N., will hoist his broad pennant as Senior Canadian Naval Officer Afloat at the new warship's yardarm.

Siamese Claims: The Department of External Affairs has been advised that the British Commonwealth Siamese Claims Committee is now prepared to receive claims against the Siamese Government in respect of property and personal injury sustained as a result of the war.

New Cadet Uniforms: Cadets of the Canadian Services Colleges -- Royal Military College at Kingston, Ont., and H.M.C.S. "Royal Roads" at Esquimalt, B.C. -- will appear next fall in smartly tailored new uniforms common to both colleges, it was announced Wednesday by Defence Minister Brooke Claxton.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 88

Saturday, March 27, 1948.

New Consulate at Detroit: The Department of External Affairs announced today the appointment of James J. Hurley to be Canadian Consul at Detroit, Michigan. This appointment is in continuation of the announced policy of expanding Canadian consular representation in the United States. The new Consulate will be opened on April 1.

Mr. Hurley was born at Brantford, Ontario, on August 13, 1898. On leaving school he entered the Canadian Army in March, 1916, and saw service overseas with the infantry. Returning to Canada he entered his father's business, the Hurley Printing Company Limited at Brantford. He remained in this business until the outbreak of the Second World War, rising to the position of President and Managing Director.

At the outbreak of the Second World War, Mr. Hurley resumed his active military service and served again with the Canadian Army until May, 1946; four years of this service was overseas. He holds the Order of the British Empire, the Canadian Efficiency Decoration and the Netherlands Order of Orange-Nassau.

Mr. Hurley entered the service of the Department of External Affairs in April, 1947, and has recently returned to Canada after a period of duty with the Canadian Military Mission in Berlin.

Wheat Payment: The Canadian Wheat Board's initial payment will be increased on April 1st by twenty cents from its present level of \$1.35 to \$1.55 per bushel, basis Number One Northern wheat, in store Fort William/Port Arthur or Vancouver, the Right Honourable C. D. Howe, Minister of Trade and Commerce, has announced.

The increase of twenty cents will be the same on all grades and will be retroactive on wheat delivered to the Board from the 1945, 1946 and 1947 crops up to April 1st, 1948, and the Canadian Wheat Board will proceed at once with the distribution of these payments.

Air Force Appointments: Hon. Brooke Claxton, Minister of National Defence, has announced the appointment of new commanding officers at two widely separated Air Force formations, Vancouver and Goose Bay, Labrador. Group Captain Z. L. Leigh, OBE, ED, of Lethbridge, Alta., becomes officer commanding at 12 Group Headquarters, Vancouver, replacing Wing Commander E. H. Evans, of Toronto, who has been posted to Air Force Headquarters, Ottawa. G/C Leigh has been commanding officer at Goose Bay since September, 1946, and he is replaced there by Group Captain J. A. Verner of New Westminster, B.C., who goes to his new post from a senior technical staff position at Maintenance Command Headquarters, Ottawa.

New Icebreaker: Construction of a large, modern icebreaker for use by the Royal Canadian Navy has been approved, it was announced March 25 by Hon. Brooke Claxton, Minister of National Defence. Preliminary planning is now under way. Canada's thousands of miles of Arctic and sub-Arctic coastline have come into increasing importance with the development of "top-of-the-world" airlines and the establishment of far-flung weather stations.

(No Bulletin was issued Good Friday March 26)



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Volume 6 No. 89

Tuesday, March 30, 1948.

Rail Rate Decision: The Board of Transport Commissioners announced their decision Tuesday on the Application of the Railway Association of Canada, made on behalf of its member Railway Companies, for authority to make a general increase of 30% in the freight tolls and rates, which are subject to the jurisdiction of the Board, except on coal and coke. On coal and coke the railways asked for authority to increase the rates by a specified amount per ton, on a sliding scale.

The Board authorized the railway companies to make a general advance in freight rates of twenty-one per cent, with the exception of the items particularly mentioned under.

On coal and coke a flat increase of twenty-five cents per ton throughout is authorized.

The railway companies, subject to the jurisdiction of the Board, are authorized to publish and file tariff schedules, in accordance with the Board's findings, on not less than three days' notice.

The minimum charge for a single less than carload shipment between any two stations will be 100 lbs. at first class rate but not less than seventy-five cents.

Recognized differentials via rail, water and rail routes are to be preserved as far as may be practicable, even though certain rates via differential routes may be lower or higher than would otherwise prevail if such rates were subjected to the increases authorized.

The Board made provision for the disposition of fractions, in calculating the rates.

The Board's authorization for increased rates and charges does not include the following:-

(1) Rates on grain and flour moving from all points on all lines of railway west of Fort William to Fort William and Port Arthur and Armstrong. These are statutory rates and are sometimes referred to as "Crows Nest Pass" rates.

(2) Rates on grain and flour from all Prairie points on all lines of railway to Vancouver, Prince Rupert and other British Columbia Coast ports for export.

(3) Rates on grain and grain products for domestic consumption between points in Western Canada and rates on feed grain published in C.F.A. Tariff 145, C.T.C. 154.

(4) Joint international rates between Canada and the United States of America which were increased as a result of decisions of the Interstate Commerce Commission (U.S.A.) in Ex Parte 148, 162 and 166.

(5) Rates between United States points passing through Canada and referred to as overhead rates.

(6) Export and Import rates which are presently on a parity with rates to or from United States ports.

(7) Demurrage and Penalty Charges.

(8) Agreed Charges entered into between the carriers and the shippers under the provisions of The Transport Act, 1938.

(over)

These Agreed Charges are left to be dealt with in accordance with the various agreements which contain provisions for their termination. The parties may then negotiate with regard to the agreements upon a modified basis.

On the motion of the respondent provinces; made in these proceedings, the Board issued Order No. 69612, dated October 17th, 1947, suspending until further Order of the Board certain freight and express competitive tariffs of tolls and supplementary tariffs which the railways and express companies had filed with the Board, on thirty days' notice, with the object of increasing the rates in said Competitive Tariffs of Tolls. The said rates which it was proposed to increase are lower than normal rates and had been put in to meet water and motor truck competition.

The Board directs that its said Order No. 69612, dated October 17th, 1947, be rescinded.

The judgment provides that, - The Railway Companies subject to the jurisdiction of the Board will be required to continue to furnish to the Board monthly statements of their operating revenues, operating expenses and operating income and should the Board, at any time, be of opinion that a greater amount of money is being paid to the Railway Companies than is actually necessary to enable them to maintain a reasonable degree of operating efficiency, the Board reserves the right, at any time, on notice, to readjust the rates to meet the conditions then existing. On the other hand, should the amount of advance in rates authorized prove to be insufficient, the railways can always apply again.

Mr. Hugh Wardrope, Assistant Chief Commissioner, in a separate judgment finds from his view of the evidence and calculations that the applicants should be permitted to raise the rates subject to increase by twenty-four per cent rather than the twenty-one per cent arrived at by the majority.

(No Bulletin was issued yesterday, Monday, March 29.)



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Volume 6 No. 90

Wednesday, March 31, 1948.

**Placement of Domestic Workers:** The Dominion Department of Labour, in cooperation with Provincial Ministers of Agriculture, is now working out a detailed plan for specialized placement of young women from the Displaced Persons Camps of Europe in Canadian farm homes as domestic workers, it was announced Tuesday by Arthur MacNamara, Deputy Minister of Labour.

The work of screening suitable applicants overseas for employment in Canadian farm homes has been undertaken by officials of the Immigration Branch of the Department of Mines and Resources and assisted by representatives of the Department of Labour at the Displaced Persons Camps. These workers would probably be in Canada within six to ten weeks, Mr. MacNamara explained. The number to be brought to Canada would be determined by requests received from the Dominion-Provincial Farm Labour Committees.

Special plans for this project were forwarded recently to the Provincial Ministers of Agriculture for their consideration.

The movement of girls from Displaced Persons Camps to city homes in Canada had definitely been a success, Mr. MacNamara said, and in those provinces desiring to accept this new project, it had been decided to undertake placement of domestics in farm homes at least on an experimental basis.

"We believe that through the joint administration by the Dominion-Provincial Farm Labour Committee and the National Employment Service, successful placement of girls in farm homes can be accomplished", the Deputy Minister stated. "By using these two existing organizations, which have proven their worth in the past, we will have the cooperation and counsel of the provinces and will obtain a successful administration of a plan requiring considerable care and judgment."

The selection of girls would be made with special regard to the fact that they were to be placed in farm homes and girls with a rural background would receive preference in selection.

(Complete detail of placement plans will be found in the Weekly Bulletin of April 2.)

**Export Credits Insurance:** The substantial increase in protection afforded to Canadian exporters by the crown-operated Export Credits Insurance Corporation is revealed in the annual report tabled in the House of Commons by the Rt. Hon. C.D. Howe, Minister of Trade and Commerce.

As of December 31, 1947, its policies covered an estimated export volume of \$44,487,470, against risks not provided for in ordinary commercial insurance, such as the insolvency of the foreign buyer, cancellation of an import licence in the country of destination, and the risk of adverse changes in foreign exchange regulations. Policies written during 1947 covered exports of raw materials, agricultural products and manufactured goods from exporters all across Canada to a total of 71 different countries.

In noting a continually increasing demand for its services, Chairman M.W. Mackenzie reported that branch offices of the Corporation were opened during the year in Montreal and Toronto, and consideration would be given to establishing new offices wherever volume of business might warrant.

(over)

Staffed by only twenty-two officers and employees the Corporation showed a healthy financial position, with a substantial surplus of operating revenues over expenditures. In order to provide against possibility of a less favorable loss experience over a period of years the total excess of income over expenditure since the commencement of the corporation's operations has been credited to an Underwriting Reserve, which now amounts to \$584,336.07.

Charting Great Slave Lake: Estimates for 1948-49 tabled in the House of Commons provide for the continuance of the charting of the routes leading across Great Slave Lake to Yellowknife and the northern mining areas, according to an announcement by the Honourable J. Allison Glen, Minister of Mines and Resources.

The Canadian Hydrographic Service which is responsible for this work will continue its examination of harbours of refuge in the Great Slave Lake, and chart critical areas in the Mackenzie River, utilizing the motor launch "RAE" built in 1946 and put into hydrographic service on this waterway last year. This modern 47-foot craft, with cooking facilities and sleeping accommodation for eight men, has greatly speeded up hydrographic work on this important water route, providing reliable charts, which before this time were almost non-existent. By making such information available, the Hydrographic Service is aiding materially in the development of the Northwest Territories.

Mr. King in Williamsburg, Va.: Prime Minister Mackenzie King is in Williamsburg, Va., today. The Prime Minister, Viscount Alexander, and President Truman are to receive honorary degrees from the College of William and Mary, Friday, April 2.

Mr. Brockington Appointed: Honourable Humphrey Mitchell, Minister of Labour, Tuesday announced the appointment of L.W. Brockington, K.C., Ottawa, as Chairman of the Conciliation Board which has been established to deal with matters in dispute between Canada Steamship Lines Limited, Montreal, and the Canadian Seamen's Union (TLC).

Ship Sales \$115,752,000: War Assets Corporation in February disposed of three motor vessels formerly used by the Army and two motor craft used by the Royal Canadian Air Force. Sales of ships and ships components to the close of February by the Corporation aggregated in dollar returns \$115,752,000.



# AIRMAIL BULLETIN

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Friday, April 2, 1948.

Lithuanian Registration: The Department of External Affairs on Thursday issued the following statement:-

A number of Canadian Slavic-language newspapers have recently published a notice on behalf of the Consular Division of the Embassy of the U.S.S.R. to the effect that the Praesidium of the Supreme Soviet of the U.S.S.R. passed a Decree, dated December 16, 1947, according to which all persons of Lithuanian nationality, natives of the city of Klaipeda, and of the Klaipeda, Shilut, and Pageg districts of the Lithuanian S.S.R., who were abroad at the time of the passage of the Decree, and who had not become citizens or subjects of any other country, were obliged to register at U.S.S.R. Embassies or Consulates as Soviet citizens not later than June 1, 1948.

The Department of External Affairs first learned of the Soviet Embassy's intention to call upon Lithuanian nationals residing in Canada to register as Soviet citizens in accordance with this Decree when the notice had already been printed in the foreign-language press. The Department regrets that the Soviet Embassy did not consult it before submitting the announcement to the press. The question of the future citizenship of immigrants who come to Canada with the intention of making a permanent home in this country is a matter in which the Canadian Government takes a deep interest, and the Department would have expected the Soviet Embassy to inform it in advance of any public announcement which it wished to make affecting the citizenship of immigrants of Lithuanian nationality.

The Canadian Government has never extended recognition to the Lithuanian Soviet Socialist Republic as a constituent republic of the U.S.S.R. The Government, therefore, does not regard Lithuanian nationals residing in Canada as citizens of the U.S.S.R. Just as other immigrants from Europe have become Canadian citizens, so, the Government hopes, the Lithuanians who are making their permanent home in Canada will seek Canadian citizenship. The Canadian Citizenship Act gives assurance to anyone who comes to this country with the intention of making a permanent home here that he may readily become a naturalized Canadian citizen and secure the rights and privileges which belong to natural-born Canadians.

Similar registration was provided for by the Soviet Embassy in 1945 in respect of persons formerly resident in parts of the Ukraine and Byelo-Russia which had been incorporated into the U.S.S.R. At that time, it was made abundantly clear to the Soviet Embassy that the Government of Canada did not recognize any obligation on the part of residents of Canada to comply with the Soviet registration notice. The Embassy replied that there was no intention of exercising compulsion and that the text of the announcement indicated that registration was voluntary. The Canadian position with respect to the present notice is the same. The Canadian Government regards the registration of Lithuanian nationals in accordance with the Decree of the Praesidium of the Supreme Soviet of the U.S.S.R., as announced by the Soviet Embassy in the Slavic-language press in Canada, to be entirely a voluntary matter, and recognizes no obligation on the part of any resident of Canada to register.

Since the notice, as it appeared in the Slavic-language press, did not make it clear that there was no obligation to register on the part of Lithuanian nationals who were resident in Canada, the Department of External Affairs wrote to the Soviet Embassy on March 22, requesting the Embassy to insert in any announcement which it might wish to make in the future a sentence which would make it clear that registration was, in fact, voluntary.

Mr. Abbott's Address: The Minister of Finance, Hon. Douglas Abbott, addressed the semi-Annual meeting of the Academy of Political Science, New York City, April 1, on the subject of Prices and Credit, saying in part as follows:-

"A considerable part of the rise in the cost of living index over the past two years has been due to the cessation of subsidy payments and the widening of dealers' and manufacturers' margins following the release of controls. The most important factor, however, has been the boom which has been developing in my country as in yours. Despite the magnitude of the industrial reconversion problem with which V-J Day confronted us and the large number of enlisted men and of war workers for whom new peacetime occupations had to be found, Canada made the transition from a wartime economy to a peacetime economy with astonishing speed and smoothness.

"In a little over a year we were again passing into a zone of full employment and since then we have been witnessing a real economic boom, particularly in the field of consumer goods and industrial capital expenditures. It is a boom of unprecedented proportions even though the public does not seem to be aware of it -- thanks largely, I suppose, to the abnormal way in which the usual barometer, the stock market, has been acting. Our gross national production has increased from \$11.6 billion in 1945 to over \$13 billion last year -- in 1938 it was \$5.1 billion."

Extension to April 14: Hon. Douglas Abbott, Minister of Finance, announced Friday that, following on discussions between the Government of Canada and the United Kingdom High Commissioner in Canada, the present arrangements for financing imports into the United Kingdom from Canada have been extended to April 14th.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Saturday, April 3, 1948.

Honours for Canada: The Prime Minister, Viscount Alexander and President Truman received honorary degrees on Friday, April 2, from the College of William and Mary in Virginia at Williamsburg, Va. Mr. King was particularly honoured in Canadian-American Day ceremonies. In acknowledging his honorary degree of Doctor of Laws, Mr. King spoke in part as follows:-

"The struggle to win and to maintain freedom is unending. Freedom, moreover, is one and indivisible. Twice in our generation, the peoples of the British Commonwealth and the people of the United States have found their freedom threatened through the loss of freedom by nations on the continent of Europe. Once again a like threat to our freedom looms large on the world's horizon.

"In some ways, the menace to freedom has never been graver or more insidious than it has become within the last three years. That menace arises no longer merely from armed aggression aimed at territorial expansion. While this is an ever-present danger, the menace to freedom comes as well from sinister plans to undermine the structure of free government within the borders of individual nations. Seeds of unrest and anarchy are being sown wherever, throughout the globe, the soil gives promise of their growth. In a word, freedom is threatened not only by military force but by an organized conspiracy to establish a tyranny over the human mind, to thwart the wills and destroy the souls of nations as well as of men.

"If against such an appalling menace, freedom - physical, mental, moral and spiritual freedom - is to be preserved, a way must be found, and that right speedily, to ensure that nations which are still free will not be suborned, defeated or destroyed one by one."

Economic Trends: Wholesale prices moved downward during February for the first time in more than a year, states the Canadian Statistical Review, new monthly publication of the Dominion Bureau of Statistics, in its review of economic conditions in February. A further decline in government bond prices, a new international wheat agreement, and a slight decline in industrial activity partly as a result of power shortages were other highlights of the month.

The sharp break in United States commodity prices during early February was checked after a fall of about 10 per cent. A small but uncertain recovery followed until a further drop in early March brought prices of 28 commodities to the lowest point in seven months. The February decline was reflected to a small extent in Canadian markets and the index of industrial materials fell slightly more than two points in the four-week period ending February 27. In the same period the index for Canadian farm product prices fell from 133.9 to 132.3.

A further decline in the prices of Canadian Government bonds brought the yield on the longest dated issues to slightly less than three per cent per annum, the rate of interest at which Canadian Government bonds were issued during the war years. These declines followed a similar drop in government bond prices in the United States and the United Kingdom during the latter part of 1947.

Manpower Picture: Since the beginning of March, the number of workers seeking jobs through National Employment Service offices has declined, and the decline will be further accentuated in the next few weeks as the construction and agricultural industries become seasonally active, it is pointed out by Honourable Humphrey Mitchell, Minister of Labour, in issuing the current manpower summary.

The resumption of normal production schedules by Ontario industries after the shut-downs in the previous month because of the gas and power shortages, was the greatest contributory factor to the decline in unplaced applicants since February. Unplaced applicants increased slightly in both the Quebec and Maritime regions with the gradual cessation of logging operations. In both the Prairie and Pacific regions, applicants remained at relatively the same levels as in the previous month.

Sea Fury Fighters: Specifications of the aircraft to be flown by Canada's topflight naval pilots aboard the new carrier H.M.C.S. "Magnificent" reveal that they rank among the fastest propeller-driven planes in the world. The new single-seater Sea Fury fighters are capable of a top speed of 460 miles an hour at 16,000 feet and have a cruising range of approximately 1800 - 2000 miles, while the two seater Firefly IV fighter reconnaissance plane approaches 400 miles an hour.

Pilots and observers of the 19th Carrier Air Group have been undergoing intensive training at Eglinton, in Northern Ireland since last summer, and will transfer to "Magnificent" in time for her working up exercises. "Magnificent" will move to Canadian waters in the early summer.

Ontario Surplus: A \$25,039,000 surplus for the year ended March 31, 1948, was disclosed Thursday in Provincial Treasurer Frost's budget address to the Ontario Legislature.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Monday, April 5, 1948.

Parliament Reassembles: Parliament reassembles today after Easter recess, and is expected to continue in session until July.

All-time High: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, reached an all-time high point on March 1, standing at 150.8 as compared with 150.1 on February 2. Although this placed the index slightly above the July, 1920 peak of 150.6, the increase during February was the smallest recorded in seven months. The increase in this series since March last year amounted to 21.9 points. From August 1939 to March 1 this year, the increase in the Dominion cost-of-living index was 49.6 per cent.

The rise between February and March this year was contributed entirely by the non-food sections of the index. The food group actually declined fractionally from 186.1 to 185.9 as price decreases for eggs and citrus fruits outweighed increases for vegetables; changes in other food sub-groups were mixed and comparatively small.

The sharpest rise came in clothing which advanced from 165.1 to 169.9. Homefurnishings and services moved up from 159.9 to 161.2, and fuel and light from 120.1 to 121.0. The rent index remained at 119.9, and the miscellaneous items series at 122.8.

Divorces Increase: Number of divorces granted in Canada continued upward in 1947 for the eight successive year to reach a new peak of 7,942, an increase of 259 over the previous record figure of 7,683 in 1946, according to preliminary figures released by the Dominion Bureau of Statistics. The 1947 rise however, is considerably below the increases in the preceding three years, comparing with 2,607 in 1946, 1,288 in 1945 and 525 in 1944. It brings the rate per 100,000 population to 63.2 as against 62.5 in 1946 and 18.4 in 1939, when 2,068 divorces were granted.

In contrast with 1946, when there were increases in every province, the number granted was higher in 1947 in five provinces and lower in four. Ontario had 3,252 divorces as compared with 2,639 in 1946, accounting for nearly 41 per cent of the Dominion total. British Columbia was again second in number with 1,826, representing about 23 per cent of the total but down from 2,005 the previous year. Alberta had 881, also a decrease from the 962 recorded in 1946; while the number in Manitoba advanced to 665 as compared with 636, and in Saskatchewan slightly to 509 as against 505 the preceding year.

Of the remaining four eastern provinces, the number for Quebec increased to 348 compared with 290 in 1946 and for Prince Edward Island to 18 as against four, while divorces for New Brunswick declined to 236 compared with 382 and for Nova Scotia to 207 compared with 260 in 1946.

Retail Trade: Canada's retail trade in 1946 has been computed at \$5,506,-286,000. With most wartime restrictions on production and distribution removed, high employment, rising wages and other favourable economic factors, retail sales in 1946 topped the 1945 figure of \$4,595,667,000 by almost \$1 billion. In terms of percentage gains, sales in 1946 were 20 per cent above those for 1945 and 60 per cent higher than in the last Census year, 1941. It is too early to give an accurate estimate of the dollar volume of retail sales in 1947. However, on

the basis of material on hand, it is evident that sales for the year reached a point somewhere in the vicinity of \$6,250,000,000.

Rail Freight Traffic: Total freight carried on Canadian railways during 1947 amounted to 152,705,372 tons -- an unprecedented peacetime volume, and was exceeded only in the war years 1943 and 1944 when totals were 152,949,096 and 154,845,277 tons, respectively. A gain of 14,178,516 tons or 12 per cent over 1946 was recorded.

Mr. King in Williamsburg: Prime Minister Mackenzie King and Viscount Alexander, Governor-General of Canada, on Sunday morning sat in the Governor's pew of a 200-year-old Anglican Church for morning services in Williamsburg, Va., former capital of the British colony of Virginia.

In the afternoon they visited the old Daniels plantation across the James River on the Virginia mainland, and at night heard a choral program while they dined in the Williamsburg Inn.

Both the Prime Minister and Governor-General end their visit to colonial Williamsburg Monday.

# AIRMAIL BULLETIN

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Tuesday, April 6, 1948.

Statement on Trieste: In the House of Commons Monday the Secretary of State for External Affairs, Mr. St. Laurent, answered a question put on March 22, by Mr. Gordon Graydon (PC-Peel) as to the intention of the Government with respect to objectives set out in the joint statement on Trieste issued on Saturday, March 20, by the Governments of the United States, the United Kingdom and France. After reading the first part of this declaration, Mr. St. Laurent proceeded as follows:-

"In his address before the plenary session of the Paris conference on August 2, 1946, the Prime Minister (Mr. Mackenzie King) said,

'Our concern as a nation is to see that, as far as we can help to make them so, the peace treaties will be based upon broad and enduring principles of justice and equity. Canada seeks no territory, no reparations, no special concessions of any kind, but we do seek to build a lasting peace.'

"On October 8, 1946, the head of the Canadian delegation, the Hon. Brooke Claxton, speaking before the plenary conference, stated with reference to the statute of Trieste:

'The compromise for which the large majority of the commission eventually voted followed the lines laid down by the council of foreign ministers. The Canadian delegation supported the creation of the free territory of Trieste in the hope that it will possess genuine independence under the authority of the United Nations. This hope, however, is based upon the belief that in the last resort Yugoslavia, which was in the forefront in the war against the axis forces, will find it possible to play a leading role in supporting a pacific and progressive solution of this most difficult aspect of the Italian settlement.'

"This hope has not been realized. In reply to the question of the hon. member for Peel, therefore, I wish to state that it is the intention of the Canadian Government to support the proposal of the Governments of the United States, the United Kingdom, and France to return the free territory of Trieste to Italy by revision of the peace treaty with Italy."

World Price Movements: Wholesale price index numbers for most countries advanced to new post-war high points in the second half of 1947, with increases during this six-month period ranging from three to 35 per cent. Annual increases for 1947 were generally larger than for 1946. Some series, notably those for the United States, France and Czechoslovakia, recorded smaller annual gains in 1947, but these were cases where 1946 increases had been exceptional, the Bureau of Statistics reports.

The rate of increase in the United States Bureau of Labour wholesale price series accelerated in the second half of 1947 after a gradual rise in the first six months. A June-December rise of 10.6 per cent left the index only 2.5 per cent below the May, 1920 figure, which marked the peak level following World War I.

However, price increases throughout 1947 were less rapid than the sharp advances which had occurred after the general suspension of commodity controls in mid-1946. The rise of 15.8 per cent recorded for 1947 was about half the net increase accumulated in 1946. The whole price picture in the United States, has of course been modified by the sharp February 1948 break in primary commodity markets.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on March 25 totalled 92,239,000 bushels as compared with 94,834,000 on March 18, and 110,173,000 on the corresponding date last year, according to the Dominion Bureau of Statistics. Visible supplies on March 25 this year comprised 89,023,000 bushels in Canadian positions and 3,216,000 bushels in United States positions.





# AIRMAIL BULLETIN

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Wednesday, April 7, 1948.

In Parliament Tuesday: Prime Minister Mackenzie King denied an allegation that former Veterans Minister Mackenzie was ousted from the cabinet because he and Mr. King differed over veterans pensions.

Finance Minister Abbott said he had no statement to make on the possible date of the budget.

Second reading--adoption in principle--was given a bill providing subsidies on increased gold production.

Labor Minister Mitchell introduced the Government's new labor code. (CP)

Farm Immigration: The farm labor shortage will be considerably relieved in 1948 by Canada's immigration policy, according to a statement made Tuesday by Honourable Humphrey Mitchell, Minister of Labor.

"The immigration of farm labor is being co-ordinated by the close liaison of the Federal and Provincial Governments under the Dominion-Provincial Farm Labor Agreements, and full use is being made of the farm intelligence service provided by the Dominion-Provincial Farm Labor Committees and the National Employment Service", Mr. Mitchell stated.

A total of 2,500 Dutch families will be coming to the Dominion for introduction into Canadian agriculture, and will include some 10,000 people in all. In addition to these immigrants from Holland, some 2,000 single men from Displaced Persons camps in Europe will arrive here this spring and summer to help out on farms. These are in addition to the 500 D.P. domestics who are to be placed in farm homes and about which an announcement was recently made.

There is also a considerable volume of agricultural labor from Britain which will migrate to the Dominion. The largest proportion of these new settlers, many of whom have already arrived, are being placed on farms through the cooperation of the provincial authorities and the National Employment Service. Immigrants from other countries are brought in under sponsorship programs which are supervised by the Federal Government.

Atomic Energy Order: In order to carry into effect the policy with regard to private prospecting, exploration and mining for radio-active minerals announced by the Right Honourable C. D. Howe in the House of Commons on 16 March 1948, it is necessary that prospectors and others concerned be informed of and be able to communicate to others the results of analyses of ore samples and to have hand samples for the usual purposes. Accordingly, a general order has been issued under the Atomic Energy Regulations of Canada permitting these things to be done, the Atomic Energy Control Board has announced.

New Navy Flag: A distinctively Canadian flag to be flown from the ship of the Senior Canadian Officer present afloat, in both Canadian and foreign ports, has been adopted by the Royal Canadian Navy, it was announced Wednesday by Hon. Brooke Claxton, Minister of National Defence.

The flag will be triangular in shape, and will be dark blue with a white St. George's cross.

Up to the present, it has been the practice for the Senior Officer present afloat to fly the same pennant as that in use by the senior officer of the Royal Navy.

The new triangular blue flag, will be flown by the senior officer of any group of Canadian naval vessels. The only exception to the rule will be when the senior officer is an Admiral or a Commodore when the flag or pennant of his rank will be flown.

Col. Pangman Returns: Colonel J. E. C. Pangman, DSO, ED, has returned to Army Headquarters, Ottawa, after completing a course at the British Joint Services Staff College in the United Kingdom. He has resumed his appointment as Director of Military Operations and Plans.

Ontario Immigration: Premier George Drew of Ontario announced in the Legislature Tuesday the termination of Ontario's air immigration scheme, and went on to say that the Ontario Government is waiting for the Dominion to introduce an air plan of its own.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 97

Thursday, April 8, 1948.

Freight Rates Issue: The Minister of Transport, Hon. Lionel Chevrier, in the House of Commons Wednesday, announced that the Government will not interfere with the effective date of the order of the Board of Transport Commissioners authorizing general advance in freight rates but will direct that a thorough investigation of the railway rate structure be made. M. J. Coldwell, CCF leader, moved an amendment which would censure the Government for failure to defer the increases. Debate will continue.

Paris Conference: The Secretary of State for External Affairs and the Minister of Trade and Commerce announced Wednesday that approval has been given to Canadian representation at the Sixth Decennial Conference for the Revision of the International Lists of Diseases and Causes of Death, to be held in Paris from April 25 to April 30, 1948. The Canadian delegation will be as follows:

Senior delegate

Dr. F. S. Burke, to represent the Department of National Health and Welfare and other medical services in the Government of Canada

Delegates

Dr. J. A. Melanson, of the Department of Health, Province of New Brunswick, to represent the provinces

Dr. John Wylie, Professor of Preventive Medicine, Queens University, to represent the national private schools and the schools of public health

Mr. J. T. Marshall, to represent the Dominion Bureau of Statistics

Technical Adviser

Miss Winnifred O'Brien, R.N., Medical Classification Section, Division of Social Welfare Statistics, Dominion Bureau of Statistics

This Sixth Decennial Conference which will be attended by representatives of most of the nations of the world will be the culmination of the statistical study of diseases and causes of death which has now been in progress for more than a century. The accurate study of the incidence of diseases and of the causes of death is dependent upon the use of a uniform classification. Attempts to establish a uniform classification have been made at various International Statistical Congresses since 1853; and the most recent revision of the International Lists of Causes of Death dates from 1938 when for the fifth time revision was made by international agreement.

Chemical Industries Session: The first session of the Chemical Industries Committee of the International Labour Organization was opened in Paris Wednesday, according to an announcement made by Honourable Humphrey Mitchell, Minister of Labour. This session will sit until April 17.

The Committee will consider the problems of the Chemical Industries in the light of recent events and changes, and, the conditions of labour and the organization of Industrial Relations in these industries.

This is the eight standing Committee set up by the I.L.O. to deal with problems of most of the important world industries. There are six Canadian representatives on the Committee, two representing the Government, two the employers and two the workers. Representing the Government are R. W. Crumb, Industrial Relations Branch, Department of Labour, Toronto; Stanislas Picard, B.Sc. (Chemical Eng.), Unemployment Insurance Commission, Quebec City; representing the employers are J. D. Converse, of Montreal, and R. F. Cummings, of Shawinigan Falls, P.Q.; the workers are represented by Silby Barrett, Canadian Congress of Labour, Toronto, Ont.; and George Pay, Trades and Labour Congress of Canada, Niagara Falls, Ont.

In addition to the Dominion, the following countries have representatives on the Chemical Industries Committee, the United States, Belgium, Brazil, China, France, the United Kingdom, India, Italy, Mexico, Norway, the Netherlands, Sweden and Switzerland.

105 Honored: Wartime decorations and awards for gallantry in action, and for outstanding services in positions of great responsibility, were presented at a Government House investiture in Ottawa Thursday afternoon.

One hundred and five persons, representing Army, Navy and Air Force, and including one Women's Division officer, RCAF, and one Warrant Officer, Army, as well as a number of civilians, received their medals from the hands of His Excellency the Governor-General.

Industrial Employment: There was a pronounced contraction in industrial employment throughout Canada at the beginning of February. The 18,560 leading employers in the eight major industrial divisions furnishing returns to the Dominion Bureau of Statistics had a working force of 1,955,825 men and women as compared with 2,002,819 at the first of January, a decline of almost 47,000 persons, or 2.3 per cent. The index number of employment, based on the 1926 average as 100, declined from 193.7 at the first of January, 1948, to 189.2 at February 1, as compared with 180.7 at the same date a year ago.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, April 9, 1948.

In Parliament Thursday: Agricultural Minister Gardiner announced the Government has decided to continue paying freight charges on feed grains from the west.

Labor Minister Mitchell said the Government hopes for a settlement in a few days of the deep-sea ship strike.

The federal Labor Code bill was given second reading.

Veterans Minister Gregg announced a \$10-a-month increase in allowances to needy veterans of the First World War. (CP)

Record Farm Income: In spite of a continued rise in farm operating expenses, the net income of Canadian farmers from farming operations in 1947 reached a total of \$1,259,711,000, the highest figure recorded since the compilation of comparable statistics back to 1938, according to preliminary estimates by the Dominion Bureau of Statistics. This figure compares with the revised estimate for 1946 of \$1,160,755,000, and the revised figure for 1944 of \$1,242,718,000, the previous high record.

Farm cash income also established an all-time high record of \$1,990,619,000 as against \$1,752,682,000 in the preceding year, and there were further increases in the value of home-consumed farm produce. While the value of farm-held year-end inventories of live stock and gains declined \$100,111,000, it failed to offset gains in cash income and income in kind, the latter rising from \$300,557,000 in 1946 to \$323,465,000. As a result, gross income for 1947 also set a record aggregating \$2,213,973,000 compared with \$2,012,015,000 in 1946.

Farm operating expenses in 1947 continued the upward climb which became quite noticeable in 1946. From \$868,210,000 in 1946 this item rose to \$965,838,000 in 1947, a gain of approximately 11 per cent. While gains were registered for nearly all of the expense items, the most significant increase occurred in the case of live stock feeds which climbed from approximately \$198,975,000 in 1946 to \$253,790,000 last year.

With the exception of Nova Scotia and British Columbia, all of the 1947 provincial net incomes were larger than in 1946 and without exception they were above the 1945 figures. Compared with 1946, the greatest absolute gain in provincial net income occurred in Saskatchewan, while on a percentage basis, Saskatchewan and Alberta, with gains of 19.6 and 19.3 per cent, respectively, were in the lead.

Communications Agreement: The Governments of Canada and the United States announced Thursday that an agreement has been concluded concerning the future operation of certain of the telephone and telegraph lines constructed during the war between Edmonton, Alberta, Canada, and the Alaska-Canadian border.

These lines provide direct communication between Canada, the United States and the interior of Alaska. They are available for transmission of telephone and telegraph messages of private industry and individuals and are handling a steadily increasing volume of commercial traffic. They were built during the war under the technical supervision of the United States Army Signal Corps and at the conclusion of hostilities sold to and are now operated by the Canadian

Government. These facilities parallel the Highway from Edmonton, Alberta to the Alaskan-Canadian border, which is approximately 1700 miles from Edmonton. At the boundary the Canadian portion of the lines connects with the Alaska Communication System which provides telephone and telegraph service for the Territory of Alaska. Under the present agreement the Canadian Government makes available certain channels on the lines within its boundaries for use by the United States on a rental basis. These several telephone and teletype channels are leased in accordance with standard commercial rates. The United States Government agrees to maintain the facilities in Alaska, operation and maintenance of the facilities in Canada being the responsibility of the Canadian authorities.

The agreement is to remain in force until the two Governments mutually consent to terminate it or after one year's notice by either Government.

E.R.P. Move: The Minister of Trade and Commerce, Mr. Howe, on Thursday, in the House of Commons moved an amendment to Export and Import Permits Act. He explained it, in part, as follows:

"The purpose of this amendment is to ensure that materials available in Canada for export are used in a manner that contributes to the maximum effort in the reconstruction and rehabilitation of Europe as envisaged under the European recovery program.

"One of the keystones of the Hyde Park agreement whereby goods move without restriction from the United States into Canada, is the understanding that this special position accorded Canada will not be subject to abuse, and that the export controls of both countries are sufficiently co-ordinated as to allow for this free movement of goods between the two countries without the possibility of their flowing to a third country.

"It is an arrangement which has proven extremely useful to Canada, and one that should be maintained.

"The United States authorities on March 1 modified their regulations, in anticipation of the European recovery program, to require export licenses for all commodities being exported to Europe and contiguous areas.

"One can readily understand that, with the enormous demands which will be placed on the productive capacity of the United States under the European recovery program, it is desirable that there be no diversion of United States products to Canada for back-door trading, and that we shall be found working as closely and harmoniously together in this peace offensive as under the duress of hostilities."



# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Saturday, April 10, 1948.

In Parliament Friday: The Government's bill to increase allowances for needy war veterans received second reading in the House of Commons.

A bill to authorize an increase in capitalization of the Bell Telephone Company was talked out.

The House of Commons discussed a resolution to establish a committee on human rights.

Mr. McIlraith's Address: In an address to the Canadian Importers and Traders Association in Toronto on April 9, George J. McIlraith, M.P., Parliamentary Assistant to the Minister of Trade and Commerce, said in part:-

"It is still too early to hazard a guess on how soon our gold and U.S. dollar reserve will be raised to the point where import restrictions can be dropped. The immediate result seems to be favourable. In the three months, September to November, total exports exceeded total imports by \$30 million, which was less than half the total of a year earlier. In the three months following the establishment of import restrictions, that is, December through February, the favourable balance was \$130 million, double the balance of a year earlier.

"On our trade with the United States, which is the crux of the foreign exchange problem, an unfavourable balance of \$140 million in September-November 1946, had increased to nearly \$240 million in September-November 1947. In the three months following restriction of imports, the unfavourable balance was \$115 million, which can be compared with an unfavourable balance of \$180 million a year earlier. Similarly, there has been an increase in our holdings of gold and U.S. currency. This reserve dropped to \$460 million in mid-December, and increased to nearly \$530 million at the end of February, not including \$50 million drawn on the loan from the American Export-Import Bank."

Two By-elections: The Prime Minister, Mr. Mackenzie King, has announced that Tuesday, June 8th, had been fixed as the date of polling for the by-elections in the electoral divisions of Ontario and Vancouver-Centre. The by-elections will be held on Tuesday, June 8th, because Monday, June 7th, has been fixed as the day for the observance in Canada of the King's birthday.

Sir Guy Garrod in Ottawa: Air Chief Marshal Sir Guy Garrod, CBE, KCB, MC, DFC, Royal Air Force representative on the United Kingdom Military Staff Committee of the United Nations, arrived at Rockcliffe air station in an RCAF aircraft Thursday, April 8 for a short visit in Ottawa, it was announced by Air Force Headquarters.

While in Ottawa Air Chief Marshal Garrod will confer with senior RCAF officials and will lecture to Service personnel upon "Problems Confronting the United Nations."

Air Chief Marshal Garrod was flown to Ottawa by an aircraft of 412 Composite Squadron, Rockcliffe.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, April 12, 1948.

Report Canadians Safe: The Canadian Press reported from Halifax Sunday the interception by ham radio of a message from H. W. Richardson, Canadian Trade Commissioner of Bogota, that all 200 Canadians in the city were safe. The broadcast was said to have been received by Mrs. Kenneth Longley, an amateur radio operator at Dartmouth, who relayed the information to the Canadian Press. The Department of External Affairs as of Monday morning had received no confirmation.

Fellowships for Canadians: Six Canadians are among the 112 scholars and artists awarded fellowships by John Simon Guggenheim Memorial Foundation, it was announced Sunday at New York.

The awards are the 24th in the annual series made by the foundation which has an endowment of more than \$29,000,000. It was established by the late Simon Guggenheim, United States senator, and his wife, as a memorial to their son who died in 1922.

In the field of botany Dr. Henri Prat and Dr. Pierre Dansereau, both of the University of Montreal, received fellowships, granted for varying periods depending on the necessities of the work.

George Vickers Haythorne, an economist in the Department of Labour at Ottawa, will make a study of the conditions necessary for developing and maintaining full employment in Canadian agriculture.

Assistance to write a novel will be given Douglas Le Pan, first secretary in the office of Canada's High Commissioner in London. Le Pan is author of "The Wounded Prince."

Dr. George Francis Gilman Stanley, professor of Canadian history at the University of British Columbia, Vancouver, will study the governmental policy toward the Canadian Indian.

Paul Antoine Giguere, professor of physical chemistry at Laval University, Quebec, will investigate the molecular structure of hydrogen peroxide by the spectroscopic method. (CP)

Unique Presentation: A photograph of Winston Churchill on which he has written "To Fort Churchill and its friends since 1685", an engraving of the first Baron Churchill after whom the Churchill River was named, and a framed certificate of presentation have been sent to the Defence Research Board of Canada by four eminent British defence scientists following their visit to Canada last fall.

The scientists are Sir Henry Tizard, Chairman of the Defence Research Policy Committee; Sir Ben Lockspeiser, Chief Scientist, Ministry of Supply; Dr. O.H. Wansbrough-Jones, Scientific Adviser to the Army Council; and Dr. J.A. Carroll, Deputy Controller (Research and Development) of the Admiralty.

The framed presentations have been sent to Dr. O.M. Solandt, OBE, Chairman of the Defence Research Board, for the officers' mess of the armed forces' cold weather testing station at Fort Churchill. The actual presentation to the mess will be made by Hon. Brooke Claxton, Minister of National Defence, when he visits Churchill.

Baron Churchill of Aymouth, shown in the engraving, is the same man who later became Duke of Marlborough. He was the third governor of the Hudson's Bay Company, from 1685 to 1692. This explains the phrase "friends since 1685" autographed on his own photograph by Rt. Hon. Winston Churchill, direct descendant of the Duke of Marlborough and British wartime Prime Minister.





# AIRMAIL BULLETIN

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Vol. 6, No. 101

Tuesday, April 13, 1948.

In Parliament Monday: Opposition speakers urged the Government to enact a Canadian Bill of Rights. Others charged the "clamor" for such a bill was fostered by Communists.

Labour Minister Mitchell said the strike of deep-sea officers has been settled on the East Coast. It was hoped the West Coast tie-up would be settled today.

Reconstruction Minister Howe said he sees no prospect of gasoline rationing this year.

Prime Minister Mackenzie King said he could not say whether a Dominion-provincial conference on social security will be held this year.

Effect of E.R.P. in Canada: In reply to an inquiry in the House of Commons Monday as to the effect of the passing of the European Recovery Program on Canada's shortage of United States dollars the Minister of Finance, Mr. Abbott, spoke as follows:-

"The adoption of the European Recovery Program by the United States should enable Canada to continue to ship to Europe the large volume of exports which we have been sending there and which the European countries need for their recovery.

"It is still too early to say what the effect of the program will be on Canada's dollar shortage. I do not expect it will permit any early easing of the emergency import restrictions. On the other hand, I wish to emphasize that if the European Recovery Program had not been adopted, the Canadian dollar difficulties would have been greatly intensified.

"Many of the details of our relationships with the European Recovery Program are still under discussion. I hope to be able before long to give the House a complete statement on our position when a number of matters now under discussion have become clarified."

Canadian National Report: Record peacetime traffic in 1947 failed to pull the Canadian National Railways out of the red, and the Government system on Monday reported to Parliament a deficit of \$15,885,000.

Second straight postwar deficit, it was an increase of \$7,000,000 over the \$8,961,000 loss in 1946 and compared with a surplus of \$24,765,000 in 1945.

Steadily-rising costs were blamed by the company for its slipping financial position. President R. C. Vaughan said it should seek further freight rate increases to compensate for increased charges in labour and materials since 1946.

The company shares in the 21 per cent rate increase authorized by the Board of Transport Commissioners a fortnight ago. But the CNR head said the 1946-48 cost adjustment should be over and above that.

The CNR report was tabled in the Commons by Transport Minister Chevrier. He also brought down the 1947 report of the affiliated Canadian National West Indies Steamships, Ltd., showing an operating profit of \$829,277. This compared with \$1,709,000 a year previously. (CP)

(over)

Royal Visitor: The following particulars with respect to the forthcoming visit to Ottawa of His Royal Highness the Prince Regent of Belgium have been given to the press by the Department of External Affairs.

His Royal Highness will be accompanied on his visit to Ottawa by Mr. Paul Henri Spaak, Prime Minister and Minister of Foreign Affairs of Belgium, Mr. Paul de Groote, Minister of Economic Co-operation of Belgium, and by members of their staffs.

The Prince Regent will arrive in his own aircraft at Rockcliffe Airport at noon on Friday, April 16, where he will be welcomed to Canada by the Deputy Governor General, the Prime Minister, the Secretary of State for External Affairs and other members of the Government. His Royal Highness and the members of the Belgian Government will lunch informally with the Prime Minister at the Chateau Laurier Hotel. During the afternoon the Prince Regent will visit the Parliament Buildings. Mr. Spaak, the Prime Minister of Belgium, will meet the press. In the evening His Royal Highness will be the guest of the Government of Canada at a dinner in his honour at the Country Club.

At one o'clock on Saturday, April 17, His Royal Highness will lay a wreath at the National War Memorial, after which he will entertain at luncheon at the Belgian Embassy. In the evening the Prince Regent will be the Prime Minister's guest at dinner at Laurier House and afterwards at the Minto Follies.

On Sunday, April 18, the Prince Regent will leave Canada by air for Belgium from Rockcliffe Airport.

Aerial Photo Operations: The RCAF's 1948 aerial photo operations have started, with three Dakota aircraft of 414 Squadron, Rockcliffe, on their way to Calgary, to commence photo flights in that area, it was announced by Air Force Headquarters, Ottawa. The three aircraft, making up one of the numerous detachments which will operate in the field during the season, left Rockcliffe Monday morning, and are scheduled to arrive in Calgary on Tuesday, after an over-night stop in Winnipeg.

The detachment will move north from Calgary around May 1, depending upon snow conditions, and will operate from Whitehorse, Y.T., Watson Lake, Y.T., and Fort Nelson, B.C., and it is expected that more than 81,000 square miles will be covered by the three planes, before they return to Rockcliffe around the first of September.

In all, it is hoped that approximately 550,000 square miles will be covered this year by the RCAF's No. 22 Photo Wing, although it is emphasized by Air Force officials that coverage is greatly dependent upon the weather. Last year's crews covered over 400,000 square miles, despite bad weather conditions.

\$21,000,000 Steam Plant: A \$21,000,000 steam plant for generating electricity will be built on the outskirts of Windsor, Chairman R. H. Saunders of the Hydro-Electric Power Commission of Ontario announced Monday. (CP)



# AIRMAIL BULLETIN

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Wednesday, April 14, 1948.

In Parliament Tuesday: The House of Commons devoted practically the whole of yesterday to continued debate on freight rates and on the Government's decision against deferring the 21 per cent increase granted two weeks ago by the Board of Transport Commissioners.

The C.C.F. leader, Mr. Coldwell, previously had submitted a want of confidence motion on the issue; yesterday the Progressive Conservative leader, Mr. Bracken, moved a sub-amendment which would have the House condemn the Government for "failure to secure the removal of inequalities and discriminations in the Canadian freight rates structure before the imposition of a horizontal increase of 21 per cent...."

Eleven members participated in yesterday's debate, which was adjourned at the 11 o'clock closing hour and is to continue. The Minister of Transport, Mr. Chevrier, led off in the afternoon with an exhaustive review of the Canadian railway situation.

Immigration Increase: A 133.4 per cent increase in immigration to Canada for the first two months of 1948 over the corresponding period of last year, was announced by the Immigration Branch of the Department of Mines and Resources. The Branch also announced the scheduled arrival early next week of the steamship "Kota Inten" carrying 740 Dutch immigrants to Canada.

The immigrants aboard the "Kota Inten" are family groups who will be going to farms in all nine provinces. This is the second trip of the "Kota Inten," which brought an earlier group of Dutch families to Canada on March 22.

During January and February, 12,457 immigrants reached Canada, as compared to 5,337 in the same months of 1947. Immigrants from the British Isles numbered 6,313, a 77.7 per cent increase over the total of 3,552 for the corresponding months of 1947.

There was a marked rise in the numbers of immigrants from continental Europe, the two-month figure being 5,223, as against only 545 for the same period a year ago.

Border Traffic: Volume of highway traffic at border points in February showed the same general characteristics as were shown in January. American traffic entering Canada continued to advance over the corresponding period in 1947 and Canadian traffic returning from the United States continued to decline. The aggregate number of border crossings in February was 368,000, an advance of 16 per cent over the previous year. The total volume consisted of 269,600 foreign entries and 98,400 Canadian vehicles returning. Of the foreign inflow, 33,300 cars entered on traveller's vehicle permits, 224,100 were non-permit or local entries and 12,200 were commercial vehicles. The Canadian traffic comprised 4,000 units remaining abroad for more than 24 hours, 82,700 staying for shorter periods, and 11,700 commercial vehicles.

Indian Health Survey: Almost half the Indian population of Manitoba was X-rayed during 1947 in one of the most extensive anti-tuberculosis drives yet undertaken among Canadian Indians, National Health and Welfare Minister Paul Martin revealed Wednesday. Plans are under way to X-ray the remainder of the Manitoba Indian population this year.



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Vol. 6, No. 103 Thursday, April 15, 1948.

In Parliament Wednesday: Debate was continued on two opposition motions of non-confidence in the Government concerning the issue of freight rates.

Revenue Minister McCann promised to consider paying the 1943 and 1944 portions of refundable income tax in one lump sum.

C.N. Budget Forecast: A Canadian National Railways budget forecasting a 1948 deficit of \$23,400,000--larger than last year by \$7,500,000--was tabled in the Commons Wednesday by Transport Minister Chevrier. However, the budget did not take into account two big potentials in the National line's 1948 operations--the recently-granted 21 per cent freight rate increase and the demands of employees for wage increases.

On the basis of possible added revenue of around \$30,000,000 through rate increases, the system might have an indicated surplus of some \$6,000,000 without wage increases. These boosts might run to \$80,000,000 if full employee demands were granted. (CP)

Iron Ore Research: Eastern Ontario might again become a great centre of iron ore mining, Mines Minister Leslie Frost said in the Ontario Legislature Wednesday.

Mr. Frost recalled that guns used by General Grant in the United States Civil War had been made from iron from Eastern Ontario. However, that area had been bypassed as an ore-producing area with discovery of other ore fields.

The Minister said research parties are to be sent into Eastern Ontario this year with a view to reopening of that area. (CP)

Royal Wedding Anniversary: Canada's warships will be gay with bunting from stem to stern on Monday, April 26 when the order to "dress ship" will be carried out in observance of the 25th wedding anniversary of Their Majesties King George Sixth and Queen Elizabeth, it was announced by N.S.H.Q. At noon on the day of the anniversary ships will fire a Royal salute of 21 guns.

Leafs Take Cup: Scoring three goals in each of the first two periods Toronto Maple Leafs Wednesday night defeated Detroit Red Wings 7-2, capturing the Stanley Cup in four straight victories in the best-of-seven final for the world's professional hockey title.

By defeating Detroit in four games after whipping Boston in five in the opening playoff round, the Leafs swept to their second straight cup triumph, their fourth in eight years. It was the sixth time the battered old trophy has reposed in Toronto. (CP)

Store Sales Up: Department store sales increased 10 per cent in March over the same month last year, according to preliminary figures released by the Dominion Bureau of Statistics.

(over)

Sea Safety Conference: The Honourable Lionel Chevrier, Minister of Transport, stated Thursday that in view of this Dominion's extensive coast lines and her greater role in maritime matters, the Government attaches considerable importance to the forthcoming International Conference on the Safety of Life at Sea to be held in London on April 23rd next. The agenda is an extensive one and Canada has submitted a number of recommendations for consideration.

The Minister announced that Canada would be represented in London by five delegates and four men who will act as technical advisers and observers. The delegation is as follows:

Jules Leger, of the Department of External Affairs, and at present attached to Canada House, London (chief Canadian delegate).

H.V. Anderson, Director of Marine Services, Department of Transport, Ottawa (alternate chief delegate).

Captain J.W. Kerr, Supervisor of Nautical Services, Department of Transport, Ottawa (delegate).

A.A. Young, Chief Inspector of Hulls and Equipment, Steamship Inspection Branch, Department of Transport, Ottawa (delegate).

L.E. Coffey, Radio Representative, Department of Transport, Ottawa (delegate).

Lieutenant Peter G. Chance, Naval Representative, Ottawa, (Technical Adviser and Observer).

Walter R. Gray, Canadian Marconi Company, Montreal, (Technical Adviser and Observer).

A.L. Lawes, Montreal Shipping Federation, Montreal (Observer).

Captain R.W. McMurray, Managing Director of Canadian Pacific Steamships Ltd., Montreal, (Technical Adviser and Observer).



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OTTAWA - CANADA

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Friday, April 16, 1948.

Freight Rates Debate: The House of Commons continued throughout Thursday's sitting the debate on Canadian freight rates launched a fortnight ago by Mr. Coldwell. The C.C.F. and Progressive Conservatives leaders both have moved want of confidence motions. While debate was expected to have concluded with a vote at Thursday's session no conclusion was reached and discussion will be continued next Tuesday.

Gen. McNaughton's Statement: Following is the text of General McNaughton's statement in the Security Council of the U.N. on Thursday, April 15, in support of the Truce Resolution on Palestine.

"On behalf of the Canadian delegation, I should like to say that I give my full support to the Resolution regarding a truce in Palestine which you have presented to the Council in the name of the Colombian delegation.

"As you have said, Mr. President, this text is the product of a co-operative effort, under your devoted leadership as President, by a number of delegations. It was the sole desire of all who participated in these discussions to find a fair and equitable basis on which there might be an immediate cessation of acts of violence in Palestine; this to be definitely without prejudice to the rights, claims or positions of the parties concerned. In other words, we have tried to work out an effective 'standstill' as an interim arrangement.

"Perhaps I may be permitted to recall what I said in this Council on a previous occasion: 'Surely the realization must be growing upon both communities in Palestine that the present course of violence and inflexible resistance against each other can only bring chaos and mutual destruction'; and these words are even more relevant today, I think, than they were when they were spoken on 3rd March last.

"In supporting this Resolution, I express the hope that those to whom it is addressed will immediately take the required action to prevent a further deterioration in the situation in the Holy Land, while the General Assembly gives further consideration to what should be done to bring order and peace on a basis of justice to both communities in that country."

Atomic Advisory Committee: The Right Honourable C. D. Howe announced Thursday the appointment of an Advisory Committee to the Atomic Energy Control Board on the mining and exploration of uranium and other radioactive minerals. The Committee consists of the following:

G.C. Bateman, Chairman	Mining Consultant, Montreal.
W.B. Timm	Director, Mines, Forests and Scientific Services, Department of Mines and Resources, Ottawa.
Eugene Larochelle	Secretary, Western Quebec Mining Association, Quebec.
Dr. W.F. James	Geologist, Toronto.

(over)





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Vol. 6, No. 105 Saturday, April 17, 1948.

In Parliament Friday: Labour Minister Mitchell announced settlement of the deep-sea officers' strike on the west coast.

A resolution was adopted to establish a Senate-Commons committee on human rights and freedoms.

Veterans Minister Gregg announced widespread changes in veterans legislation.

Trade Minister Howe said he expects to visit Washington to discuss the European recovery program. (CP)

Ontario Election June 7: Premier Drew on Friday announced an Ontario general election for Monday, June 7, with a projected \$600,000,000 development program for the provincially owned electric power system as the chief issue. The announcement preceded the prorogation of the Legislature by a few minutes.

T.C.A. 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 Friday 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.

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.

Hong Kong Appointment: The Honourable James A. MacKinnon, Acting Minister of Mines and Resources, has announced the appointment of H. T. Peters as Superintendent of 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.

1948 "Canada" Available: 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.

(over)



U.S. Liaison Visit: Major-General N.E. Rodger, CBE, Quartermaster-General of the Canadian Army, will leave Ottawa for the United States next Monday, April 19, for liaison visits with senior U.S. Army logistics officers, it was announced at Army Headquarters.

Bacon for U.K.: The Meat Board today announced an increase of 25 cents per 100 pounds in the price it pays for bacon for export to the United Kingdom.

The price increase applies to all grades and weights of Wiltshire sides and other export cuts put into cure on and after Monday, April 19th. It means a price of \$36.45 per 100 pounds for Number One Selection A Grade Wiltshire sides of sizeable weights delivered Canadian seaboard.

The Board's price increase will not raise the cost of bacon to the United Kingdom.

The Board will pay the increase out of its reserves accumulated as a result of lowered operating costs due to peacetime resumption of more regular shipments and prompter handling of bacon.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Monday, April 19, 1948.

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, announced Monday. 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 co-operate 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.

Prime Minister Better: Prime Minister Mackenzie King, his cold almost better, expects to be back at his Commons' desk Monday, a spokesman said Sunday night.

Mr. King was ordered confined to his home Thursday because of the cold. He has continued his work there.

Saturday he chatted with Prince Charles of Belgium and with the Belgian Prime Minister, Paul Henri Spaak. He presided at an informal dinner Saturday night, attended by the Prince, Mr. Spaak and six other Canadian and Belgian Ministers. (CP)

Prince Charles Returns: Prince Charles of Belgium left for home Sunday after a 45-hour semi-official visit to the Canadian capital.

His big silver Sabena plane was airborne at Rockville at 8.47 a.m. at 1.30 p.m. EST it touched down at Gander, Nfld. It was due in Brussels shortly before noon Monday. (CP)

Army 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.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
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Tuesday, April 20, 1948.

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 yesterday, 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 Czechoslovakia 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."

(over)

ICAO Montreal Conference: 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 opens at ICAO Headquarters here Tuesday. 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 conditions that would normally ground fixed-wing aircraft.

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.

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 the following message:

"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 is announced. Accompanying him will be Brigadier G.S. Thompson, DSO, MBE, who is Brigadier, General Staff, in his Command headquarters.



# AIRMAIL BULLETIN

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Wednesday, April 21, 1948.

In Parliament Tuesday: The Minister of National Defence, Mr. Claxton announced in the House of Commons 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.

"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."

(over)

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

Presents Credentials: 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 Herve, 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 Republicain 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 Gouin Ministry in January 1946.



# AIRMAIL BULLETIN

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Thursday, April 22, 1948.

In Parliament Wednesday: The House of Commons continued the debate on freight rates and the two non-confidence motions of Mr. Coldwell and Mr. Bracken. The final vote is expected at today's sitting.

Polish Minister: The Department of External Affairs announces that Mr. Eugeniusz Jan Milnikiel presented today 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.

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. (DBS)

National Research Visit: Twenty-three students of the National Defence College in Kingston will visit laboratories of the National Research Council in Ottawa on April 28, the Department of National Defence has announced.

The visit, part of the Defence College curriculum, will include a tour of the laboratories of the divisions of physics, chemistry and biology and also the wind tunnels, aerodynamic, structures, aero engine testing and hydraulics laboratories.

Students of the National Defence College include senior civil servants and officers of the three armed services.

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Friday, April 23, 1948.

In Parliament Thursday: By a vote of 110 to 89 the House of Commons defeated a Progressive Conservative motion censuring the Government for failing to equalize freight rates before allowing rate increases. The vote on the C.C.F. motion, however, was put over until next week.

Foreign Exchange Control Board: 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.

Mr. Towers said that the European Recovery Program 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 program 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.

Congratulations for Mr. King: Congratulatory messages on the Prime Minister's record period in office continue to be received in a steady stream from all parts of Canada and from other countries, with a particularly large number from friends in Great Britain and the United States.

Among messages received were cables from His Majesty the King, Her Majesty Queen Mary and H.R.H. Princess Elizabeth, as well as greetings and congratulations sent by the Prime Minister from the Cabinet of the United Kingdom.

As the successor of Sir Robert Walpole, Mr. Attlee also presented Mr. King with a beautifully framed original contemporary print of a portrait of Walpole bearing a commemorative inscription.

Other messages were received from President Truman, from the Foreign Minister of France, Mr. Georges Bidault, and from other Commonwealth Prime Ministers.

Of particular interest was a cable from Lord Walpole of Wolterton, a direct descendant of Sir Robert, congratulating Mr. King on "your record breaking achievement".

(over)



Merchandise Exports Up: Canada's merchandise export trade in March was valued at \$228,400,000, approximately nine per cent above both the February figure of \$208,300,000, and the March 1947 total of \$209,000,000, according to the Dominion Bureau of Statistics. With higher figures registered for each month of the year, the aggregate for the first quarter advanced to \$672,000,000 from \$597,100,000 in the like period of 1947, or by 12.5 per cent.

Exports to the United States continued the marked expansion of recent months, amounting to \$112,519,000 as compared with \$83,098,000 in March last year, a gain of 35 per cent; the rise in February was 37 per cent, and in January, 32 per cent. Total for the first quarter was \$312,333,000 as compared with \$231,947,000 in the similar period of 1947, an increase of 34.6 per cent.

Exports to the United Kingdom showed a further advance in March, being valued at \$59,182,000 as compared with \$47,558,000 in the corresponding month last year, an increase of 24 per cent; the advance in February was 15 per cent. During the first quarter, shipments to the United Kingdom were valued at \$175,790,000 compared with \$142,894,000 in the same period of 1947, an increase of 23 per cent.

Shipments to European countries in March fell off to an aggregate value of \$19,949,000 as against \$30,528,000 in March last year, while those to the Latin American countries declined slightly to \$8,755,000 compared with \$9,261,000.

Balance of International Payments: Canada's official reserves of gold and United States dollars fell by \$743 million in 1947, dropping to \$502 million at the end of the year from \$1,245 million at the end of 1946, according to the preliminary statement on the Canadian balance of international payments released by the Dominion Bureau of Statistics.

# AIRMAIL BULLETIN

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Saturday, April 24, 1948.

In Parliament Friday: Thomas Reid (L--New Westminster) was appointed Parliamentary Assistant to the Minister of Fisheries.

Agriculture Minister Gardiner said steps may be taken this summer to extend crop-failure compensation.

Speaker Gaspard Fauteux ruled out of order a CCF motion to have the Prairie Farm Assistance Act extended to cover all specialized crop areas in Canada.

A bill to increase capitalization at the Bell Telephone Company was talked out for the sixth time.

10,000 Immigrants By Air: The Acting Minister of Mines and Resources, Mr. MacKinnon, announced in the House of Commons Friday that arrangement has been effected with Trans-Canada Air Lines for the charter of planes to bring immigrants from the United Kingdom to Canada. He said in part:--

"This arrangement will provide facilities for the transportation of 10,000 immigrants from the United Kingdom before the end of the present fiscal year. Initial destinations on this side will be Montreal and Toronto.

"In order to provide for this increased movement by air, existing Canadian immigration staffs in the United Kingdom will be further expanded. Arrangements will be made at the Immigration offices to assist prospective immigrants to obtain the necessary documentation and travel facilities, and specially trained officers will be available to provide full information about conditions in Canada and to assist the prospective immigrant in preparing for settlement in this country. Priority of passage will be given to persons with assured employment awaiting them in Canada.

"Officers of the Labour Department will be stationed in the Immigration offices to advise intending immigrants as to prospects for employment, and, when practicable, to arrange definite placement in Canadian jobs prior to the immigrant's departure from the United Kingdom.

"The offices of the Immigration Branch in London are being transferred to more spacious quarters, and a new office is to be opened in Glasgow within the next ten days. A third office will be opened in Liverpool before the 1st of July, and it is hoped that an office can be established in Belfast shortly thereafter....

"In addition to the arrangements in connection with the transportation of immigrants by air from the United Kingdom, I am glad to be able to inform the House that the Government has decided to increase from 20,000 to 30,000 the number of Displaced Persons, not otherwise admissible, who will be allowed to enter this country for permanent residence. As has been previously indicated the Displaced Persons who are admitted to Canada under the present programme will be counted against any quota that this country may eventually accept as a result of an international agreement designed to solve the Displaced Persons problem."

(over)

New T. and C. Division: Formation of the Transportation and Communications Division in the Foreign Trade Service, Department of Trade and Commerce, with W. J. Fisher as its director, was announced Saturday by Rt. Hon. C. D. Howe, Minister of Trade and Commerce.

The Transportation and Communications Division will serve as liaison with the Canadian Maritime Commission and other government departments and commissions concerned with the transportation of goods to and from Canada. Contact will be maintained with commercial and communications interests, and Canadian exporters and importers will be assisted in any traffic problems that may arise. Surveys of specific trade routes and transport facilities will be made to provide factual and practical assistance to external traders, shippers and shipping interests.

I.C.A.O. Standards: The first sets of ICAO standards designed to produce uniform operation of international air transport services have been approved by the Council of the International Civil Aviation Organization, according to an announcement made at Montreal by Dr. Edward Warner, President of the Council. Dr. Warner said that "these standards are now being sent to our 47 member nations for comment. I hope that subsequently they will be incorporated into the legislative codes of these nations and will be implemented in their territories."

Shortwave to Brazil: The International Service of the Canadian Broadcasting Corporation - "Voice of Canada" - has announced the inauguration of a regular daily shortwave programme service in Portuguese, directed to radio listeners in Brazil. This represents an important expansion from the weekly service which has been in operation for the last two years.

The Portuguese programme, which is beamed from the CBC station at Sackville, N.B., may be heard each evening at 7:30 p.m. E.S.T. on the following frequencies:-

CKCX - 15.19 megacycles or 19.75 metres; and  
CKNC - 17.82 megacycles or 16.84 metres.

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Monday, April 26, 1948.

Mr. Howe in Washington: Trade Minister C. D. Howe of Canada arrived in Washington late Sunday for conversations scheduled early this week with Paul G. Hoffman, Administrator, and officers of the Economic Co-operation Administration.

Mr. Howe made a quick flight from Ottawa by special plane, arriving at Washington shortly after 5 p.m. He was met by Ambassador Hume Wrong and for the first part of his stay will be a guest at the Embassy.

Mr. Hoffman said Friday he would see the Canadian Minister at the first opportunity.

The Trade Minister will bring to a head discussions which have been going on intermittently on the extent to which Canada may continue her heavy exports to European countries and receive payment, at least in part, in United States aid dollars. (CP)

Newfoundland Referendum June 3: The Newfoundland Government announced Sunday that a national referendum on the island's future form of administration will be held June 3.

On that date Newfoundlanders will decide whether they want to continue under a commission government, restore responsible government or enter federal union with Canada. (CP)

Freight Rates Discussions: Provincial Government heads opposing freight-rate increases will present their claims to Cabinet Monday morning.

The seven Premiers will go before the Federal Government at 11 a.m. EDT in an attempt to persuade it to alter the recent 21-per-cent rate increase granted the railways by the Board of Transport Commissioners.

This development was the only announcement from a series of weekend meetings at which the Premiers laid the groundwork for submission of their claim that the rate increase imposes an unfair burden on their respective areas--the Maritimes and the West. (CP)

Nova Scotia Legislature Closes: The 1948 session of the Nova Scotia Legislature came to a close Saturday after a last minute spurt to put through nearly 90 bills.

All major legislation on the docket was given Royal assent by Lieutenant Governor J. A. D. McCurdy except an insurance amendment to the Motor Vehicle Act, which was shelved until next year.

A Liquor Act amendment passed provides for municipal plebiscites to decide yes or no to the question of open sale of beer and wine in Nova Scotia, where since 1929 all such sales have been from Government stores. (CP)

New Labour Code: Hearings on the Government's proposed new labour code will open Tuesday before the Commons Industrial Relations Committee.



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Tuesday, April 27, 1948.

In Parliament Monday: With the singing of "God Save the King," the House of Commons adopted a resolution expressing sincere congratulations to the King and Queen on their 25th wedding anniversary.

The resolution was cabled to London to be followed by a similar motion from the Senate chamber.

Prime Minister Mackenzie King spoke of the example set by Their Majesties and was joined by John Bracken, Progressive Conservative Leader, M. J. Coldwell, C.C.F. Leader, and Solon Low, Social Credit Leader.

As the resolution passed, Mr. King called for three cheers and a tiger for the King and Queen and the Chamber roared approval.

Canada's Armed Forces joined in celebrating the 25th wedding anniversary of Their Majesties on Monday, April 26, the Minister of National Defence announced.

At the evening session a bill extending a provisional fur seal hunting agreement with the United States was approved.

Arctic Weather Stations: Further steps will shortly be taken in the development of the Canadian-United States Arctic weather station programme, announced by the Rt. Hon. C. D. Howe in March of last year, when two more weather reporting stations are established on the northwestern islands of the Canadian Archipelago.

The two new stations will be located about 350 miles northwest of Resolute Bay. One will be established in the southeast of Prince Patrick Island and the other in the southern part of Isachsen Peninsula, Ellef Ringnes Island, their actual locations depending on the securing of satisfactory sites in those areas.

In August and September, 1937, Sir Hubert Wilkins made several flights over the region of Prince Patrick Island while searching for the missing Soviet flyer, Levanevsky. He landed a pontoon aeroplane on several occasions along the shore where it is now hoped to establish a weather station. In the last week in August of the same year, Sir Hubert found many flowers still in bloom and numerous caribou tracks although no animals were seen.

Isachsen Peninsula was discovered in 1900 by members of the Sverdrup expedition and was next visited by Stefansson in 1916 and 1917. The establishment of a weather station there will add greatly to the general knowledge of this extremely remote area of Canadian Arctic.

When in operation, both of the new stations will take frequent surface weather reports as well as two observations a day, by means of radiosondes, of the temperature and the humidity of the air up to approximately 50,000 feet. Weather reports will be transmitted every six hours by radio to the main weather centre at Edmonton where they will be disseminated by teletype and radio circuits over the continent of North America and to the weather services of the rest of the world.

(over)

Naval Appointment: Promotion of Captain H. N. Lay, O.B.E., R.C.N., to the acting rank of commodore, and his appointment to the post of Assistant Chief of Naval Staff, was announced Monday by Hon. Brooke Claxton, Minister of National Defence. Commodore Lay has been Director of Naval Plans and Intelligence for the past two years.

In his new appointment, Commodore Lay becomes a member of the Naval Board, and will be vice-chairman of the Naval Staff, the chairmanship remaining with the Vice-Chief of Naval Staff, Rear Admiral F. L. Houghton, C.B.E., R.C.N.

Railway Wage Dispute: The report of the Conciliation Board established to deal with matters in dispute between the railways and employees, has made the following recommendations, the Minister of Labour, Mr. Mitchell, announced Monday:--

1. that the employees be granted a general wage increase of seven (7) cents per hour effective April 8, 1948;
2. that payment for time absent from duty on account of illness be not granted; and
3. that the request for a union shop and the check-off of union dues and assessments be not granted.

In a minority report the employees' representative on the Board recommends:--

1. that the employees be granted a general wage increase of twenty (20) cents an hour;
2. that the parties jointly explore the question of sick pay and engage in collective bargaining with a view to its implementation at some later date; and
3. that agreements between the parties contain provisions for (a) the union shop in respect to employees engaged in future and "maintenance of membership" in respect of employees now in service and (b) the voluntary irrevocable check-off of union dues and assessments.

A general wage increase of 35 cents per hour, effective December 20, 1947, was requested by the union. Approximately 28,000 employees are directly affected.

# AIRMAIL BULLETIN

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Vol. 6, No. 114

Wednesday, April 28, 1948.

In Parliament Tuesday: The House of Commons voted 110 to 78 against the C.C.F. non-confidence motion on the issue of freight rates. On Thursday last the Progressive Conservative non-confidence motion on the same issue was defeated 110 to 89.

The Secretary of State for External Affairs, Mr. St. Laurent, said that debate on external affairs would commence Thursday.

C.C.F. members protested the recent reduction in interest paid on government annuities.

Three members urged abolition of appeals to the Imperial Privy Council.

Reduction of appropriation for the Agriculture Department were criticized as the House went into Committee of Supply.

The Senate continued debate on the sale of margarine.

Mr. Howe Returns: The Minister of Trade and Commerce, Mr. Howe, returned to Ottawa from Washington last night after discussing with United States authorities Canada's role in the European Recovery Programme. Mr. Howe released no details as to results or trends of his Washington discussions but said he had had a number of very satisfactory talks with a number of people.

Labour Income Up: The total of wages, salaries and supplementary labour income in January is estimated at \$534 million, showing an increase of \$68 million or 15 per cent over the total for January, 1947, according to the Dominion Bureau of Statistics. This figure is \$7 million lower than in the preceding month.

Labour income in the manufacturing industries rose from \$161 million in January last year to \$185 million, utilities, transportation, communication, storage and trade from \$121 million to \$138 million, finance and services from \$100 million to \$108 million, agriculture, logging, fishing, trapping and mining from \$39 million to \$48 million, and construction from \$23 million to \$30 million. Supplementary labour income advanced from \$22 million to \$25 million.

In almost all industries labour income in January was slightly less than that paid out in December. Curtailment of activity for the winter season influenced the extractive and construction industries, while shortages of gas and power in highly industrialized areas brought about contraction of employment and labour income in the manufacturing and utilities industries.

Employment as a whole showed less buoyancy than usual in recovering from the holiday season slump at the year's end, but average weekly earnings remained at high levels compared with previous years.

Prairie Flood Conditions: Death toll from prairie floods on Tuesday rose to 13 when a Canadian Pacific Railway work engine plunged into Stony Creek near Rockhaven, Sask., killing a brakeman and scalding a fireman and engineer, Canadian Press reported from Winnipeg.

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Flood conditions in general appeared slightly improved although Albertans, plagued with early-week snows, were fearful that the present recession of rivers might be only temporary.

Farmers in all three Prairie Provinces also were worried lest spring seeding be delayed because of wet fields, until the season becomes too far advanced to allow for a normal growing period.

C. Bruce Hill Address: C. Bruce Hill, of Montreal, President of the Canadian Chamber of Commerce, addressed the Chamber of Commerce of the United States in Washington Tuesday. Secretary of State George C. Marshall gave a brief extemporaneous talk to the same gathering.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, April 29, 1948.

In Parliament Wednesday: Revenue Minister McCann announced that the deadline for filing of individual income tax returns has been extended from April 30 to May 31.

Justice Minister Ilesley said there is little evidence of Communists threatening foreign-born Canadians.

The Commons Printing Committee recommended against printing the Hong Kong report for general distribution.

The Senate, again postponed its vote on the margarine question.

Hon. James Forrestal Visit: The Honourable Brooke Claxton, Minister of National Defence, announced Thursday that the Honourable James Forrestal, Secretary of Defence of the United States, will visit Canada at his invitation on or about May 7 until May 10.

Mr. Forrestal will be returning the visit made by Mr. Claxton to Washington in January of this year. The Minister said that the visit, an informal one, would provide an opportunity for the Secretary of Defence to meet and discuss mutual problems with Canadian Cabinet Ministers and senior defence officers.

Rio de Janeiro Appointment: The Department of External Affairs announced today the appointment of William Garthorne Stark as First Secretary of the Canadian Embassy in Rio de Janeiro, Brazil. Mr. Stark, who has been Commercial Secretary at the Canadian Embassy in Lima, Peru, since 1944, entered the Department of External Affairs on April 1, 1948. He will be proceeding to Brazil shortly.

Mr. Stark was born in Toronto, Ontario, on May 29, 1908. He graduated from the University of Toronto with a Bachelor of Commerce degree in 1929. Before entering government service he worked with several financial houses, including brokerage firms in Toronto and London, England. He assisted Professor Gilbert Jackson, economic consultant in Toronto, in industrial and economic survey work.

In August, 1931 Mr. Stark entered the Department of Trade and Commerce in Ottawa as Junior Trade Commissioner. He served in Brussels, London and Rotterdam, and with the opening of the Canadian Legation in The Hague in 1938 was appointed Assistant Commercial Attache there. When German troops entered the Netherlands in 1940, he escaped with other members of the Canadian Legation on the Destroyer "H.M.S. Mohawk".

Mr. Stark volunteered for war service on his return to Canada in August, 1940, but was requested by the Department of Trade and Commerce to continue duties as Assistant Canadian Trade Commissioner in Lima, Peru. He arrived in Lima in September 1940, and was appointed Commercial Secretary of the Canadian Embassy in 1944.

International Investment: There was little change in Canada's net investment position during 1947, although there were substantial changes in the form of Canada's foreign assets and consequently in Canada's position with respect to different countries and currencies, according to the preliminary statement on the Canadian balance of international payments by the Dominion Bureau of Statistics.

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While liquid reserves of gold and United States dollars declined by \$743 million to \$502 million at the end of the year, the indebtedness of overseas governments to Canada increased by a net amount of \$454 million. Canada's net investment position with overseas countries thus improved and net indebtedness with respect to the U.S. dollar area increased. However, an important part of the reduction in liquid reserves accompanied redemptions of Canadian securities owned abroad, particularly in the United States, and there was the gold subscription of \$74 million to the International Monetary Fund.

Allan Cup Opener: Edmonton Flyers Wednesday night defeated Ottawa Senators 6 to 2 in the 1948 Allan Cup opener at Regina.

Scoring in every period the Western champions held Ottawa scoreless for two periods.

Mr. Scott's Appointment: The Department of External Affairs announced today the appointment of Harry A. Scott, now Commercial Counsellor of the Canadian Embassy at Washington, to be Consul General of Canada at San Francisco. In this appointment Mr. Scott will have consular responsibility in the States of Washington, Oregon, California, Idaho, Nevada, Arizona, Montana, Wyoming, Colorado, New Mexico and Utah.

It is anticipated that the San Francisco Consulate General will open on July 2.

Mr. Scott was born at Toronto, Ontario, on January 31, 1899. During the First World War he served with the Royal Naval Air Service in the United Kingdom in 1917 and with the Royal Canadian Navy in 1918. He graduated in 1922 from Queen's University in Kingston with the degree of B.A. and a gold medal in economics.

After a year in the Foreign Department of the Ford Motor Company, Windsor, Ontario, Mr. Scott entered the Trade Commissioner Service of Canada in 1924. He served successively in Liverpool, London, Buenos Aires, Shanghai and in Washington, where he has been Commercial Counsellor attached to the Canadian Embassy from 1941 to the present date.

He attended the Imperial Economic Conference, Ottawa, 1932, as adviser to the Tariff Committee, the United Maritime Consultative Conference, Washington, October, 1946, and the International Whaling Conference, Washington, December, 1946, as a member of the Canadian delegation. In 1942 he served as secretary to the Supervisory Board of the British Commonwealth Air Training Plan, Ottawa, and the R.C.A.F. Council.



# AIRMAIL BULLETIN

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Friday, April 30, 1948.

In Parliament Thursday: The Secretary of State for External Affairs, Mr. St. Laurent, opened the parliamentary debate on foreign affairs. He spoke for more than an hour analyzing most of the graver problems confronting the world today. He was followed by John Hackett (PC-Stanstead); M. J. Coldwell, CCF leader, and Solon Low, Social Credit leader. The debate will continue next week.

Prime Minister Mackenzie King quoted Prime Minister Attlee of Britain as saying there was no hint of imminent war in the Pacific when the Hong Kong expedition sailed in 1941.

Senator Norman M. Patterson (L-Ontario) expressed the view in the Senate that the margarine issue could defeat the Government. Senate debate on the subject went over until next week.

Citizenship Rights: The Secretary of State for External Affairs, in conjunction with the Secretary of State and the Acting Minister of Mines and Resources, issued an announcement Friday which warned residents of Canada of the rights which they might lose if they should emigrate to another country. As the "S.S. Radnik", a ship in which a number of residents of Canada took passage to Yugoslavia in 1947, is understood to be arriving shortly at a Canadian port, it is thought that a number of residents of Canada may intend to return to Yugoslavia by this ship.

There is, of course, no Canadian law which prevents a Canadian or an alien leaving Canada. It is important, however, that an alien who has residence in Canada should be aware of the provisions of the Canadian Immigration Act whereby he will lose Canadian domicile by "voluntarily residing out of Canada with the present intention of making his permanent home out of Canada and not for a mere special or temporary purpose." An alien acquires Canadian domicile "only by having his domicile for at least five years in Canada after having been landed therein."

Vocational Training: More than 135,000 ex-Service men and women will have received training under the Dominion-Provincial Vocational Training Plan when veterans rehabilitation training as a project comes to an end in the early fall of this year, it was reported to the Vocational Training Advisory Council which completed a two-day meeting in Ottawa April 28, under the chairmanship of Dr. G. Fred McNally, Chancellor, University of Alberta.

In an address to the Council, which was attended by education-ists from all parts of the Dominion, Arthur MacNamara, Deputy Minister of Labour, stated: "All of us who have been concerned with veterans training can be justifiably proud of what we have done. The provision of training for more than 135,000 men and women in a wide variety of trades in all parts of the country has been no small task, and the fact that it has been so successful and has been accomplished with such despatch is due alone to the manner in which it was organized."

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Motor Vehicles: Factory shipments of Canadian-made motor vehicles rose to a new all-time high in March, amounting to 27,112 units as compared with 16,382 units in February and 22,491 units in the corresponding month last year, according to the Dominion Bureau of Statistics. Factory shipments during the three months ended March, however, were slightly below the first quarter of 1947, aggregating 60,209 as against 61,522 units.

March shipments consisted of 15,717 passenger cars, and 11,395 commercial vehicles. Of the passenger models, 13,320 were for sale in Canada and 2,397 for export. Commercial vehicle shipments were made up of 7,545 for domestic sale and 3,850 for the export market.

Shipments of motor vehicles from the United States in March totalled 703 units compared with 3,515 units last year, the aggregate for the quarter amounting to 832 as against 8,810 units in the same 1947 period. This year's imports have been nearly equally divided between passenger and commercial vehicles, while last year the former were about five times the latter.

Commercial Counsellor: Appointment of John H. English as Commercial Counsellor in Washington, D.C. was announced Friday by Rt. Hon. C. D. Howe, Minister of Trade and Commerce. Succeeding H. A. Scott, who has been appointed Consul-General in San Francisco, Mr. English was, until recently, Commercial Counsellor for Canada in Johannesburg.

Born in Edmonton, Mr. English received his primary and secondary schooling in Calgary, and graduated from the University of Alberta with the degree of B. Com. Joining the Trade Commissioner Service in 1926, he has served in New York, Jamaica, Dublin, London and Johannesburg. During the war, Mr. English was on loan to the Wartime Prices and Trade Board, and from 1942 to 1946, was Director of Export Planning, Department of Trade and Commerce in Ottawa.

S. V. Allen, formerly Commercial Secretary for Canada in Cape Town, succeeds Mr. English as Commercial Counsellor in Johannesburg.

# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Saturday, May 1, 1948.

**In Parliament Friday:** Continuing the debate on foreign affairs in the House of Commons Gordon Graydon (PC--Peel), Deputy Opposition Leader, urged strong Canadian military forces.

Joseph Bradette (L--Cochrane) said Canada has won respect by doing more in the United Nations on a per capita basis than any other nation.

The Commons, by a vote of 67 to 24, gave second reading to a bill increasing the capitalization of the Bell Telephone Company.

**Low Rental Housing:** In an effort to encourage the building of low-rental housing units, the Government plans to launch a rental insurance programme.

Under legislation now on the Commons order paper, builders will be guaranteed an annual return for periods up to 30 years on rentals housing. (CP)

**U.S. Dollar Remittances:** Canadians in future will require the approval of the Foreign Exchange Control Board 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 are published in an extra edition of the Canada Gazette today. This represents a reduction from the prevailing limit of \$25, established last October. Instructions have accordingly been given to banks, express companies and postmasters, reducing their authority to approve payments to the U.S. dollar area for benevolent remittances from \$25 to \$10 per applicant per month. Anyone wishing to make remittances of amounts greater than \$10 must apply to the Board which 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 better measure of control over such payments and thus to ensure that benevolent remittances are not being used by Canadian residents as a means of getting around the travel ration.

**Odilon Cormier Appointment:** Appointment of Odilon Cormier, M.B.E., of the Immigration Branch, as Chief Supervisor for Continental Europe, was announced Friday by the Honourable James A. MacKinnon, Acting Minister of Mines and Resources.

Mr. Cormier has charge of the Canadian Government Immigration Mission in occupied territory of Europe, with headquarters at Karlsruhe, Germany. A native of Quebec City, he has been in the immigration service since 1920. From 1924 to 1926 he was stationed at Danzig and Hambourg, Germany. He was Immigration Officer-in-Charge at Quebec City from 1928 to 1938, and Immigration Attache in Paris from 1938 until June 1940. He left France just before the Germans took over the city.

During the late war he was stationed at Lisbon, London, and Quebec City, and in December 1946 he resumed his duties in Paris. Since March 1947 he has been in charge of the Department's work in connection with Displaced Persons.

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Manpower Situation: The seasonally active agricultural and construction industries are absorbing thousands of workers, and it is likely that the summer of 1948 will see labour shortages, at least as great as those which occurred in 1947, it was announced by Honourable Humphrey Mitchell, Minister of Labour, in issuing the monthly manpower analysis.

Employment conditions throughout the nation showed marked improvement during the past month. About 15,000 fewer workers were seeking jobs at April 15, 1948, than one month previously. Of the 184,000 unplaced applicants registered with Employment Service offices at April 15, 140,000 were males and 44,000 were females. There were 43,000 unfilled vacancies available at April 15, 9,000 more than at March 18, 1948.

# AIRMAIL BULLETIN

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Monday, May 3, 1948.

In Parliament: The House of Commons order paper has slimmed down considerably during the past fortnight and the Canadian Press today expresses the opinion that if progress is maintained at recent pace the present session will conclude by June 30. This week the debate on foreign affairs, commenced on Thursday last by the Secretary of State for Foreign Affairs, Mr. St. Laurent, will be continued. The following members so far have contributed to the debate:- Mr. St. Laurent; John T. Hackett, (PC-Stanstead); M. J. Coldwell, (CCF leader); Solon E. Low, (Social Credit leader); Jean Francois Pouliot, (L-Temiscouata); T. L. Church, (PC-Broadview); J. A. Bradette, (L-Cochrane); Angus MacInnis, (CCF-Vancouver East); Gordon Graydon, (PC-Peel); Bona Arsenault, (I-Bonaventure); Norman Jaques, (SC-Wetaskiwin); J. M. Macdonnell, (PC-Muskoka-Ontario); Pierre Gauthier, (L-Portneuf); and H. G. Archibald, (CCF-Skeena).

Petawawa Training Camp: Petawawa will be the biggest Reserve Force training camp in Eastern Canada this coming summer, it was learned from Army Headquarters today. Units from Central, Quebec and Eastern Commands will congregate at the big training centre on the Ottawa River, 110 miles from the capital -- a camp well and favourably known to veterans of both World War I and the Second World War.

All Reserve Force units in Central Command, other than anti-aircraft and signals, will train at Petawawa, while from Quebec and Eastern Commands will come units of the armoured corps, field, medium and anti-tank artillery, and engineers. Anti-aircraft and signals regiments of the Army's three most eastern commands will be in camp at Picton and Barriefield respectively. The training of all other units of Quebec and Eastern Commands will be conducted at Valcartier, Que., and Utopia, N.B., respectively.

At Petawawa, six one-week courses are to be held, starting July 4, and continuing until August 14, under the direct command of Major-General Chris Vokes, CB, CBE, DSO, General Officer Commanding Central Command, who will set up a training headquarters there. Five training wings, in addition to a headquarters, are expected to be in operation and will include infantry support and general military training wings plus armoured, artillery and engineers.

Prairie Flood Conditions: Prairie floods still lay damply over Western Canada Sunday, but the situation generally was described as much improved over last week with Brandon, Man., one of the few spots where waters continued to rise.

Death toll remained at 16, with 10 of the drownings recorded in Alberta and three each in Saskatchewan and Manitoba.

Barrie Junior Champions: Port Arthur's West End Bruins captured the Memorial Cup and the Canadian junior hockey championship at Toronto Saturday night by edging Barrie Flyers 9-8 in overtime for their fourth straight victory in the best-of-seven series.

Allan Cup Series: Ottawa Senators edged Edmonton Flyers, 3-2, Saturday in Edmonton, to deadlock the Allan Cup series at one victory apiece.



## AIRMAIL BULLETIN

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Tuesday, May 4, 1948.

In Parliament Monday: The Minister of Trade and Commerce, Mr. Howe, said no immediate change will be made in restrictions on Canadian exports.

Rodney Adamson (PC--York West) said restrictions on Canadian currency and gold might lead Canada into international bankruptcy.

H. W. Herridge (Peoples CCF--Kootenay West) said he believes there is distortion and suppression of news in North America.

Senator John T. Haig, Progressive Conservative leader in the Senate, described unemployment insurance as "nothing but a tax on certain people."

Today the Commons will continue the foreign affairs debate. The Senate will sit.

ICAO Delegation Head: The Department of External Affairs announced Monday that Brigadier C.S. Booth, Permanent Canadian Member on the Council of the International Civil Aviation Organization, will head the Canadian delegation to the Second General Assembly of ICAO due to open in Geneva, Switzerland, on June 1. Other members of the delegation are Air Vice Marshal Alan Ferrier of the Air Transport Board, Mr. Stuart Graham, Superintendent of Air Regulations, Wing Commander Marlowe Kennedy, R.C.A.F., Air Attache to the Canadian Embassy in Belgium, Mr. A. Rosevear, K.C., Assistant Solicitor-General, C.N.R., and Mr. O. G. Stoner, Department of External Affairs.

Brigadier Booth, a lawyer by profession, served as a combat flier in the First World War and as a General Staff officer in the Second World War. He has represented Canada over the past year at the ICAO Council Headquarters in Montreal and has gained special recognition for his work in the legal field of the Organization. Air Vice Marshal Ferrier and Mr. Graham have represented Canada in previous International Air Conferences, including the Chicago Conference on International Civil Aviation in 1944 and the First General Assembly of ICAO held in May, 1947, in Montreal.

It is expected that the Second General Assembly, which will last approximately three weeks, will approve many important recommendations placed before the Permanent Executive Council.

Economic Survey: A levelling out of the rise in prices coupled with a continuing high volume of industrial production, and some rise in unemployment, featured the first quarter of 1948, states the March issue of the Canadian Statistical Review. An increase in freight rates and a number of developments in the United States also affected the current outlook.

It is not yet clear what effects the general 21 per cent advance in a wide range of railway freight rates, authorized late in March, will have on existing price levels. Final passage of the European Recovery Program by the United States Congress, together with a number of proposals for increased defence expenditures, have contributed to a substantial recovery in stock prices both in Canada and the United States. Prospects for uninterrupted production have also been improved by the settlement of the almost month long strike of the United States soft coal miners.

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The \$6,098 million voted under E.R.P. should help ensure a continued demand for products of the whole dollar area during the coming year. It is equal to about 31 per cent of the total value of goods and services exported by the United States during 1947 and amounts to about 2.6 per cent of their gross national product for the year. An equivalent percentage of Canada's 1947 national product would amount to about \$345 million, just over 60 per cent of the amount of loans and credits advanced to European countries by this country during 1947.

Major Picard Appointment: Major R. J. Picard, Royal Canadian Infantry Corps, and recently on the staff at the Joint Air School (Army Component) at Rivers, Man., has been appointed Air Liaison Officer with No. 19 Carrierborne Air Liaison Section, at Dartmouth, Nova Scotia, Army Headquarters announced.

Major Picard served in Italy with the Royal 22e Regiment and since the war ended has taken a number of air liaison and air-portability courses in the United Kingdom and the United States, as well as the parachute course in Canada. He will assume his new appointment immediately.

Unemployment Insurance: Initial and renewal claims for unemployment insurance filed in local offices of the Unemployment Insurance Commission in March totalled 63,869 as compared with 76,723 in February and 43,675 in the corresponding month last year, according to the Dominion Bureau of Statistics. The number of ordinary claimants on the live unemployment register at the end of March was 136,356 compared with 146,074 at the end of February and 103,291 a year ago.

Paymasters Conference: The first dominion-wide conference of Army paymasters of the Active Force since the war, will be held in Ottawa from the 4th to the 7th of May inclusive, Army Headquarters announced here.

Hockey Championship Finals: Edmonton Flyers last night defeated Ottawa Senators 7 to 0 to gain a 2-1 lead in games in the best of seven series for the Allan Cup. Port Arthur captured the Memorial Cup and the Canadian junior hockey championship at Toronto Saturday by defeating Barrie 9-8 in overtime.



## AIRMAIL BULLETIN

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Wednesday, May 5, 1948.

In Parliament Tuesday: The House of Commons finished its debate on foreign affairs, commenced on Thursday last by the Secretary of State for Foreign Affairs, Mr. St. Laurent. Yesterday's speakers in the debate were:- L. R. Beaudoin, (L-Vaudreuil-Soulanges); William Irvine, (CCF-Cariboo); J. H. Blackmore, (SC-Lethbridge); Stanley Knowles, (CCF-Winnipeg North Centre); E. G. Hansell, (SC-Macleod); W. Garfield Case, (PC-Grey North); Clarence Gillis, (CCF-Cape Breton South); L. W. Skey, (PC-Trinity); Paul-Edmond Gagnon, (L-Chicoutimi); and D. S. Harkness, (PC-Calgary East).

Cost-of-Living Index: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, reached an all-time high point on April 1, standing at 151.6 as compared with 150.8 on March 1. This rise of 0.8 was exactly the same as that recorded in the preceding month. The increase in this series since April last year amounted to 21 points. From August 1, 1939 to April 1 this year, the increase in the cost-of-living index was 50.4 per cent.

Clothing and food indexes showed the greatest changes between March and April, although small advances were registered also by fuel and light, home furnishings and services, and miscellaneous items. The increase in the food group which rose from 185.9 to 186.8, was attributable mainly to fresh vegetables and meats, although scattered advances occurred in other sections of the food budget; there were a few minor decreases which included a further seasonal recession for eggs.

Border Traffic: Highway traffic at the Canada-United States border in March followed the same trend that was apparent in January and February. American vehicles continued to enter Canada in greater volume than in the corresponding period in 1947, and the number of Canadian vehicles returning from the United States continued to decline. The rate of decline of Canadian traffic in March, however, was less than in any of the other months since the current regulations on pleasure travel went into effect.

The aggregate number of border crossings in March was 448,800, consisting of 319,100 foreign entries and 129,700 Canadian vehicles returning. Of the foreign inflow, 46,100 cars entered on traveller's vehicle permits, 258,300 were non-permit or local entries, and 14,700 were commercial vehicles. The Canadian traffic comprised 7,800 units remaining abroad for more than 24 hours, 108,800 staying for shorter periods, and 13,100 commercial vehicles.

World Wheat Situation: Crop prospects over most of the world's wheat areas are generally promising, states the monthly review of the wheat situation by the Dominion Bureau of Statistics. The United States winter wheat crop to be harvested in June and July is forecast on the basis of April 1 conditions at 861 million bushels, an increase of 22 million bushels over the December 1 estimate. Official estimates of the Canadian spring wheat crop will not be available until August but moisture conditions in the Prairie Provinces are deemed excellent at the present time. Some concern, however, is felt about the late spring

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in the west where seeding has been delayed. Spring floods, too, have been causing considerable anxiety, particularly in southern districts of the Prairies. While spring seeding will admittedly be late in the Canadian west it must be remembered that similar conditions have prevailed in other years, and good harvests have still been secured. The next wheat harvests in the Argentine and Australia are, of course, many months away, but soil conditions in those countries, too, are deemed satisfactory for seeding.

In Europe further rains fell in a number of countries during the last week of April and weather conditions for the continent as a whole leave little to be desired. Crop advices from most countries are optimistic and barring adverse growing conditions crops much larger than last year will be harvested.

Import Restrictions: Rt. Hon. C. D. Howe, Minister of Trade and Commerce, announced Tuesday that effective May 15, in accordance with the terms of Order in Council P.C. 1880, dated April 29, 1948, no import permits would be issued for a further list of tariff items unless the goods were in continuous and uninterrupted transit to Canada on or before May 14, or unless their use is considered essential to the national economy. This is a further step in the program to conserve foreign exchange, and similar announcements may be expected from time to time, the announcement said.

Northern Navy Exercises: Canada's new aircraft carrier *Magnificent* will lead a Summer naval exercise in northern waters this summer which will see "the first Canadian warships ever to enter Hudson Bay", Defence Minister Claxton announced Tuesday night in an address before the Montreal Young Men's Board of Trade.

Mr. Abbott's St. Louis Speech: The Minister of Finance, Mr. Abbott, on May 4 told Missouri bankers that there was no solution to Canada's economic problems unless the United States is prepared to accept Canadian imports "on a much larger scale."

Speaking before the Missouri Bankers' Association, Mr. Abbott also claimed that currency devaluation was not for Canada, because her economic problem is "not the kind...for which that is an appropriate or effective remedy."

The problem was in getting the United States to accept more Canadian goods. (CP)

New Brunswick Election: Premier McNair Tuesday night called a New Brunswick election for early summer, probably in June. He could not set the date until he had conferred with the Cabinet, the Premier told the Legislature. The Premier made the announcement as the fourth session of the 40th Legislature neared prorogation.



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Thursday, May 6, 1948.

In Parliament Wednesday: Replying to a question by E. D. Fulton (PC-Kamloops) the Secretary of State for External Affairs, Mr. St. Laurent, made a statement in the House of Commons on Canada's attitude toward participation in the drafting of the treaty of peace with Germany. He said in part:-

"With respect to the German treaty, the Government of Canada has taken the position that in the preparation of the final treaty it should have a part commensurate with the part we took in the war. That is still the attitude that is being maintained. At the present time, however, negotiations are going on between the powers occupying the western zone--the United States, the United Kingdom and France--for not a permanent but rather a semi-permanent solution for the western zone, pending the time when a general treaty, or the possibility of making a general treaty, can be envisaged. In the preparation of these semi-permanent solutions, these powers have seen fit to accept the intervention of the Benelux countries, which border upon western Germany. We have been kept informed of what has been going on, and we have not insisted on being present at that stage because if we did it would be a reason for bringing in a great many other countries, which might hamper or retard the progress being made in trying to bring some semblance of order and reorganization into this zone--a very important zone not only to the Germans who inhabit it, but to the whole of western Europe. . . ."

The Minister added later, in response to a further question, the following:-

"The three occupying powers have supported our contention that we should take a part in the preparation of the general treaty, so from that I take it that if they were going to do something separately, with respect to their own zones, they would take toward our claim the same attitude they adopted when it was put forward at the meeting of the big four."

The Senate voted 35 to 21 to defeat a bill which would have lifted the ban on margarine in Canada. It was the third defeat in three years for a bill sponsored by Senator W. D. Euler, (L-Ontario) to end the 62-year-old-prohibition on importation, manufacture and sale of the butter substitute.

New Park Superintendent: The Acting Minister of Mines and Resources, Mr. MacKinnon, has announced the appointment of Ernest George Saunders, formerly Superintendent of the Acadia Forest Experiment Station in New Brunswick, to be Superintendent of the newly-established National Park in that province. New Brunswick National Park contains a large forested area and the protection and scientific management of the forest cover in the National Parks of Canada is considered to be of primary importance.

Allan Cup Series: Edmonton Flyers won the fourth game of the best-of-seven Allan Cup hockey finals against Ottawa Senators at Calgary Wednesday night by a score of 5 to 3. The teams play a fifth game in Calgary Saturday.



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Friday, May 7, 1948.

In Parliament Thursday: The Minister of Trade and Commerce, Mr. Howe, said Government subsidies would not increase the amount of house-building in Canada.

The CCF party failed in an effort to have the House demand such subsidies to start a low-rent housing programme.

Mr. Howe said Trans-Canada Air Lines has not considered an Australian service.

The Senate resumed debate on a motion for approval of the Geneva agreement. (CP)

Patent Agreement: The Department of External Affairs and the French Embassy announce that an Agreement, concerning patent problems arising as a result of the war, was signed May 5 in Ottawa by His Excellency Francisque Gay, Ambassador of France, and Mr. L. B. Pearson, Under-Secretary of State for External Affairs.

By this Agreement, provision is made by France for accepting from Canadian citizens patent applications delayed by the war in exchange for similar privileges granted by Canada in Section 28A of the Canadian Patent Act as amended in 1947.

The negotiations took place last week in Ottawa between representatives of the interested departments of each Government. Canada was represented by officials of the Patent and Copyright Office and the Department of External Affairs, while officers of the French Embassy, Mr. Mathon, Director of Industrial Property in Paris, and Mr. Legendre of the French Ministry of Foreign Affairs represented France.

Agreement with U.S.: The Department of External Affairs announced May 5 that the United States and Canada concluded on April 30, 1948, an agreement to provide for co-operation in certain aspects of the shellfish industry of the two countries. The agreement, in the form of an Exchange of Notes, is the result of discussions between the United States Public Health Service and the Canadian Department of National Health and Welfare.

Rail Strike Threat: The threat of a general Canadian railway tie-up strengthened Thursday as the biggest all-Canadian rail union joined international brotherhoods in taking a strike vote to enforce wage demands.

Two days after the 18 international bodies rejected a conciliation board's wage recommendations and ordered a vote, the 30,000-man Canadian Brotherhood of Railway Employees and other transport workers (CCL) announced the same action.

Both groups--totalling about 140,000 workers--had been offered seven-cent-an-hour increases in the railways' acceptance of board recommendations. They had asked 35 cents.

However, the CBRE indicated it is willing to compromise between the two figures. A telegram to the Labour Department said it is prepared to "consider any reasonable proposal". (CP)

(over)

Major Mahony, V.C. Appointment: The appointment of Major J. K. Mahony, VC, as Director of Public Relations (Army) was announced May 6 by the Hon. Brooke Claxton, Minister of National Defence.

Major Mahony arrived in Ottawa from Edmonton where he has been cadet officer at Western Command headquarters since August, 1946. He takes over his new duties immediately, and will hold the acting rank of lieutenant-colonel while so employed.

Col. H. E. T. Doucet, OBE, ED, who now relinquishes the army appointment to Major Mahony, retains his National Defence appointment as Director of Public Relations for the three armed services. He has been filling both posts for the past 16 months.

Major John Keefer Mahony, 36, a native of New Westminster, B.C., and member of the staff of the Vancouver Daily Province before the war, won the Victoria Cross for gallantry at the Melfa River in Italy, May 24, 1944, when he and his company held a bridgehead against determined enemy attacks. At the time he was a company commander in the Westminster Regiment (M.G.).



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 123

Monday, May 10, 1948.

79,194 Immigrants: Immigrants to Canada during the fiscal year ended March 31 numbered 79,194, an increase of 18.2 per cent over the total of 66,990 for the corresponding twelve months ended March 31, 1947, it was announced at Ottawa by the Honourable James A. MacKinnon, Acting Minister of Mines and Resources.

During the twelve month period under review, 9,009 Canadians returned to this country after varying periods of residence in the United States, as compared to a total of 6,315 during the fiscal year 1946-47, Mr. MacKinnon stated.

Of the total of immigrants, 44,788 came from the British Isles. Although this figure is some 3,000 less than that for the year 1946,47, the Minister pointed out that the total for the previous year was swelled by 38,992 dependents of Canadian ex-servicemen. This figure for ordinary immigrants rose from less than 10,000 to almost 45,000.

Immigrants from England numbered 31,209, as against 35,596 the previous year. Other comparative totals for the British Isles were: Irish, 3,460, as compared to 3,073 in 1946,47; Scotch, 9,107, as against 8,166; and Welsh, 1,012, as compared to 1,141.

Immigrants from the United States totalled 9,034, a slight decrease from the figure of 11,410 for the previous year. There was an increase in the numbers of new citizens coming to Canada from northern Europe, the fiscal year total being 7,340 as compared to 5,605 for the year 1946-47.

Largest increase was noted in the total for other races, which was 18,032 as against only 1,999 during the corresponding twelve months ended March 31, 1947.

Ambassador in Brazil: The Secretary of State for External Affairs announced today the appointment of James Scott Macdonald as Ambassador Extraordinary and Plenipotentiary of Canada in Brazil.

Mr. Macdonald was born in 1896 in Goldenville, Nova Scotia. He attended Queen's University and served in the First World War, 1915-1919. He was with the Department of Trade and Commerce from 1926-1928, and was appointed to the Department of External Affairs in 1928.

Mr. Macdonald is one of the most senior Canadian career Foreign Service Officers. He has served in diplomatic posts in Paris, Geneva and Washington, and has been technical adviser on trade negotiations with France and Australia, and was Secretary of the Canadian Delegation at the Imperial Economic Conference, 1932.

During 1937 he was Acting Under-Secretary of State for External Affairs and has been Canadian High Commissioner in Newfoundland since May, 1944.

Trade Commissioner Service: Nine appointments and transfers in the Trade Commissioner Service were announced by Rt. Hon. C. D. Howe, Minister of Trade and Commerce. Richard Grew, formerly Commercial Secretary in Bombay, has been appointed to the new post of Commercial Secretary in New Delhi. In his new position, Mr. Grew will be attached to the Office of the High Commissioner for Canada in India's capital city. Charles Reid Gallow, formerly assistant Trade Commissioner in Hong Kong, has been appointed Commercial Secretary in Bombay. R. Campbell

(over)

Smith, formerly assistant Trade Commissioner in Cairo, has been appointed Commercial Secretary in St. John's, Newfoundland. W. E. Jolliffe has been transferred from Shanghai to the position of assistant Trade Commissioner at Hong Kong. B. I. Rankin, formerly in Sydney, Australia, has been transferred to the position of Assistant Commercial Secretary in Shanghai. M. R. M. Dale, formerly assistant Commercial Secretary in Wellington, New Zealand, has been transferred to the same position in Sydney. J. P. C. Gauthier, previously in London, has been transferred to the position of assistant Commercial Secretary in Paris. D. W. Jackson, formerly Canadian Economic Representative in Frankfurt, Germany, has been transferred to Washington, where he will be Assistant Commercial Secretary at the Canadian Embassy. B. J. Bachand has been transferred to the position of Canadian Economic Representative in Frankfurt, from Paris where he was Assistant Commercial Secretary.

Hon. Mr. Forrestal Wires Regrets: The Hon. James Forrestal, U.S. Defence Secretary, is "keenly disappointed" because he was forced to cancel his scheduled visit to Ottawa last week-end, and he has expressed particular concern over the inconvenience caused the Prime Minister and the Minister of National Defence.

Here is the text of Mr. Forrestal's telegram to Mr. Claxton;  
"Hon. Brooke Claxton:

"It is with great reluctance that, due to pressing business, I am forced to postpone my visit to Ottawa. I am personally keenly disappointed over the inconvenience caused the Prime Minister and yourself. After the adjournment of Congress and providing it fits in with your plans, I hope I may have the privilege of fulfilling your invitation."

"FORRESTAL."

C.A.L. Murchison Nominated: Honourable Humphrey Mitchell, Minister of Labour, has announced the nomination of C.A.L. Murchison, K.C., a member of the Unemployment Insurance Commission, to represent Canada on the Correspondence Committee on Social Security of the International Labour Organization. Twenty-two countries are represented on the Committee.

The Committee will hold a six-day meeting in Montreal, opening on May 24th, at which its reconstitution as a permanent body, with the title of "Committee of Social Security Experts", will be discussed.

Joseph E. Atkinson Dead: Joseph E. Atkinson, owner and publisher of the Toronto Daily Star, died at his home in Toronto May 8.

Book of Remembrance: Relatives and friends of Canadians who died as a result of war service in any of the British Empire or allied forces, except those of Canada, are requested by the Department of National Defence to send in the names of the fallen servicemen to ensure inclusion in the Second World War Book of Remembrance.

Hon. Brooke Claxton, Minister of National Defence, has announced that the names of all Canadians who died on active duty or as a result of war service between September 3, 1939, and September 30, 1947, be included in the Book of Remembrance for the Second World War, irrespective of whether they served in the Canadian forces or not.

Edmonton Hockey Champions: Edmonton Flyers came from behind Saturday night to become the new senior amateur hockey champions of Canada by defeating the reinforced Ottawa Senators, 5-3, in the fifth game of the finals. It was the first Allan Cup title in the history of the Alberta capital.

(No Bulletin was issued Saturday, May 8.)





## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 124

Tuesday, May 11, 1948.

In Parliament Monday: The Minister of Finance, Mr. Abbott, announced that he will present his 1948-49 budget at 8 p.m. E.D.T., Tuesday, May 18.

The Minister of Trade, Mr. Howe, said the Government has built 13,000 homes under its various housing schemes.

The Senate discussed the Geneva agreement.

Gen. McNaughton Address: Addressing the United Nations Association of Ottawa Monday night, General A.G.L. McNaughton, Canadian Permanent Delegate to the United Nations, said the United Nations has made "very remarkable progress" toward international control of atomic energy.

He said further, in part:-

"The United States is to-day on this rising curve with atomic energy. Its leadership is now in an unquestioned position, and if those concerned maintain their research and development on the scale authorized by their Congress it seems that their ascendancy will remain for a decade or so at least. Meanwhile no other country on earth has as yet passed out of the difficult first phase and it will be a very arduous and long process to overtake the United States lead, which is presented by capital equipment in atomic plants and research establishments estimated to have cost some billions of dollars, mostly in payment in one way or another for skills which had to be taken out of the national economy. No other country is as yet endowed with these skills on such a lavish basis nor is it likely that any other country could make this diversion without destroying or at the least seriously crippling their national economy.

"In the light of what I have said as to the great magnitude and long continued efforts required for the preparation of atomic war, it seems reasonably probable that we need not fear its outbreak on any significant scale for a while yet. There is thus no occasion for hysteria, but on the other hand it would be folly to waste the time which remains to us through a failure to give proper consideration to the defensive measures which are open, and in particular to advance by every means within our power the setting up of an international agreement which will effectively protect the peoples of the world."

McKee Trans-Canada Trophy: Hon. Brooke Claxton, Minister of National Defence, has announced the award of the McKee Trans-Canada Trophy for 1947 to Captain B. A. Rawson, Director of Flight Development, Trans-Canada Airlines, Winnipeg. The award was made "in recognition of his outstanding contribution to advancement in the field of aviation during 1947, backed by an excellent record of achievement during a 22-year period of association with aviation development in general".

The McKee Trans-Canada Trophy has been awarded annually since 1927 for meritorious service in advancement of aviation in Canada. The 1946 award went to Group Captain Z. L. Leigh, OBE, ED, of the Royal Canadian Air Force for his record of 20 years of exceptional achievement, both in civilian and service aviation, mainly in the field of air transport. This is the first occasion on which the award has been made to a Trans-Canada Airline employee.

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Dwelling Units: The number of dwelling units completed in Canada in the first three months of 1948 is estimated at 11,569, according to the results of a nation-wide survey carried out by the Dominion Bureau of Statistics in co-operation with the Central Mortgage and Housing Corporation. During the same period, construction was commenced on 6,678 dwelling units and the number under construction was reduced from 42,215 at January 1 to 37,529 at the end of March. Comparable data are available for 1947 only for the urban centres with a population of 5,000 and over which account for about 80 per cent of the total completions in the first quarter. For these areas, completions in the first three months of 1948 are about 42 per cent higher than in 1947.

Among the provinces, Ontario led in the number of dwelling units completed during the first three months of this year with a total of 4,098, followed by Quebec with 2,887, British Columbia 2,189, Alberta 855, Manitoba 655, Saskatchewan 389, Nova Scotia 251, New Brunswick 209, and Prince Edward Island 36.

H.M.C.S. "Athabaskan": H.M.C.S. "Athabaskan", latest of the Tribal class destroyers built at Halifax for the Royal Canadian Navy, will sail from Halifax May 19 for her future operational base at Esquimalt, B.C., it was announced today at Naval Service Headquarters.

The destroyer's ports of call will include Guantanamo, Cuba; Montego Bay, Jamaica; the Canal Zone; Acapulco and Manzanillo, Mexico, and San Pedro, California. She is due to arrive at Esquimalt June 29.



## AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Wednesday, May 12, 1948.

In Parliament Tuesday: The Minister of Veterans Affairs, Mr. Gregg, announced a 25 per cent increase in war pensions to benefit 400,000 Canadians.

The Minister of Agriculture, Mr. Gardiner, announced appointment of L.B. Thompson, Swift Current, Sask., as director of Prairie Farm Rehabilitation.

The Commons voted 105 to 53 to reinstate on the order paper a bill incorporating the National Insurance Company of Montreal.

It approved in principle a bill extending the investing and borrowing powers of loan companies.

The Senate adopted an amendment to the Unemployment Insurance Act.

Mr. Howe on E.R.P.: "I am optimistic in that I believe that, with the cooperation and understanding of responsible men in business, labour and government in the western democracies, E.R.P. will be a milestone towards improved economic conditions, and better understanding among the nations of the world," said Right Hon. C. D. Howe, Minister of Trade and Commerce, in addressing the Montreal Rotary Club on May 11.

"I believe," he continued, "that I am expressing the considered view of the vast majority of the Canadian people when I state that the sacrifices entailed in the restriction of our consumption levels and in the readjustments required of some Canadian producers are justified if they contribute to the rehabilitation of Western Europe and the strengthening of democracy in the world.

"A healthy European economy would mean a continuing and paying market for many of our traditional exports. It would also mean increased imports from that area and a reduced dependence on any one source of supply. The old multilateral system of trading -- so advantageous to Canada in the past -- whereby we covered our American deficit with European surplus, can only operate if Western Europe, the pivot in the world trading system, can play its former role. . . ."

Foreign Trade: Foreign trade of Canada in March was valued at \$427,956,000, showing a minor increase over the March 1947 figure of \$420,777,000, according to figures released by the Dominion Bureau of Statistics. During the first three months of this year the trade aggregated \$1,265,600,000 as compared with \$1,164,000,000 in the similar period of 1947, a rise of almost nine per cent.

Merchandise was imported in March to the value of \$197,100,000, showing a decline of \$11,800,000 from the March, 1947 total of \$208,900,000. This was the first decline from the preceding year in the monthly import totals since December, 1945 -- a period of 27 months. During the first three months of this year, imports were valued at \$585,300,000 as compared with \$559,800,000 in the like period of 1947.

Value of merchandise exported in March was \$228,400,000, approximately nine per cent above the March 1947 total of \$209,000,000. With higher figures registered for each month of the year, the aggregate for the first quarter advanced to \$672,000,000 from \$597,100,000 in the like period of 1947, or by 12.5 per cent.

(over)

The balance of trade with all countries in March was in favour of Canada to the extent of \$33,900,000 as against \$28,100,000 in the preceding month and \$3,000,000 in the corresponding month last year; in the first quarter the favourable balance was \$95,000,000 compared with \$44,400,000 in the similar period of 1947.

The month's debit balance with the United States was \$24,200,000, the lowest monthly figure since December, 1945. In February the debit was \$40,500,000, and in March last year, \$80,200,000. In the first quarter the unfavourable balance was \$107,900,000 compared with \$203,200,000 in the first three months of 1947.

The favourable balance of trade with the United Kingdom in March was \$37,700,000 as against \$33,900,000 in February and \$33,900,000 in March last year, and in the first quarter of this year, \$115,000,000 compared with \$104,700,000 in the same period of 1947.

His Majesty Honors Canadian: The Air Ministry on Tuesday announced the appointment of British Columbia-born Air Vice Marshal Philip Livingston as Honorary Surgeon to the King, effective May 7, according to a Canadian Press cable from London.

Air Vice Marshal Livingston succeeded Air Marshal Sir Andrew Grant as Director-General of Medical Services of the R.A.F. May 1 after serving as Deputy Director-General since last September.

Born at Caulfield B.C., in 1893, Livingston went to Britain in 1910 and studied at Cambridge University. He rowed in the winning crew in the Oxford-Cambridge boat race in 1914.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 126

Thursday, May 13, 1948.

In Parliament Wednesday: The House of Commons gave final approval to the Pensions Bill providing a 25 per cent boost in rates.

The Minister of Veterans Affairs, Mr. Gregg, said retroactive pension payments will be made early in June.

The Secretary of State for External Affairs, Mr. St. Laurent, said there have been no recent developments toward the exchange of new Ambassadors by Canada and Russia.

The House of Commons voted 115 to 60 for first reading of a bill eliminating secrecy provisions of the Income Tax Act.

The Minister of National Defence, Mr. Claxton, said new summer uniforms for the permanent army will start to be delivered in late summer.

Government Leader, Senator W. McL. Robertson, gave notice that the Senate will adjourn Friday until June 1.

131 Construction Workers: One hundred and thirty-one construction workers from Malta are en route for Halifax aboard the S.S. "Marine Perch," it was announced at Ottawa May 12 by the Honourable James A. MacKinnon, Acting Minister of Mines and Resources.

This is the first group of a total of 500 immigrants from the island in the Mediterranean Sea who will arrive in Canada within the next few months.

Mr. MacKinnon explained that entry of the Maltese was authorized by a special Order in Council as a result of the Government's desire to recognize in a tangible way the magnificent war-time accomplishments of Malta, and to assist the island to remedy an unemployment problem caused by the postwar demobilization of large numbers of dockyard workers.

The men will be placed in employment by the Department of Labour upon arrival in this country. Those who are heads of families will be able to bring their dependants to Canada when they are established in jobs and in a position to care for them.

J. R. R. Robillard, of the Rome immigration office, had charge of the selection team which was sent to Malta.

"Jeanne D'Arc" Visit: The impending arrival of the French cruiser, "Jeanne D'Arc", for an eleven day visit to Montreal commencing May 24, is announced by Naval Service Headquarters. Engaged on a training cruise that began at Brest on January 24, the French warship, at present in South American waters, will make Montreal her only North American call with the exception of a visit to the island of St. Pierre. Plans for the entertainment of the ship's company of over 700 are under way in Canada's largest city. They will include a reception at H.M.C.S. "Donnacona", the Montreal naval division.

Naval Intelligence Director: The appointment of Commander Lorenzo L. Atwood, V.R.D., R.C.N., of Halifax and Ottawa as Director of Naval Intelligence, is announced by The Honourable Brooke Claxton, Minister of National Defence. For the past six months Commander Atwood held the appointment of Deputy Director of Naval Intelligence.

Hon. Mr. Heenan Dead: Hon. Peter Heenan, 73, Irish-born locomotive engineer who became federal Labour Minister, died suddenly at his Toronto home Wednesday.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

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Friday, May 14, 1948.

In Parliament Thursday: The House of Commons voted \$107,550,129 to cover Government expenditures for the next month.

Private members urged establishment of more efficient machinery to study departmental estimates.

The Minister of Agriculture, Mr. Gardiner, described plans for an irrigation dam across the South Saskatchewan river.

The Senate gave second reading to the bill increasing war pensions by 25 per cent.

1948 Acreage Outlook: Canadian farmers have indicated on the basis of their intentions at April 30, that they will seed over half a million fewer acres to wheat in 1948 than they did in 1947. A small decline of about 77,000 acres in barley seedings is also anticipated. These decreases, however, are expected to be more than offset by increases in acreages devoted to other field crops, the estimate for oats being up some 722,000 acres, flaxseed up about 130,000 acres and rye up 386,000 acres over 1947 seedings. Acreage in summerfallow is expected to exceed last year's figures by 425,000 acres, an increase of two per cent.

The acreage in Canada intended for wheat in 1948 is estimated at 23.7 million as compared with 24.3 million acres in 1947. The decrease amounts to a little more than two per cent. Intended wheat seedings in the Prairie Provinces are placed at 22,692,000 acres, down 665,000 acres from the 1947 figure of 23,357,000 acres. Ontario's wheat acreage for harvest in 1948 has increased 135,000 acres over the 1947 level. Little change is anticipated in wheat seedings in the remaining provinces where wheat is a minor crop.

Shipping Policy: Announcing details of the Government's policy for the modernization of Canada's fleet of ocean-going merchant ships, Hon. Lionel Chevrier, Minister of Transport, stated on May 13 that under this programme "Canada should develop a modern and well-balanced merchant fleet composed of speedy and modern vessels of different types suitable to meet the requirements of the trade in which they are engaged and worthy of the position this country holds among the Maritime nations of the world". The Minister further stated that this policy was "based on recommendations made by the recently created Canadian Maritime Commission which had completed a preliminary survey of the Maritime requirements of this country and of the anticipated volume of overseas traffic."

Not only will Canadian shipping benefit from the announced policy, the Minister said, but "it will make possible an extensive construction programme being made available for Canadian shipyards and will enable the industry to demonstrate its ability and capacity to construct vessels of different types and speeds in keeping with modern transportation needs. It is further anticipated that this programme will afford employment to shipyard personnel for years to come and that provision of these modern type ships will be greatly advantageous to labour employed at sea."

(over)

Army Appointments: Brigadier Howard D. Graham, CBE, DSO, ED, senior Canadian Army liaison officer in the United Kingdom, heads a list of 11 major army appointments announced May 13 by the Hon. Brooke Claxton, Minister of National Defence.

Brig. Graham, 49, a former resident of Trenton, Ont., will be granted the acting rank of major-general and will become Vice-Chief of the General Staff, effective next October. He succeeds Major-General C. C. Mann, CBE, DSO, whose approaching retirement was announced earlier this year. Brig. Graham has been the Canadian Army's senior representative in the United Kingdom for the past two years.

Succeeding Brig. Graham in London will be Brig. E. C. Plow, CBE, DSO, now attending the National Defence College at Kingston, Ont. Until January of this year, Brig. Plow was officer commanding Headquarters, British Columbia Area of Western Command, at Vancouver, B.C. He assumes his new duties in the United Kingdom in September. Brig. Plow is 43 and is formerly of Kingston.



# AIRMAIL BULLETIN

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Monday, May 17, 1948.

In Parliament Friday, May 14: A permanent \$30,000,000-a-year programme of Federal grants to help the provinces expand their public health services was announced in the House of Commons May 14 by Prime Minister Mackenzie King.

He detailed the plan in a 3,000-word statement and said Parliament will be asked to vote the money at its present session.

He described the grants as the first stages in the development of a comprehensive health insurance plan for Canada. If a health insurance scheme were launched now, he added, it would fail because of the country's shortage of hospital beds.

The money will be spent by the provinces in the fields of health survey; cancer, tuberculosis and venereal disease control, treatment of crippled children, research, mental health care and hospital construction.

The only condition attached to the grants is that the provinces maintain at least their present expenditures on health services. Generally, the grants will be made on a per capita basis. (CP)

Hon. Wishart Robertson, Government Senate leader, announced in the Senate plans for a Senate committee investigation of the margarine situation next session.

The bill increasing pensions 25 per cent and 20 other measures were given Royal assent.

The House of Commons gave third reading to legislation implementing the peace treaties with Germany's satellites.

Mr. Butler's New 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.

(over)



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 on 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 serving 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.

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 today at Naval Service Headquarters. He succeeds Captain Barry German, 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 Stuard and Elmiere Aubert de Gaspe. 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 practiced law in Montreal until enlisting with the Royal Canadian Naval Volunteer Reserve in September 1939.

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.

(Note: No Bulletin was published Saturday)



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, May 18, 1948.

In Parliament Monday: Asked by Mr. Coldwell what is the attitude of the Government of Canada toward the proclamation of the new state of Israel, the Secretary of State for External Affairs, Mr. St. Laurent, replied as follows:

"I would prefer to make no statement at this moment. The recognition of a new state is a matter of very serious consequence. The Government is appraising the situation, as well as the possible consequences and implications of recognition, and as soon as it is possible to come to a conclusion I shall be glad to inform the House.

Second reading debate was opened on the Government's bill to amend the Canada Shipping Act.

Solon Low, Social Credit leader, asked the Government to build a railway line from the Peace River to the Pacific coast.

Transport Minister Chevrier said the Government still is considering the request of seven provinces for a Royal Commission on the railway problem.

East and west coast members called for the creation of a Canadian coastguard.

Today is Budget Day: The Minister of Finance, Mr. Abbott, is to deliver his annual Budget speech in the House of Commons, commencing at 8 o'clock this evening.

Mr. Martin on Health Programme: In outlining Canada's new national health programme before the Canadian Public Health Association at Vancouver on May 18, the Minister of National Health and Welfare, Mr. Martin, spoke in part as follows:

"For generations the public health profession in Canada has been fighting what in many respects was a rear-guard action against disease. It has had great successes, but it is now finally provided with the extra resources necessary for it to take the offensive.

"Our programme for the future must be a dynamic one. It must change to fit the needs of the times. Our aim is to raise the level of health in Canada to the highest in the world. No less objective is worthy of our efforts. . . .

"We cannot altogether quarantine our economy against world economic disaster and the widespread malnutrition and disease that would follow in its wake. Another disaster -- atomic war -- could make a mockery of civilization, and sweep away the health advances of a century by employing the most brilliant discoveries of science to destroy all that science has created. We can only trust that -- despite the threats of chaos and disaster -- men of good-will can continue their work for humanity. . . .



## AIRMAIL BULLETIN

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Wednesday, May 19, 1948

Mr. Abbott's Second Budget: Submitting his second budget in the House of Commons Tuesday night, 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  $\frac{1}{2}\%$  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 place 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 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.

(over)

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.

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 is announced by the Honourable Brooke Claxton, the Minister of National Defence.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No 131

Thursday, May 20, 1948.

In Parliament Wednesday: The House of Commons continued its debate on proposed housing legislation.

A Progressive Conservative sub-amendment calling for local housing authorities to provide low-rental housing and undertake slum clearance was ruled out of order.

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.

Saskatchewan Election June 24: Premier T. C. Douglas Wednesday night called a Saskatchewan general election for Thursday, June 24.

New Brunswick Election June 28: New Brunswick voters will go to the polls Monday, June 28 to elect members to the 52-seat provincial Legislature. The election date was announced Wednesday by Premier John B. McNair.

Radioactive Minerals: The Ontario Minister of Mines, Mr. Frost, announced Wednesday discovery of radioactive minerals near Coral Rapids, 80 miles north of Cochrane and about 75 miles southwest of the James Bay port of Moosonee.

It is the most promising discovery ever made in the province, he said in a 175-word statement.

The announcement said more than 1,000 square miles of the James Bay basin has been opened for claim-staking. (CP)

Flood Conditions: Floods are sweeping wide-separated areas in Northern Manitoba and Alaska, while in Alberta the situation in the Rossington district is at least temporarily better, a Canadian Press despatch of May 19 from Winnipeg stated. A further rise in the Pembina river, however, is expected as a result of mountain run-off.



## AIRMAIL BULLETIN

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Friday, May 21, 1948.

In Parliament Thursday: Postmaster-General Bertrand announced that all letters up to one ounce will be carried by air mail to any part of Canada served by Trans-Canada Air Lines, at the ordinary four-cent rate.

The House of Commons gave second reading to the rental-insurance bill after defeating, 107 votes to 30, a CCF motion favoring housing subsidies.

State Secretary Gibson's motion for committee study of the possibility of establishing a national library was adopted.

The Secretary of State for External Affairs, Mr. St. Laurent, said new defence-base treaty arrangements will have to be made with the United States if Newfoundland enters Confederation.

Canada's Good Wishes: The Department of External Affairs on May 20 released 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."

Mr. Claxton Visits the North: The Hon. Brooke Claxton, Minister of National Defence, will visit the Joint Services Experimental Station at Fort Churchill, Man., this week-end. If time and conditions permit, he may visit at least one other northern station.

The Minister will leave Ottawa by Service aircraft on Friday morning and will be accompanied by Dr. O.M. Solandt, Director-General of Defence Research. First stop will be at Winnipeg where the party will be joined by Brig. J.P.E. Bernatchez, officer commanding Prairie Command, and Air Commodore M. Costello, Air officer commanding No. 11 Group, RCAF.

Mr. Claxton's visit to Churchill at this time is part of a previously announced routine inspection of defence installations in the north -- an inspection he had hoped to make last March but was obliged to postpone. He will return to Ottawa on Sunday or Monday.

While in Churchill, the Minister will present to the station officers' mess a photograph of Winston Churchill and an engraving of the first Baron Churchill after whom the Churchill River was named. They are gifts from four eminent British defence scientists who visited Canada last fall, and are accompanied by a framed message signed by the four: Sir Henry Tizard, chairman of the Defence Research Policy Committee; Sir Ben Lockspeiser, Chief Scientist, Ministry of Supply; Dr. O.H. Wansbrough-Jones, Scientific Adviser to the Army Council, and Dr. J.A. Carroll, Deputy Controller (Research and Development) of the Admiralty. Mr. Churchill's photograph is autographed and bears the inscription: "To Fort Churchill and its friends since 1685."

(over)

"Magnificent" Sails May 25: The Royal Canadian Navy's new aircraft carrier, "Magnificent", will sail from Belfast May 25, arriving at her Halifax base on June 1, it was announced at Naval Service Headquarters May 20.

The 18,000-ton carrier has only recently returned to the Northern Ireland port, the scene of her commissioning in early April, following month-long sea trials off Portsmouth. At Belfast, "Magnificent" will embark the planes and personnel of the 19th Carrier Air Group, consisting of 803 and 825 Squadrons, which will form her air striking force. Air and maintenance crews have been training in the aircraft -- Firefly IV's and Sea Furies -- at the Royal Navy's Air Station at Eglinton, Northern Ireland.

43 Years with 48th: 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 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.

George (Buzz) Beurling Killed: A Canadian Press cable from Rome says that George (Buzz) Beurling, Canada's flying ace of the Second Great War, was killed at Urbe airfield May 20, together with 24-year-old Leonard Cohen, of Liverpool, when the light aircraft which Beurling was testing crashed from 700 feet.

# AIRMAIL BULLETIN

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Tuesday, May 25, 1948.

In Parliament Monday: Replying to a question by Mr. Hackett in the House of Commons, as to whether Canada would support the United States in its plea to the Security Council for a declaration that the present situation in Palestine is a threat to the peace, and, in fact, a breach of the peace, the Secretary of State for External Affairs, Mr. St. Laurent, said he was not prepared at that moment to make a categorical answer to the question.

Tributes to the late Mr. Ralston: Members from all corners of the House of Commons, and Senator Ian Mackenzie in the Senate, paid tribute to the late Honourable J. L. Ralston. The Prime Minister issued a statement which read in part as follows:--

"I shall never cease to feel the deepest gratitude for Colonel Ralston's many years of close co-operation as a colleague in the administration of Canada's affairs. As a soldier, as a Minister of the Crown and as a war leader Colonel Ralston's services to the allied forces in two world wars were of the highest distinction. The best years of his life were given in the most unselfish, devoted and self-sacrificing measure to the service of our country and to the cause of freedom."

Seek Full Employment: In an effort towards the achievement of full employment in Canada, the National Employment Service of the Labour Department is currently making special efforts in regard to youth, older workers and veterans, and the physically handicapped. Briefly, these efforts embrace:

- (1) Counselling and placement of youth, including high school and university graduates, in full-time employment of a nature suited to their personal qualifications, adaptabilities and interests.
- (2) Placement in remunerative employment of senior workers whose age has been an obstacle in finding work.
- (3) Placement of older veterans, as members of the Canadian Corps of Commissionaires, in positions of confidence and trust.
- (4) Placement of handicapped workers in employment of a nature best adapted to full use of their capacities and their special skills and training.

Lower Educational Requirement: The educational requirement for enlistment into the Canadian armed forces has been lowered slightly to embrace a large group of young Canadians previously ineligible for entry, the Hon. Brooke Claxton, Minister of National Defence, announced May 25.

The standard has previously been junior matriculation "or its equivalent", with exceptions in the case of certain veterans. The equivalent has been recognized as a high school leaving certificate or a commercial, technical or vocational certificate - a standard established because most technical, radio and clerical trades in the armed forces required that recruits possess that much formal education to undertake successfully the training required.

(over)



CHFC Fort Churchill; The fourth military broadcasting station in the Canadian far north -- and the most northerly one covering the eastern arctic -- has been opened by the Army at Fort Churchill, Man. It began operating May 1, eight hours daily, as radio station CHFC.

CHFC is owned and operated by the Regimental Institutes of Fort Churchill and receives its technical advice and assistance from the Royal Canadian Corps of Signals. Fourth in a series of Army broadcasting stations licenced by the Department of Transport, it provides entertainment for Churchill and vicinity and all northern outposts within range. At least one more link in the northern chain of broadcasting stations is planned. This, it is hoped, will be opened in the near future at Norman Wells on the Mackenzie River.

(Note - No Bulletins were issued Saturday, May 22, and Monday May 24).



# AIRMAIL BULLETIN

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Wednesday, May 26, 1948.

In Parliament Tuesday: A bill by Wilfrid Lacroix, (L--Quebec-Montmorency) to outlaw communists was debated in the House of Commons.

John R. MacNicol (PC--Toronto Davenport) said industrial development of the Maritimes will be retarded as long as those Provinces lack cheap electric power.

The Budget Debate was continued.

Legion for Immigration: The Canadian Legion, in national convention at Saskatoon, came out Tuesday for expanded immigration, a Canadian Press despatch reported.

Its hundreds of delegates shouted their approval of a committee recommendation for the entry of considerable numbers, particularly Britons, and for Canada to accept her fair share of displaced persons.

Philip S. Fisher of Montreal, Committee Chairman, told the convention that the tenor of some 75 resolutions indicated that veterans have been re-established to the point where it may now be considered in the national interest that immigration should be contemplated on a larger scale.

Manitoba Fires: Two hundred men, organized into crews, and assisted by three aircraft, on Tuesday fought 10 fires in the Lake Winnipeg area. Nine of the fires are reported raging out of control, Canadian Press reported.

Forest officials say most of the fires were started by lightning. Most of the area east of Lake Winnipeg has had little or no rain this year and the whole area is considered a dangerous fire hazard.

The force of firefighters, aided by three aircraft of the Manitoba Government air service, was formed by the Provincial Forestry Branch in co-operation with local authorities.

Employment and Earnings: Employment in the major industrial divisions showed continued curtailment at the first of April, according to the preliminary tabulations of returns for that date by the Dominion Bureau of Statistics. On the base 1926 average as 100, the advance index in the eight leading industries was 186.5 as compared with 188.9 at March 1 and 180.7 at April 1, 1947.

Substantial reductions in employment as compared with a month earlier were reported in New Brunswick, Quebec and Ontario, in which there were important seasonal contractions in logging operations. On the whole, there were moderate increases in the four Western provinces. The changes in Nova Scotia and Prince Edward Island were slight.

Partly due to losses in working time during the Easter holidays, and partly as a result of declining employment, there was a falling-off in the index of payrolls at April 1, when the advance figure was 2.4 per cent below that at March 1, 1948, although it was higher by 12.8 per cent than at April 1, 1947. The average weekly earnings of the salaried employees and wage-earners employed by leading establishments amounted to \$39.03 at April 1 as compared with \$39.49 at March 1, 1948, and \$35.73 at April 1, 1947.



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Thursday, May 27, 1948.

In Parliament Wednesday: Prime Minister Mackenzie King outlined a lengthy list of legislation still to be considered by Parliament.

The Secretary of State for External Affairs, Mr. St. Laurent, said Canadian recognition of Israel is still under consideration. The Budget Debate was continued.

National Harbours Report: An increase of fourteen per cent in aggregate cargo tonnage at national harbours in 1947, and higher operating revenues and expenditures, are disclosed by the twelfth annual report of the National Harbours Board, presented to Parliament on May 26 by the Honourable Lionel Chevrier, Minister of Transport.

The aggregate cargo tonnage in 1947 was 31,163,000 as compared with 27,172,000 in 1946. The increase over the previous year was 3,991,000 tons, or 14 per cent. Every harbour had a greater volume of traffic than in the previous year. Domestic traffic increased by 19 per cent and foreign by 12 per cent.

Vessel arrivals in 1947 numbered 42,876, with an aggregate net registered tonnage of 29,856,000. In 1946 the figures were 39,823 vessels, tonnage 26,878,000.

Employment Picture: Canadian workers continue to enjoy record levels of employment and income, Labour Minister Mitchell reported May 26 in his monthly statement on manpower conditions.

In fact, Mr. Mitchell pointed out the incidence of unemployment in Canada during the two complete post-war years of 1946 and 1947 was even less than that in the United States, and the American record itself has been outstanding. During these two years, unemployment in Canada averaged 3 and 2 per cent respectively of the civilian labour force. The comparative figures for the United States were 4 and 3.5 per cent.

At present, total employment in Canada is over 100,000 more than one year ago. Monthly wage and salary payments, too, have so far been considerably above last year's totals. And during the past month, Canadian industries have been rapidly absorbing nearly all available manpower resources.

Crop Conditions: Temperatures over the Prairie Provinces during the past week have ranged from nine to 12 degrees above normal and the warm weather, combined with clear skies and drying winds, has made for near ideal seeding conditions in all three provinces. Excellent progress has been made in seeding, particularly in southern areas. Early-seeded crops are germinating well and growth is rapid. Grasshoppers are beginning to hatch in Saskatchewan and Alberta. In Saskatchewan, wire worm damage to early seeded crops is becoming noticeable in some areas.

Health and Welfare Appointment: J. R. Menzies of Montreal has been promoted by the Civil Service Commission to head the public health engineering division of the Department of National Health and Welfare.

Announcement of the promotion was made here today by Hon. Paul Martin, Minister of National Health and Welfare. Formerly supervising engineer, Atlantic region, Mr. Menzies has been acting chief of the division since the retirement of G. H. Ferguson of Ottawa last October.

Research Scholarships: Scholarships have been granted by the National Research Council of Canada to 169 graduates to enable them to pursue postgraduate studies during the academic year 1948-49. There are twenty-five fellowships at \$900., sixty-three studentships at \$750., seventy-five bursaries at \$450. tenable at Canadian universities, and ten special scholarships ranging in value from \$500. to \$1000. awarded for study abroad. The nominal value of all scholarships for the year is \$107,900. Last year 145 scholarships having a nominal value of \$99,250 were held. The amount actually expended by Council on scholarships account during the year was \$99,111.90.



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Friday, May 28, 1948.

Budget Debate Concluded: The House of Commons Thursday night gave approval in principle to the Budget. CCF and Progressive Conservative amendments were defeated by votes of 122 to 30 and 72 to 54 respectively. The Budget had been presented on May 18. The conclusion of the Budget Debate at this date was considered to make probable the prorogation of Parliament toward the end of June.

\$20,000,000 Housing Program: A \$20 million nation-wide housing program to provide new accommodation for over two thousand married members of the Armed Forces was announced May 27 in the House of Commons by the Honourable Brooke Claxton, Minister of National Defence.

The program will be a direct contribution to relief of housing shortages in civilian communities. In moving into service married quarters, service families will make housing available for civilian families.

This year's program - one of the largest housing projects undertaken in Canada - calls for completion of 2,350 new houses for serving personnel in the Navy, Army, R.C.A.F. and Defence Research Board, mostly in remote areas. While this figure is a target, the actual numbers completed in each locality depending on supplies of materials and labour, progress so far made shows that a substantial number of the houses will be ready for occupancy before next winter.

A thorough study has been made of the housing problem for Armed Forces personnel in both congested urban areas and remote localities. This year's program is part of a comprehensive plan to provide accommodation where civilian accommodation is not likely to be provided, and where the needs of those with large families and inadequate living space must be met as soon as possible. Allotment of these homes will be made irrespective of rank solely on the basis of the size of the family and the need existing, but rental rates will be the normal quarters allowance according to rank or position.

Houses to be constructed will vary in size from four to six rooms and in cost from approximately \$6,500 to \$8,000 each, apart from the costs of services. They will be permanent structures built of durable materials and designed to provide maximum comfort within the price range.

First construction contracts were let and building materials assembled early in the year to take advantage of the building season. Of the 2,350, no less than 1,179 new units were under construction at April 1, 1948.

Education for Commissions: Details of a plan whereby other ranks may be upgraded for commissions in the Army and Air Force and in technical branches of the Navy were announced May 28 by the Hon. Brooke Claxton, Minister of National Defence. This plan involves attendance of candidates, at public expense, at either of the two Canadian Services Colleges or Canadian universities.

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All such candidates must have a minimum of nine months satisfactory service in the regular force and educational qualifications of senior matriculation or its equivalent. Courses have been arranged so that these educational standards can be obtained within the services.

For the present year, all candidates for university training must be under 25 years of age as of June 30, 1948, but it is planned to reduce this limit annually by one year until it reaches a maximum age of 23 on June 30 in the year concerned. For entrance to the Canadian Services Colleges, candidates must be unmarried and under 21 years of age on January 1, 1948. This age limit will be reduced by one year in 1949.

If selected for university training, candidates will be classed as sergeants (or equivalent) for purposes of pay. Those selected for one of the Canadian Services Colleges will be given the status of service cadet and will receive the pay of a private or equivalent. In each case candidates will be required to take the full training of the Canadian Officer's Training Corps, University Naval Training Division or University Air Training Plan, including a 16-weeks practical training period each summer. During the summer training period candidates will be given officer status and paid as second lieutenants or equivalent.

Tuition and other university expenses, including text books, will be paid as public expense throughout the course, while those attending the Canadian Services Colleges will have their fees paid by the Department of National Defence, including cost of uniforms, books, laundry and other expenses.

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Monday, May 31, 1948.

International Trade Fair Opened: The Canadian International Trade Fair opened Saturday, but even before its exhibits were unpacked sales were made involving thousands of dollars, said the Canadian Press report from Toronto.

One exhibitor sold 200 office safes before he could put his show in place, and another had an order for 1,000 dozen toys thrust at him while he was still bending over his crates.

Officials believe that millions of dollars of business will be transacted in the next fortnight among the 32 countries exhibiting and the 35,000 buyers from 79 countries.

The fair was opened by the Governor-General, Viscount Alexander, while a 19-gun salute boomed and Vampire jet-propelled planes of the RCAF added to the impressiveness of the occasion.

His Excellency said in part:--

"The world is now in the midst of a truly gigantic effort to repair the ravages of what has been, commercially, the most destructive war in the whole period of modern history. The most urgent immediate task is to find ways and means of rebuilding the trade between the Old World and the New, in fully restored volume and on a self-sustaining basis. On the winning of that first objective depends the healthy revival of commerce in all quarters of the globe.

"In order to develop trade that is founded on a lasting basis of goodwill, personal confidence and mutual benefit, men must meet and transact business together. It has been the confident hope of the Government of Canada that by holding an International Trade Fair on this side of the Atlantic, this new-world nation can make its most useful and most timely contribution toward re-establishing among business men of many different countries, the personal contacts that are the very essence and foundation of good trade relations."

Hon. James A. Mackinnon, as Acting Minister of Trade and Commerce, said in part at the opening luncheon:--

"Whatever your association with the Fair may have been, whether in an active or an advisory capacity, you have the sincere thanks of the Government of Canada. This Fair is more than a unique display of products and skills. It is more than a great meeting place for men of industry and commerce. It is a practical expression of humanity's deep longing for peace and for the fruits of peace. It demonstrates above all, confidence in the ability of the nations to construct a better world, a world free from destructive strife -- a world offering more enduring happiness for all mankind."

Fraser Valley Floods: Air Force Headquarters Sunday night announced cancellation of all regular RCAF air transport schedules in an effort to speed 260,000 sandbags from Montreal to the flood-stricken Fraser Valley in British Columbia.

The cancellation of all regular transport flights will continue until Tuesday when a flight will be made between Edmonton and Whitehorse to bring food to the northern area.

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A Canadian Press despatch from Calgary said that a fleet of Trans-Canada Airlines, taking off almost hourly from Calgary municipal airport, carried almost 1,200 persons over flood-devastated British Columbia Sunday.

Most of the airline passengers were rail passengers who had been stranded on either side of the rail washouts in the Fraser Valley. Both Canadian Pacific and Canadian National railways lines are blocked for the first time in history.

Monument to Author: The erection of a stone monument and tablet to commemorate the work of Lucy Maud Montgomery, author of the well-known book, "Anne of Green Gables", was among the recommendations adopted by the Historic Sites and Monuments Board of Canada at their annual meeting held recently in Ottawa. The site of the monument will be near the famous Green Gables house at Cavendish in Prince Edward Island National Park, one of the great scenic attractions on the island.





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Tuesday, June 1, 1948.

State of Emergency in B.C.: Premier Byron Johnson of British Columbia last night declared a state of emergency existed in British Columbia as swollen rivers reaped a mounting toll of collapsed dikes, damaged farmlands and flood-stricken homeless, Canadian Press reported.

Premier Johnson empowered Col. Snow, Commander of the Army in B.C., to call out troops in the Province to "combat the flood as well as any other matters arising out of this emergency."

Col. T. E. Snow, B.C. Army Commander, was given authority to call on all citizens to help and "wherever necessary, solicit transport or essential materials."

Premier Johnson said the seriousness of the flood situation in the Fraser Valley and the lower mainland of B.C. made necessary a unified control of all agencies engaged in combating the flood menace.

The Army will be associated with the Navy, Air Force, B.C. Police, the Red Cross and Government agencies. But all people will come under the direction of Col. Snow, Army Commander.

Mr. Ilsley Announces Retirement: Referring to newspaper stories which had been appearing at various times since the first of the year to the effect that he would soon be appointed a judge, Mr. Ilsley, the Minister of Justice, said on May 31 that these were unfounded. It was true, however, that he would be retiring from the Government at the end of June with a view to resuming the practice of law. He would seek admission to the Bar of Quebec and enter the firm of Ralston, Kearney, Duquet & MacKay, of Montreal. The matter had been under discussion by himself and the partners of the firm over a period of months and a decision became necessary upon Colonel Ralston's sudden death.

Mr. Ilsley said that after twenty-two years in public life it was now necessary for him to give attention to his personal affairs and that this was the sole reason for the step he was taking. He deeply regretted the severance of his long connection with a Government whose policies he had taken part in shaping and whole-heartedly approved.

Yale, B.C., Byelection: O. L. Jones, C.C.F., on Monday night was conceded election in the Yale federal by-election, a gain in the House of Commons from the Progressive Conservative Party, Canadian Press reported from Kelowna, B.C.

With results from 112 out of 122 polls Jones was more than 3,500 votes ahead of his nearest opponent.

With no more results expected Monday night, Mr. Jones led with 10,576 votes; E. J. Chambers, Liberal, was second with 6,936, and W. A. C. Bennett, Progressive Conservative, was third with 6,900.

Sees National Income at \$15 Billion: Canada's total national income will probably reach an all-time high of more than \$15,000,000,000 this year, Trade Minister Howe predicted at Winnipeg last night.

In a speech prepared for delivery to the Industrial Development Board of Manitoba, he said the forecast was dependent on an absence of work stoppages to slow production.

The forecast, he continued, was for a national income of from \$1,500,000,000 to \$2,000,000,000 higher than last year and three times as high as in 1939.

(over)

"In spite of some shortages in fuel, power and certain basic materials such as steel and lumber, the national outlook for 1948 continues to be promising", he said.

"The general outlook for Canada this year has been greatly improved by the successful culmination of ERP discussion", Mr. Howe said. "Arrangements have been made to maintain our flow of major commodity exports to the United Kingdom."

Currency Regulation: The Department of External Affairs announced June 1 that, according to information received from the Italian Legation in Ottawa, foreign tourists entering Italy are required to declare foreign currency in their possession.

The Italian customs authorities will supply the tourist with a certificate without which it will not be possible to re-export currency or to exchange it at Italian banks.

Netherlands Awards: Personnel of the Canadian Army resident in the Ottawa area, who received Netherlands awards during the Second World War, received their decorations June 1 from the Netherlands Ambassador, Dr. J. H. van Roijen. The investiture was carried out at the Netherlands Embassy, 361 Mariposa Road, Rockcliffe, at 6:00 p.m. Invited guests included the Minister of National Defence, Hon Brooke Claxton, the Deputy Minister, Mr. W. G. Mills, and other senior officials of National Defence Headquarters and the Army.

Major General Tickell Visiting: Major-General Sir Eustace F. Tickell, CB, CBE, MC, Engineer-in-Chief at the British War Office, will visit Ottawa on June 4 and 5 to confer with Army officials here, the Minister of National Defence announced May 31. He will be accompanied by Colonel J. C. Walkey, CBE, of the British Army Staff, Washington, and Colonel Rowland D. Brown of the United States Army.

While in Ottawa Sir Eustace will visit the Chief of the General Staff and will confer with the Quartermaster-General and senior Canadian Army engineer officers. He will also meet Brig. J. L. Melville, Colonel Commandant of the Royal Canadian Engineers.

Re-impose Control: Owing to its strategic importance and to the unfavourable domestic supply position, it has been found necessary to re-impose controls on the exportation of lead bullion, lead base bullion, lead in pigs and bars, lead castings, lead alloys, antimonial lead and antimonial lead scrap, reclaimed lead, lead scrap and dross, effective on and after May 26, 1948, it was announced May 31 by the Department of Trade and Commerce.



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DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

Not for Publication--Not for Distribution in Canada

Vol. 6, No. 139

Wednesday, June 2, 1948.

In Parliament Tuesday: Members in all corners of the House of Commons paid tribute to Justice Minister Ilsley who will retire from the Government at the end of the month.

Prime Minister Mackenzie King said the Government is prepared to assist flood-stricken British Columbia to the fullest.

The Commons commenced consideration of the Budget in detail.

One Progressive Conservative supported and two Liberals opposed a private bill to legalize oleomargarine.

Senator W. D. Euler (L--Ontario) gave notice of a motion asking the Senate to express the opinion that the Government should have the Supreme Court rule on the validity of sections of the Dairy Act covering margarine.

British Columbia Flood Situation: Just when British Columbia flood fighters thought river levels were dropping and relief was in sight, the Sumas Prairie dike, about 55 miles east of Vancouver, near Chilliwack, broke on Tuesday and water coursed through an 80 foot gap over 1,200 acres of rich farmland.

The evacuation of about 1,000 persons was under way--about 500 persons were from the inundated Mennonite settlement of Greendale. Sheep and cattle were believed trapped, according to latest Canadian Press despatches.

Army officials estimated at least 9,000 persons have been made homeless in the Fraser Valley alone. Property damage earlier was estimated at \$20,000,000.

Embassy in Rome: The Department of External Affairs announced June 2 that on the proposal of the Canadian Government, an agreement has been reached between the Governments of Canada and Italy to raise their respective Legations in Ottawa and in Rome to the rank of Embassies.

The President of the Italian Republic has given his agrément to the appointment, as Canadian Ambassador, of Mr. Jean Désy who is at present accredited as Minister Plenipotentiary to Italy.

War Assets Sales \$430,175,000: Sales totalling \$6,197,600 during March and April have brought the grand total of receipts by War Assets Corporation from the disposal of war surplus to \$430,175,000 according to a statement issued by the Corporation.

Chemicals Output Up: Output from the chemicals and allied products industries of Canada in 1947 totalled \$448 million compared with \$376 million in 1946, an increase of 19 per cent, according to an estimate based on the 80 per cent sample of unrevised census of industry reports filed with the Dominion Bureau of Statistics before the end of April. It is likely that the present estimate will be within three or four per cent of the final totals.

(over)

Cargo Vessels For Sale: Because no satisfactory bids were received for two Canadian built cargo vessels recently placed on the market, Park Steamships Co., Ltd., acting as agents for War Assets Corporation, is again offering these vessels, and this time without restriction as to minimum price. The vessels are the S.S. "Fort Providence" and S.S. "Fort Wrangell", each 10,000 tons deadweight oil burners, Victory type.

Relinquishes Command: Major-General B. M. Hoffmeister, CB, CBE, DSO, ED, 41, who has been commanding the 15th Infantry Brigade (Reserve Force) with headquarters in Vancouver, has relinquished his command on transferring to the Supplementary Reserve, it is announced.

Fitness Agreement: The Province of Alberta and the federal Government have renewed their agreement under the National Physical Fitness Act for three years, the Minister of National Health and Welfare, Hon. Paul Martin, has announced.

Under this agreement the federal Government undertakes to share with the province the cost of carrying out a fitness and recreational programme in Alberta.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 140 Thursday, June 3, 1948.

In Parliament Wednesday: The Government, in a Budget amendment, was given power to end at any time the temporary suspension of the preferential tariff on British cottons and rayons.

The Minister of Fisheries, Mr. MacKinnon, indicated the United Kingdom will make no change in restrictions on money taken out of Britain.

Hon. John T. Haig, Progressive Conservative Leader in the Senate, said a Government bill to spur construction of rental housing is bound to fail.

Trade and Peace: "War and the fear of war is your enemy. There can be no enduring prosperity or stability for Canada in a warring world - through exports or in any other way," the Under-Secretary of State for External Affairs, Mr. Pearson, told the Canadian Exporters' Association luncheon, International Trade Fair, at Toronto on June 2, in an address on, "Peace, Prosperity and International Trade."

Declaring that immediate trading profits and advantages in the long run meant nothing if they were secured in conditions of international anarchy, he proceeded:--

"Trade may have once followed the flag, but when, in this age of splitting atoms, guided missiles and scattering germs, that flag becomes the emblem of war, then trade follows it into the abyss. The war of the future will create a desert and a wilderness, in which even the victors' trade may well disappear and die, or return to the primitive conditions of the dark ages.

"So I suggest that the first principle of trade is peace and its greatest protection is a foreign policy that will promote that good-will and confidence and security without which there can be no peace."

Netherlands Air Agreement: The Department of External Affairs announces that an Agreement for Air Services between Canada and the Netherlands was signed June 2 in Ottawa. This Agreement provides for an exchange of full traffic rights between both countries but an exchange of notes attached to the Agreement limits operations for the present to direct carriage between Canada and the Netherlands. The Honourable Lionel Chevrier, Minister of Transport, signed on behalf of the Government of Canada, and His Excellency Dr. J. H. van Roijen, the Netherlands Ambassador in Canada, signed on behalf of the Netherlands Government.

Labor Petition: Canada's two great labor congresses joined Wednesday in formally petitioning the Dominion Government to throw out Prince Edward Island's new labor legislation.

In a 20,000-word petition, they termed the new law unconstitutional and discriminatory and called on the Cabinet to wipe it off the statute books under its power to disallow any provincial law.

The protested measure, passed March 15, would outlaw all national and international unions from the island province, except on the railway. (CP)

(over)

To Welcome Immigrants: The Acting Minister of Mines and Resources, Hon. James A. MacKinnon, will go to Montreal to welcome, personally, United Kingdom immigrants arriving June 4th, by Trans-Canada Air Lines, under the Canadian Government Charter Air Service, it was announced in Ottawa. Accompanying Mr. MacKinnon will be Deputy Minister H. L. Keenleyside.

Arrangements have been made at Canadian Immigration offices in the United Kingdom to provide intending immigrants with advisory services designed to give them practical advance knowledge of Canadian life. This service covers the provision of information on living conditions and employment in each province, wage rates, climate, social services, etc. Officers of the Department of Labour, stationed at each immigration office, will advise on prospects for employment and, wherever possible, arrange definite placement in Canadian jobs before the immigrant leaves the United Kingdom.

Col. Browne's Resignation: Resignation of Col. P. L. Browne, M.C., of Ottawa and Montreal, director of the voluntary war relief Division, Department of National Health and Welfare, was announced June 2 by Hon. Paul Martin.

Col. Browne has directed the division since its creation in May, 1944. The division will be continued for a few months under the supervision of Mrs. D. B. Sinclair, Executive Assistant to the Deputy Minister of Welfare.

Mr. Martin praised Col. Browne's sound judgment and efficiency and his "unfailing sympathy" in assisting the many voluntary organizations he dealt with.

Railway Wage Dispute: Honourable Humphrey Mitchell, Minister of Labour, announced June 1 at Welland that he has decided to reconvene two Conciliation Boards which he established earlier this year to deal with disputes between the major Canadian railways and various groups of their employees. Both Boards are under the Chairmanship of Mr. Justice J. C. A. Cameron, of the Exchequer Court of Canada, Ottawa.



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Friday, June 4, 1948.

In Parliament Thursday: Prime Minister Mackenzie King said the Government is prepared to provide financial aid for relief of British Columbia flood-stricken areas.

Justice Minister Ilsley said he does not know whether prosecutions will be instituted against alleged combines in the optical trade.

Mr. Ilsley indicated action will be taken to curb mentally-deranged sex offenders.

John Diefenbaker (PC--Lake Center) warned against ending Empire agreements in favor of trade with the rest of the world.

Maritime members urged the Government to direct the Bureau of Statistics to compile figures on interprovincial trade.

Post Office Department estimates were considered.

Senator Ian Mackenzie (L--British Columbia) described Senate rules as the worst in the Parliamentary world.

Newfoundland Referendum: A second referendum to decide Newfoundland's political future was reported by Canadian Press Friday morning to be almost sure. Reports at this time said the second referendum would be a straight issue between responsible government and confederation with Canada, with commission government dropped from the ballot paper. Friday morning's latest available report on the vote of June 3 was about 19,000 votes for commission government; confederation 53,000 and responsible government more than 59,000. These totals were said to cover 132,000 of the 176,000 eligible voters.

Economic Conditions: Production has moved upward throughout the first part of the year and prices which had shown signs of stabilizing in March rose again in April, according to the April issue of the Canadian Statistical Review just released by the Dominion Bureau of Statistics. April's upsurge in department store sales may be due in part to the repayment of compulsory savings that occurred towards the end of March. Contracts for residential construction have continued at more than double last year's level.

Investigate Insect Pests: The life habits of biting insect pests and various methods for their control will be thoroughly investigated by eight field parties now moving into the Canadian North, it was announced in Ottawa June 3 by the Defence Research Board. Laboratory investigation will be carried out at the same time at Fort Churchill.

Ontario Forest Fires: Two great forest fires in Mississagi and Chapleau districts joined late Thursday afternoon and turned eastward, pushed by strong westerly winds, a Globe and Mail special despatch from Blind River read.

Hundreds of fire-fighters now are faced with a fire front extending 72-miles.



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Tuesday, June 8, 1948.

Bulgarian Requirement: The Department of External Affairs has been advised that a recent Bulgarian law for the nationalization of urban real estate requires that foreigners owning such property, should register by June 15, 1948, a declaration of ownership with the Municipal Peoples' Council of the municipality in which the property is located.

The Bulgarian law is understood to define urban real property, subject to nationalization, as property owned by private persons and corporations for which receipt of income from invested capital is obtained and which is situated within the limits of urbanization plans.

The Department of External Affairs is requesting an extension of the deadline for the registration of such declarations, but is unable to state whether favourable action will be taken by the Bulgarian authorities on this request.

Arctic Expedition: Three United States ships -- a Navy icebreaker, a Coast Guard icebreaker and a Navy cargo ship -- will proceed to Canadian Arctic waters this summer to resupply the existing weather stations which, as previously announced, have been jointly established there by the Canadian and United States Governments and to reconnoitre sites for further weather stations to be jointly installed next year. Canadian representatives will participate in the expedition.

The ships will be commanded by Captain George J. Dufek, United States Navy, embarked in the U.S.S. "Edisto", icebreaker. Other vessels participating in the cruise will be the U.S.C.G. "Eastwind", icebreaker, and the U.S.S. "Wyandot", cargo vessel.

The primary purpose of the expedition is the resupply of the 4 weather stations that have been established at Slidre Fjord, Eureka Sound; Resolute Bay, Cornwallis Island; South-Eastern Prince Patrick Island; and Isachsen Peninsula, Ellef Ringnes Island.

Helicopters carried aboard the vessels will make short-range flights to assist in navigation through the ice pack.

Ontario Election: Ontario's Progressive Conservative Government was re-elected Monday but Premier Drew went down to personal defeat.

The CCF made big gains, sharply reducing the Progressive Conservative majority, and replaced the Liberal Party as official Opposition.

Greatest CCF strength was shown in the 17 Toronto and York ridings, none of which had CCF representation in the last Legislature.

Two of the Premier's 15 Cabinet ministers suffered defeat--one to a CCF candidate, the other to a Liberal.

Final standings showed 53 Progressive Conservatives elected, 22 CCF members, 12 Liberals, two Labor-Progressive Party members and one Liberal-Labor candidate.

In the last election--June 4, 1945--Progressive Conservatives won 66 seats, the CCF 8, Liberals 11, Labor-Progressives 2, Liberal-Labor candidates 1, Independent Labor 1 and Independent 1.

(over)



Premier Drew was defeated in Toronto High Park riding by W. H. Temple, 50-year-old war veteran and manufacturers' agent, CCF.

The only woman elected was Miss Agnes Macphail, who in 1921 became the first woman ever elected to the Federal Parliament.

The two cabinet ministers defeated are Provincial Secretary Michener and W. G. Webster, Minister without portfolio. (CP)

Air Force Day, June 12: RCAF plans for the celebration of Air Force Day, Saturday June 12, in the Ottawa area, which include parades through Ottawa Saturday morning, and an afternoon air and ground display open to the public, at Rockcliffe aerodrome, were announced this week. "Open House" at Rockcliffe beginning at 2 o'clock Saturday afternoon, will have an aerial show including a Vampire air race, aerobatic displays, a mock bombing demonstration, parachute dropping, glider flying, and free rides over the city for lucky ticket holders. Modern aircraft and equipment will be on show in the comprehensive ground displays, an exhibition softball game will be played between the RCAF Flyers, Olympic hockey champions, and RCAF station Rockcliffe, a precision drill squad will perform and continuous movies will be shown during the afternoon.

International Union of Geodesy and Geophysics: F. T. Davies, superintendent of the Radio Propagation Laboratories of the Defence Research Board, will attend the International Union of Geodesy and Geophysics to be held at Oslo, Norway, August 17 to 27, it has been announced by the Minister of National Defence.

Other Canadian delegates will represent the National Research Council, the Department of Mines and Resources, the Dominion Observatory, the Meteorological Office, the Arctic Institute and Canadian universities. The Canadians will present 20 papers dealing with geophysics and related subjects.

While in Europe, Mr. Davies will also attend an International Radio Scientific Union meeting in Stockholm, Sweden, and scientific meetings in London.

At the same time it has been announced that J. C. W. Scott, of the Defence Research Board, has returned from Geneva, Switzerland, where he was scientific adviser to the Canadian delegation attending a meeting of the International Telecommunications Union. This conference, at which all major countries are represented, is engaged in allotting worldwide radio frequencies.

Engineering Institute Annual: Banff National Park is the scene of the Annual Meeting of the Engineering Institute of Canada which is being held this week.

Delegates from all parts of Canada are taking part in the scientific discussions of particular importance at this time. These include problems of scientific management, water and forest conservation, hydro development, irrigation projects, flood control, highway engineering, rural electrification, community planning, electronics, pulp and paper, and related matters.

Dr. Skey Appointment: Dr. A. J. Skey, of the Defence Research Board, Ottawa, has been appointed assistant to Colonel G. M. Carrie, Defence Research Board liaison officer to the United Kingdom, it was announced by the Minister of National Defence. Dr. Skey has already left for his new appointment in London, accompanied by his wife.

(No Bulletin was issued on Saturday, June 5, or Monday, June 7.)



## AIRMAIL BULLETIN

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Wednesday, June 9, 1948.

In Parliament Tuesday: Prime Minister Mackenzie King announced a reconstruction of the Board of Transport Commissioners.

The House of Commons voted 97 to 38 against a CCF attempt to block Government action to cancel tariff suspensions on textiles.

The House of Commons gave second reading to the new income tax law.

Justice Minister Ilesley defended the propriety of publishing last week's report alleging a combine in the optical goods trade before the launching of prosecutions.

John Diefenbaker (PC--Lake Centre) asked the Government to tell the country whether Russian spy rings still are operating in Canada.

The Senate heard Senator Ian Mackenzie move that a special committee be set up to examine the present allocation of senatorial representation. (CP)

Mr. Pearson's Los Angeles Address: Addressing the Convention of Kiwanis International at Los Angeles, California, on June 8, on the subject, "The United States and Canada in the Post War World", the Under-Secretary of State for External Affairs, Mr. Pearson, said in part:--

"....Security now can be found only in an association, or associations, of peaceful, but determined states, organized under the Charter of the United Nations, the members of which are willing to pool their arms and their resources for defence - who will not use those arms except in defence, but will not hesitate to use them when any member of the group is attacked. For this purpose they must be willing to surrender; no, to utilize, some of their sovereign rights in the interest of their own greater security, which may mean, indeed will mean, the security of others...."

"....We know that Europe is the strategic frontier of America, and that America may be the path of attack against Europe. There is only one way to meet this menace, by accepting the doctrine that the security of one member of the group, is the security of all. Any Manchurian, Ethiopian or Belgian or Pole can prove the validity of that doctrine by his own experience to any citizen of Omaha or Galveston or Medicine Hat. It follows, then, that any attack on one member of the group is an attack on all and should be treated as such.

The United Nations Charter shows how this can be done, under Article 51, which recognizes the right of collective self-defence. Well, let's collect, and let's defend ourselves. Under this Article we can form an association of strong and free democracies which, inspired only by love of peace, will act as the best deterrent to war...."

British Columbia Flood Report: The three main waterways of British Columbia Tuesday night threatened new destruction as melting snowcaps on interior mountains fed their roaring streams.

The 34,000-strong Fraser Valley dyke battalions mustered to meet the new threat created by swift interior run-offs. Sleepless flood controllers maintained a wary eye on the Fraser tide.

(over)

At Mission, the valley city of evacuees, the Fraser river rose almost two inches. It climbed a foot at Hells Gate, north of Hope, and two inches at interior Prince George.

Farther east at Revelstoke the Columbia rose 20 inches. And the Thompson River at Kamloops was up two inches. Swirling ocean tides, which swelled to 14.4 feet Thursday night may spell new disaster, devastation and peril. The tides hinder the normal run-off of the stream.

Reinforcing the dykes, rapidly growing weaker under relentless pressure, is an around-the-clock task. Troops from Manitoba will arrive tomorrow to bolster dyke forces.

Today, five R.C.A.F. Dakota transports evacuated the 100 ranks and five officers of the Lord Strathcona Horse Regiment from inundated Creston, 350 miles east. (CP)

Federal Byelection Results: The Canadian Press this morning reported the results of Tuesday's two federal byelections as follows:--

ONTARIO RIDING.

Complete 150 polls.

Arthur Williams, CCF.....	10,301
Lyman Gifford, Lib.....	8,324
Frank McCallum, PC.....	7,555

VANCOUVER CENTRE.

175 of 183 polls.

Rodney Young, CCF.....	9,116
Ralph Campney, Lib.....	6,897
Lyle Jestley, PC.....	4,826

RCAF Summer Camps: The RCAF will have approximately 6,000 Air Cadets attend camp at Air Force stations this summer, it is announced by Air Force Headquarters, Ottawa. Camps will be operated at Summerside, P.E.I.; Aylmer, Ont.; Gimli, Man.; and Patricia Bay, B.C., and the programme is scheduled to commence July 3.



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Thursday, June 10, 1948.

In Parliament Wednesday: Justice Minister Ilesley said the Criminal Code may be amended to prevent publication of crime comic books in Canada.

Opposition members stressed the need for prison reform; Mr. Ilesley outlined steps to rehabilitate hardened criminals.

Justice and Transport Department estimates were studied.

Senator W. D. Euler (L--Ontario) asked the Upper Chamber to back a request to the Government to submit the margarine ban to the Supreme Court. Discussion was adjourned.

Crop Conditions: Another week of above-normal temperatures throughout the Prairie Provinces has facilitated progress of seeding and promoted rapid growth of crops. Rains have further aided growth in Manitoba and parts of Saskatchewan and conditions here are not too far behind normal for this time of year. In north-western, west-central and northern areas of Saskatchewan and in wide areas of Alberta early rains are required to replenish top-soil moisture supplies and to promote germination and growth of large acreages of late-seeded crops. In some local areas immediate rainfall is required to prevent serious deterioration. Grasshopper infestations are particularly serious in central and south-central Saskatchewan and extensive control measures are being undertaken. In general, the outlook at this time is promising but the lateness of the crops over the greater part of Alberta and much of Saskatchewan is giving rise to some concern over possible damage from early frosts.

ICAO Meeting: Representatives of those nations whose airlines cross the North Atlantic met June 9 under the auspices of the International Civil Aviation Organization in order to arrange international financing of the Icelandic area control centre, radio communications and meteorological services, it was announced from Geneva.

These services, which the Government of Iceland presently maintains, are essential for the safe operations of trans-Atlantic flights. However, ICAO has been notified that Iceland is unable to continue to bear the expenses involved in the operation of these services. The ICAO Mission which visited Iceland estimated the annual operating cost at approximately 600,000 US dollars.

Financial aid is being considered at this meeting for such air navigation services as: area control, approach control and aerodrome control stations at Keflavik Airport, radio ranges and beacons, radio teletype circuits and meteorological observation and forecast offices.

U.S. Honors Canadian: Award of the United States Legion of Merit, Degree of Commander, to Air Vice Marshal Arthur L. James, CBE, Air Member for Technical Services was announced in Canada Gazette Saturday, June 5. The award was made to A/V/M James in recognition of valuable services rendered on liaison duties with the United States forces during the second world war and in particular for special work performed in connection with anti-submarine warfare in co-operation with the American Services.

(over)

A native of Montreal, A/V/M James graduated from McGill University with the degree of Bachelor of Science in Civil Engineering. He enlisted in the Royal Canadian Air Force in 1924 and was subsequently appointed Pilot Officer in 1926. Prior to the outbreak of war in 1939 he served at various Flying Units across Canada and at Air Force Headquarters, Ottawa. During the war years he commanded Flying Training Schools prior to specializing in Aeronautical Engineering duties at both Command and AFHQ. Following his special duties on the Canadian Joint Staff, Washington, 1942-43, he successively fulfilled the appointments of Director of Organization, Director of Repair and Maintenance, Air Member for Research and Development, and assumed his present position as Air Member for Technical Services in 1946.

A/V/M James was appointed a Commander of the Order of the British Empire in January, 1945. He is married and lives with his wife and daughter at 234 Rideau Terrace, Ottawa.

British Columbia Floods: Topping its May 10 high of 24.50 feet, the Fraser river registered 24.59 feet, a quarter-foot rise since Tuesday.

With one eye on the heaving river and the other on the spring tide, scheduled to send a 14-foot wave inland, anxious flood-fighters clung with grim tenacity to their work of bolstering the dikes. The greatest menace is the seepage of the murky waters through the base of spongy dikes.

Exceptionally warm weather continued to melt snow in the mountain ranges and waters of the Fraser, Columbia and Kootenay rivers. Even a sudden cold spell would not cause river levels to subside until the end of the week. (CP)

Quebec Forest Fires: From the Maniwaki region to the Lake St. John district forest fires continued on the rampage in Quebec Wednesday with no sign of the rain that fell throughout the southern parts of the province.

A bright sun, partially covered by clouds of dense black smoke oozing skyward from the raging infernos, shone over the 70-odd square miles of burning forests in north-western Quebec. (CP)

Quebec Election July 28: General elections in the 92 electoral district of the Quebec Legislative Assembly will be on July 28, it was announced Wednesday by Premier Maurice L. Duplessis, following signing of the proclamation to that effect by the Lieutenant-Governor.



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Friday, June 11, 1948.

In Parliament Thursday: Maritime members asked the Government to bridge Nova Scotia's Strait of Canso and improve ferry service to Prince Edward Island.

Transport Minister Chevrier said the Government has not decided who will operate a Trans-Pacific air service to Australia.

Lawrence Skey (PC--Toronto Trinity) urged the Government to make a start in the field of television.

Douglas Ross (PC--Toronto St. Paul's) said the Government should abolish the \$2.50 radio-licence fee.

State Secretary Gibson said several more judges have been added to the Royal Commission dealing with Japanese property claims.

The Senate voted to ask the Government for a Supreme Court reference on the constitutionality of the ban on oleomargarine.

British Columbia Floods: Flood-fighters Thursday night held the water defences along the Fraser, Columbia and Kootenay rivers, but the situation grew more serious by the hour.

Mass evacuation faced 5,500 Fraser Valley residents in the Sumas Prairie district where 20,000 acres of fertile farmlands, protected by the five-mile Vedder Canal dike system, were threatened.

E. Roland Gilley, Chairman of the British Columbia Flood Control Committee, declared a major break could occur "at any moment."

Sumas Prairie, often called the "market garden of Greater Vancouver," is about 60 miles up-river.

The warning to Sumas Prairie came in the midst of growing tension across the whole southern section of B.C.

The Columbia River, with a rise of eight inches in 24 hours, heightens the growing menace to Trail, 230 miles east of Vancouver. Constant downpours are loosening gravel and sandbag barriers, and seepage already has penetrated the waterfront residential and business sections.

A single wood and sand dike protects the low-lying business section of the city. (CP)

Quebec Forest Fires: The worst of countless forest fires in four townships some 60 miles south of Rouyn was reported under control Thursday but another blaze was raging unchecked through slash and second-growth timber only 15 miles away.

Cost-of-Living Indexes: The Dominion Bureau of Statistics released June 10 cost-of-living indexes for eight regional cities for May 1, together with those for April 1 and May 1, 1947. Between April 1 and May 1, six of the eight city cost-of-living indexes showed advances slightly greater than the Dominion increase of 1.7 points. Winnipeg and Edmonton failed by a slight margin to equal the Dominion change. The largest increases were recorded in the Montreal and Vancouver indexes, both of which advanced 2.5 points. Of the group indexes those for food and clothing increased in all of the eight cities. Food prices increased quite substantially while clothing prices gained only slightly.

The Bureau points out that in interpreting the city indexes, it should be borne in mind that they show changes in living costs for each city and compare the extent of the price rise as between cities. They do not, however, compare actual levels of living costs.

(over)

Elk for London Zoo: Two young buffalo bulls requested by the Zoological Society of London, England, are on their way from Elk Island National Park, Alberta, to the Whipsnade Zoo. They were loaded on the S.S. Hillcrest Park, at Montreal on June 3rd. A park warden accompanied the animals to the seaport and he advised a member of the ship's crew regarding feeding and care on the ocean voyage. The animals have been "gentled" for several weeks by corral feeding. Their diet on the journey will be hay and oats and, of course, plenty of water and salt. These animals come from one of the finest herds on the North American continent. There are now some 1200 buffalo at Elk Island National Park and recent medical tests indicate that they are in excellent health. The park was enlarged by approximately one-third last year to provide additional grazing land for the buffalo. It now covers more than 75 square miles and contains, in addition to buffalo, several hundred other animals, including elk, moose, and deer.

Greetings for RCAF: Congratulatory messages from Chiefs of the Air Staff of the Royal Air Force, the Commonwealth Air Forces and the Chief of Staff of the United States Air Force have been received by Air Marshal W.A. Curtis, CB, CBE, DSO, ED, Chief of the Air Staff of the RCAF, on the occasion of Air Force Day, June 12, it was announced in Ottawa.

Cabinet Changes: The Prime Minister announced in the House of Commons on Friday the resignation of Hon. J. A. Glen, as Minister of Mines and Resources, due to ill health. Mr. Glen, 71 years of age, has been seriously ill for several weeks. He will be succeeded as Minister of Mines and Resources by Hon. James A. MacKinnon, who is resigning as Minister of Fisheries. The New Minister of Fisheries is R. W. Mayhew, Liberal member for Victoria, who has been Parliamentary Assistant to the Minister of Finance, Mr. Abbott.

There are also some changes in Parliamentary Assistants. Robert Winters, Queens-Lunenburg, changes over from the Revenue to the Transport Ministry. Thomas Reid of New Westminster changes over from the Fisheries to the Revenue Ministry, and J. Watson MacNaught, of Prince, succeeds Mr. Reid as Parliamentary Assistant in the Department of Fisheries. L. A. Mutch, Winnipeg South, becomes Parliamentary Assistant in the Department of Veterans Affairs.



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Monday, June 14, 1948.

**Farm Wages Highest Recorded:** May wage rates for farm workers in Canada in 1948 were the highest recorded since the inception of the Bureau's farm wage survey in 1940. With board provided by the employers, the average farm wage rate per day for all Canada at May 15 was \$3.93 as compared with \$3.59 at the same date in 1947. When no board was provided, the daily rate was \$4.89 as against \$4.55 a year earlier. The average monthly wage rate with board for all Canada was \$83.26 as compared with \$77.01 a year ago. When workers provided their own board the average rate for men hired by the month rose from \$103.96 in May last year to \$113.07 in May 1948. Provincial wage rates, in each case, were led by British Columbia. (DBS)

**Prime Minister Opens Veterans' Hospital:** Sunnybrook, Canada's largest veterans' hospital, was officially opened in Toronto Saturday by Prime Minister Mackenzie King, who unveiled a plaque to the men who served in the First and Second World Wars.

A crowd of 2,000 gathered around the main entrance during the outdoor ceremony to hear the Prime Minister say the opening should express the resolve of all Canadians to share in the building of a better world in which the need for veterans' hospitals would no longer arise.

At a dinner tendered in his honor by the City of Toronto, the Prime Minister warned that the nations of the world were advancing either toward a "world brotherhood or total annihilation."

Prior to the opening ceremony, he was conducted on a tour of the hospital and took time out to talk to many of the 700 patients now in the hospital.

Capacity of the completed hospital will be 1,450 beds and it at present houses some 700 ex-service men and women. Its 500-acre site on the northern outskirts of the city was a gift from Toronto. (CP)

**Two Canadians Honored:** The Royal Geographical Society today in London presented two of its most coveted medals to Dr. Charles Camsell, C.M.G., LL. D., F.R.S.C., former Deputy Minister of Mines and Resources, and Inspector Henry Larsen of the Royal Canadian Mounted Police, for their contributions to the advancement of the science of geography. It is a singular honour that these two medals come to Canada in the same year.

Dr. Camsell was awarded the Founder's Medal for his contribution to the geology and geography of the Canadian North and for his work in advancing geographical science in the Dominion. The award was made by His Majesty the King two years ago but owing to the difficulty of obtaining gold for minting, the presentation had to be delayed until this year.

Inspector Larsen, who navigated the R.C.M.P. schooner St. Roch eastward and westward through the famed Northwest Passage along Canada's Arctic shores, was awarded the Patron's Medal for this outstanding achievement.

(over)



Chaplain Corps Honored: His Majesty the King has granted the title "Royal" to the Canadian Army Chaplain Corps, which in future will be known as the "Royal Canadian Army Chaplain Corps", Army Headquarters has announced.

During World War II, the chaplains of the Canadian Army greatly enhanced their traditional record of unstinted service and gallantry and their corps has been honoured accordingly. Of 771 chaplains who served in the recent conflict, there were 12 fatal casualties and some 130 others who were awarded decorations, including one Victoria Cross and one Distinguished Service Order.

The Canadian chaplain who won the British Empire's highest award for valor is Honorary Major John Weir Foote, VC.

Major Foote, 44, a native of Madoc, Ont., and resident of Port Hope before the Second World War, won his Victoria Cross on the fire-swept beaches of Dieppe on August 19, 1942.

Major Foote retired from the Canadian Army Active Force last month in order to participate in the Ontario provincial election, in which he was successful. Until his retirement, he held the position of Protestant Chaplain for Central Army Command.

Foreign Trade of Canada in April: Foreign trade of Canada in April was valued at \$442,000,000 as compared with \$428,000,000 in the preceding month and \$419,000,000 in the corresponding month last year, according to the Dominion Bureau of Statistics. Aggregate for the four months ending April was \$1,707,000,000 as against \$1,583,000,000 in the similar period of 1947, an increase of 7.8 per cent.

Merchandise imports in April increased in value to \$226,700,000 from the March total of \$197,100,000 showing a similar movement to that of the two preceding years when April figures, contrary to the pre-war trend, were substantially higher than those for March. The month's total was slightly above the April 1947 figure of \$225,600,000. During the four months ending April, imports totalled \$812,000,000 as compared with \$785,400,000 in the like period of 1947, a rise of 3.4 per cent.

Chief features of Canada's import trade in April were a substantial decline in purchases from the United States as compared with the high levels of last year and a continuance of the upward trend in imports from the United Kingdom. On the commodity side, there were marked advances in the arrivals of farm and other machinery, crude petroleum and petroleum products, raw and unmanufactured wool, and sharp decreases in those of cotton, flax, hemp and jute products.

Imports from the United States were valued at \$159,500,000 as against \$181,600,000 in April last year, the decline of \$22,100,000 comparing with a drop of \$26,800,000 in March. Aggregate imports for the four months ending April were \$584,600,000 compared with \$622,000,000 in 1947, the substantial reductions in March and April and a small decline in February being partly offset by higher figures for January. (DBS)

(No Bulletin was issued on Saturday, June 12.)



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Tuesday, June 15, 1948.

In Parliament Monday: Finance Minister Abbott reiterated that the Government does not plan to return to over-all price control.

Labor Minister Mitchell described the Great Lakes ship labor dispute a "jurisdictional scrap" between unions.

Justice Minister Ilesley said the Government is not prepared to recommend any change in the death penalty.

The Commons adopted an amendment to the Criminal Code to keep sexual psychopaths in custody indefinitely; no action will be taken to ban lurid comics. (CP)

ECA Canadian Purchases \$58,548,900: In a despatch from Washington, under date of June 14, the Canadian Press reports that latest figures available show purchases authorized in Canada by the Economic Co-operation Administration amount to \$58,548,900.

This accounts for all but \$18,719,000 of the total off-shore purchase authorizations to date, indicating that so far slightly more than 75 per cent of procurement of aid commodities outside the United States is being placed in Canada, continues the C.P. report.

Purchases so far authorized in Canada include the following items and destinations, according to further data, unconfirmed here.

Wheat, \$26,818,000 all for the United Kingdom except \$1,818,000 worth which goes to the Netherlands.

Bacon, \$11,000,000 for the United Kingdom; aluminum, \$10,600,000, United Kingdom; flour, \$5,500,000, United Kingdom; copper, \$1,500,000, United Kingdom; linseed oil, \$1,327,000, Australia; lead, \$1,000,000, United Kingdom; coarse grains, \$570,000, Norway; fish meal, \$151,900, Denmark; rapeseed meal, \$47,000, Denmark, and nickel \$35,000, Austria.

Property Rehabilitation: The Department of External Affairs reminds Canadian citizens who have claims for restoration and rehabilitation of their property situated in Hungary, Roumania or Finland that, in order to avoid any risk of forfeiting their rights under Treaties of Peace with these countries, a formal claim must be filed with these respective Governments not later than September 19, 1948. Claimants should communicate without delay with the Department of External Affairs, Ottawa, for information on the procedure to be followed. Claimants are advised that, notwithstanding any action taken previously by them, applications for restoration of property must now be resubmitted.

In order to allow time for the transmission of such claims, all completed submissions should be sent to the Department of External Affairs before July 31, 1948.

B.C. Rehabilitation Surveys: Rehabilitation surveys started Tuesday along the flood-swept lands in British Columbia.

The swollen Fraser, Columbia and Kootenay rivers had been tamed, but the toll was heavy, possibly \$30,000,000, a death list of possibly 10 and thousands homeless.

Hundreds of the homeless are in Vancouver. Many others are in Red Cross camps in rural districts.

The death toll in Alberta due to spring floods rose to 12 Tuesday.

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Progress In Saving Of Dollar Exchange: The Honourable Douglas Abbott, Minister of Finance, on June 15 made available some figures indicating how Canada's imports have been affected by the Emergency Exchange Conservation Measures introduced last November.

Mr. Abbott went on to explain that the tables accompanying his statement present comparisons between imports in the first quarter of 1948 and the corresponding period of 1947 of goods covered by Schedules I and II of the Emergency Exchange Conservation Act.

"I am glad to say that these comparisons show a satisfactory record of progress to date in the saving of dollar exchange. Furthermore, it is probable that the reduction of hard currency imports under the two schedules will be even greater in subsequent quarters of this year since imports in the latter part of 1947 were heavier than the first quarter", Mr. Abbott said.

"Imports from Scheduled countries under Schedule I and Schedule II, which are administered by the Department of Finance, were \$59.1 million less during the first quarter of 1948 than the first quarter of 1947. Goods which were prohibited from importation under Schedule I accounted for \$20.9 million of the decrease. The reduction in items which were placed on quota under Schedule II amounted to \$38.2 million. Consequently, the decrease in imports from Scheduled countries, mainly the United States, under the two Schedules combined averaged \$19.7 million per month during the first quarter of 1948 as compared with the first quarter of 1947.

"On the other hand, imports from Non-Scheduled Countries, which include the United Kingdom, of goods covered by Schedules I and II were 25 per cent higher in the first quarter of 1948 than in the first quarter of 1947.

"The results to date indicate that imports from soft currency countries have not been adversely affected by the Emergency Exchange Conservation Measures. British trade has been affected scarcely at all by the prohibitions under Schedule I and it has already begun to benefit considerably from the operation of quotas under Schedule II...."



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, June 16, 1948.

In Parliament Tuesday: Justice Minister Ilsley said a commission will be established to revise Canada's statutes and the Criminal Code.

Opposition members criticized the Government for plans to appoint Exchequer Court judges to the Board of Transport Commissioners.

The Commons approved a bill to give an extra \$10 a month to many aged and needy veterans and widows of veterans.

The Commons accepted an Elections Act amendment extending the federal franchise to Canadian citizens of Japanese origin.

Opposition members described as archaic the federal voting system and suggested reforms.

Manitoba and Nova Scotia Senators urged federal tourist-attracting projects.

World Wheat Crop Prospects: The outlook for the 1948 world wheat crop continues generally favourable, with encouraging conditions in the four major exporting countries and indications of substantially larger crops than last year in Europe and Asia, according to the monthly review of the world wheat situation by the Dominion Bureau of Statistics.

In the United States -- which will be the first of the four major exporting countries to harvest the new crop -- the May 1 forecast placed the winter wheat crop at 845 million bushels, down 15 million bushels from the April 1 estimate but nearly 23 per cent above the 10-year average of 689 million bushels, and late reports indicate that conditions were quite well maintained through the month of May.

No official estimates are available yet for the United States and the Canadian spring wheat crops, but reports to date are generally optimistic as to prospects. The season is extremely late in much of the Canadian West but excellent seeding and growing weather in recent weeks has done much to offset the effects of a cold, wet spring. Intended acreages of spring wheat are down somewhat from 1947 levels in both countries.

In Australia and the Argentine harvest time is still many months away, but good progress has been made with seeding. A report from Australia indicates that a long drought in the west has been broken by steady rains but there have been some losses in early wheat fields; elsewhere conditions have been satisfactory for planting germination and a good acreage is expected.

Further rains have fallen over much of the continent, states a late report from Europe, and the general situation is very favourable. Harvesting has begun in some southern countries and with good weather will become active shortly.

Assist Gold Output: Honourable James A. MacKinnon, Minister of Mines and Resources, on June 15 announced the establishment of Regulations under The Emergency Gold Mining Assistance Act by Order in Council P.C. 2664 of June 11th, 1948.

The Act, which is designed to encourage a greater output of gold by assisting the producers in meeting the higher costs of production, is expected to be proclaimed shortly.

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Certain forms are prescribed for making application for assistance payment but each operator must make declaration of ownership of the mine and its operation during the base and designated year with a detailed break-down of costs.

No mine shall receive assistance payments unless it keeps suitable books and produces more than 50 troy oz. of gold annually which gold must represent seventy per cent or more of the total value of the products of the mine.

Mines are allowed as cost of production an amount for depreciation and pre-production expenses computed by applying the same normal rate of percentage per annum as is employed for that purpose by the mine during that period for the purposes of the Income War Tax Act but in no case shall it exceed fifteen per cent per annum.

Rail Workers Dispute: Spokesmen for 28,000 railway workers announced at Montreal on Tuesday the "complete breakdown" of efforts at mediating their wage dispute with the railways.

Shortly after Mr. Justice J. C. A. Cameron of the Exchequer Court of Canada announced that a mediation board attempting settlement of the dispute between the railways and the Canadian Brotherhood of Railway Employees and other transport workers (CCL) had "terminated its proceedings without reaching agreement," the union made public its message to Mr. Mitchell.

The message, signed by the six members of the union negotiating committee, advised the Minister "that strike action by our members can only be avoided by the Government taking whatever action necessary to make acceptance of our compromise offer to the board possible."

S. H. Eighteen of Montreal, Secretary of the union's system adjustment board, said details of the compromise offer could not be disclosed because a similar dispute between the railways and 18 international brotherhoods still is under mediation. (CP)

Import Restrictions: The Government announced on June 14 a new list of goods for which import permits will be required, effective June 26.



# AIRMAIL BULLETIN

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Thursday, June 17, 1948.

In Parliament Wednesday: Health Minister Martin said the last year has seen unprecedented activity in the field of health insurance studies.

Mr. Martin said he believes establishment of a contributory disability insurance plan would be best to provide assistance to incurables.

The Commons considered several minor bills.

The Commons is to sit Saturday, a notice on the order paper showed.

The Senate heard two proposals for easing the burden of Quebec divorces.

Crop Conditions In Canada: Crop conditions over the greater part of the Prairie Provinces have been quite well maintained during the past week, with timely showers benefiting many districts in Saskatchewan and southern Alberta. Recent heavy rains, however, in the Claresholm, Cardston area of south-western Alberta have delayed seeding to the point where it is estimated that total crop acreage in that district may be as much as 15 to 20 per cent below normal. Seeding is practically completed in Manitoba and Saskatchewan with a small percentage of coarse grains remaining to be sown in Alberta. Temperatures during the past week have ranged generally above normal.

Disposal of Former Italian Colonies: The following is the text of Canada's first general statement to the Deputies of the Council of Foreign Ministers on the disposal of former Italian colonies under arrangements outlined in annex XI of the Treaty of Peace with Italy:--

"The Canadian Government, having been invited by the Deputies of the Council of Foreign Ministers, in a communication from the Secretary-General dated May 13, 1948, to present its views on the disposal of the former Italian colonies, desires to submit in writing the following observations:

"It is the understanding of the Canadian Government that until the African territories formerly administered as Italian colonies are placed under trusteeship or until they achieve independence or are incorporated in the territory of an independent state or states, they fall within the scope of Chapter XI of the United Nations Charter. This means that, in considering the disposition to be made of Eritrea, Somalia and Libya, the interests of the inhabitants should be recognized as paramount, according to the principle enunciated in Article 73 of the Charter, and that arrangements to ensure the future political, economic, social and educational advancement of the peoples concerned should be based on the ascertained condition of each territory and the needs and the wishes of its inhabitants.

"The Canadian Government has therefore been gratified to learn that it is the intention of the Deputies to send to interested Governments copies of the reports of the Four-Power Commission of Investigation as soon as these are available and that interested Governments will be accorded the right, after examining the reports, to present supplementary views to the Council of Deputies, either in writing or orally. Thus the contribution made by all interested Governments to the ultimate decision of the Council of Foreign Ministers may be based on a knowledge of the facts, without which it would be difficult to reach conclusions serving the best interests of the populations concerned.

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"Should the reports of the Commission of Investigation indicate that any of the territories formerly administered as Italian colonies are not ready for independence, or that the majority of the inhabitants do not desire incorporation in a neighbouring territory or a neighbouring independent state or states, the Canadian Government will support the application to these territories of the international trusteeship system under Chapter XII of the Charter. In the selection of administering authorities the Canadian Government will support the appointment of those best qualified to achieve the basic objectives of the trusteeship system as set forth in Article 76, i.e., (a) to further international peace and security; (b) to promote the political, economic, social and educational advancement of the inhabitants and their progressive development towards self-government or independence; (c) to encourage respect for human rights and fundamental freedoms; and (d) to ensure equal treatment for all members of the United Nations and their nationals, and equal treatment for the latter in the administration of justice."

Consul in San Francisco: The Department of External Affairs announced on June 17 the appointment of Charles Norman Senior as Consul in San Francisco.

Mr. Senior was born in Toronto on October 22, 1891. He enlisted in 1916 with the Divisional Signal Corps, C.E.F., and was later assigned to duties with the Military Hospitals Commission Command as publicity representative for the Department of Soldiers Civil Re-establishment. From 1908 to 1935 Mr. Senior was a newspaperman serving successively as reporter, city editor, editorial writer, political and Press Gallery correspondent for the Toronto Star, Toronto Mail and Empire, Victoria Times, Vancouver World, and finally the Vancouver Sun.

From 1935-1948 he was Private Secretary and Executive Assistant to the Right Honourable Ian Mackenzie, Minister of National Defence and later Minister of Pensions and National Health and of Veterans Affairs. In this capacity he attended the Imperial Conference in 1937 and on various occasions accompanied government missions dealing with repatriation. From 1943-1946 he was Secretary of the General Advisory Committee (Inter-Departmental) on Demobilization and Rehabilitation.

Mr. Senior is the author of the book "When the Boys Come Home" which was published in 1944. He joined the Department of External Affairs on April 19, 1948.

World Health Assembly: The Secretary of State for External Affairs and the Minister of National Health and Welfare announced today that approval has been given to Canadian representation at the First World Health Assembly which will meet in Geneva beginning on June 24. The World Health Organization has hitherto met as an Interim Commission but with the ratification of its constitution by the requisite number of member states, this Organization will now become a fully constituted specialized agency of the United Nations.

The Canadian delegation will be composed as follows:

Chief delegate: Dr. G. D. W. Cameron,  
Deputy Minister of Health, Department  
of National Health and Welfare

Delegates: Dr. G. F. Amyot,  
Deputy Minister of Health,  
Province of British Columbia  
Dr. T.C. Routley,  
General Secretary,  
Canadian Medical Association

Technical  
Advisers: Dr. Armand Frappier,  
University of Montreal  
Mr. L. A. D. Stephens,  
Department of External Affairs  
Mr. J. G. H. Halstead,  
Department of External Affairs

# AIRMAIL BULLETIN

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Friday, June 18, 1948.

In Parliament Thursday: Labour Minister Mitchell said the Government is not planning to take over companies involved in the Great Lakes shipping dispute.

The Commons killed a federal Labour Code provision to make union dues checkoff mandatory on employes.

Progressive Conservative and CCF members criticized a bill lowering the interest rate on Government Annuities.

John Blackmore (SC--Lethbridge) charged that the United States was not concerned about anybody's welfare except her own in trade discussions last year.

The Senate approved in principle a bill authorizing the CNR to issue \$85,000,000 of securities.

Nationalization Law: The Department of External Affairs has been informed that a nationalization law has been enacted by the Hungarian Government applying to all enterprises employing 100 or more persons and to a large number of selected enterprises irrespective of the number of persons employed.

According to information received by the Department shares owned by foreign nationals in nationalized industries, must be registered by June 30, 1948, with the nearest Hungarian Government representative. Hungarian-owned shares in these enterprises are to be surrendered, if held in Hungary, to the Central Institute of Banking Companies, or, if held abroad, to the nearest Hungarian Government representative by June 30, 1948. For the purpose of this law, only persons who were never Hungarian nationals or who ceased to be Hungarian nationals before August 8, 1931, shall be considered foreign nationals.

Canadian citizens and Hungarian nationals who hold shares in any industry in Hungary, should, without delay, communicate with the Swedish Consul General In Charge of Hungarian Affairs in Canada, 1462 Bishop Street, Montreal, Quebec, in order to comply with this law and avoid prejudice.

ICAO At Geneva: A simplification of the procedures which private aircraft must follow when travelling across national borders was recommended June 15 by the Economic Commission of the International Civil Aviation Organization's Second Assembly now under way at the Palais des Nations in Geneva.

In a resolution which must still go before the Plenary Session of the ICAO Assembly for approval, the Commission calls upon each of the 48 member nations of ICAO to implement the Convention of the Organization by extending the immediate freedom of admission into its territories to all aircraft registered in other member states when these aircraft are operated for private pleasure purposes or flights on the part of the individual or company which owns the aircraft, providing no remuneration is received for carriage freight and passengers.

This freedom of entry the Commission states should be accorded without obligation to apply for a permit in advance, except where the flight planned is over inaccessible terrain or through regions without proper air navigation facilities. In such cases each state would be entitled to specify the route to be followed, or would require special

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permits. Should any state require a permit with respect to flights into its territory for traffic purposes there should be no charge made for such a permit. The Commission requests that any requirement for such prior notification of country to be visited be kept to a minimum with no more advance notice than absolutely essential to meet air traffic control needs, and to comply with the procedures of customs immigration, public health quarantine, and the police services in the state to be visited. Should advance notice be necessary each member state concerned should be called upon to minimize the number of separate public authorities to which notice should be sent prior to arrival of aircraft and make it possible for such notice to be given by the most direct channels.

The resolution of the Economic Commission also directs the ICAO Council to consider the inclusion of the above proposals in the appropriate international standards, and requests each member nation to notify the Council within six months of any difficulties experienced in implementation.

Education in Far North: In a recent report to the Sub-committee on Education of the Northwest Territories Council, Inspector of Schools J. W. McKinnon, revealed that notable progress had been made in the development of interest in child and adult education among both native and white residents of the far north.

The report was transmitted to the Northwest Territories Council at its regular meeting on June 17 by the Commissioner, H. L. Keenleyside.

Mr. McKinnon, who recently returned from an inspection tour of Mackenzie District, reported that at every settlement visited from Fort Smith to Aklavik there is tangible evidence of the keen interest being taken in all measures directed towards improvement in both the range and effectiveness of the educational program in the Territories.

Mr. Grisdale Appointed: K. W. Taylor, Chairman of the Wartime Prices and Trade Board on June 17 announced the appointments of F. S. Grisdale, Olds, Alberta, as Deputy Chairman, W. E. Chown, Ottawa, as Deputy Foods Administrator and S. W. Laird, Ottawa as Secretary of the Board.

With the Prices Board since January 1942, Mr. Grisdale has served in various capacities in the Foods Administration and since October, 1946 has headed the administration as Foods Co-ordinator. Mr. Grisdale will continue his present work along with his new duties.

Also well-known in agricultural circles, Mr. Chown has been on loan to the Board at various times during the war years and since from the Department of Agriculture where he was employed prior to joining the Department of Finance.

Mr. Laird joins the Board from the post of Chief Examiner of the Commodity Prices Stabilization Corporation and replaces A. G. S. Griffin, who has been appointed to a position with the Department of External Affairs.

Wholesale Sales Up: Wholesale sales in Canada during April were six per cent higher in dollar volume than in April last year and eight per cent above this year's March volume, the Dominion Bureau of Statistics reports on the basis of statements from wholesalers in nine lines of trade. Cumulative dollar sales for the four months ending April were four per cent greater than for the corresponding period last year. The general unadjusted index, on the base 1935-39 equals 100, rose to 284.4 for April as compared with 264.4 for March and 268.8 for April, 1947.



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Monday, June 21, 1948.

Newfoundland Statement: In reply to questions by Progressive Conservative members, the Secretary of State for External Affairs, Mr. St. Laurent, made a statement in the House of Commons on June 19 on Canada's recent negotiations with Newfoundland. He said in part:--

"My own personal view with respect to these negotiations has been that it would be a serious responsibility to do or say anything which would prevent the entry of Newfoundland into Canada. I may be an optimist, but I do believe that the Canadian nation is destined to occupy an important place in world affairs. I do believe, further, that that place in world affairs would be better preserved by a territory which extended right out to the broad ocean and that access thereto was not closed to Canada by another sovereignty over the territories of Newfoundland and Labrador.

"Because of that attitude, we made offers which would involve quite costly requirements from the Canadian people at the present time. But I think we would have been remiss in our duty to future generations of Canadians not to have done so. That offer having been made, if there is a desire on the part of the people of Newfoundland to accept it, I think the Government will be disposed to recommend to Parliament that it be implemented.

"It might be that there would come about in Newfoundland a division of opinion that would show that the time was not ripe for union to take place, and that it would not be easy to have it work satisfactorily in what would then be a new province. That is something which I hope we shall not have to face, and about which I would prefer not to have to express any views, unless we do have to face it. I hope there will be a clear-cut decision in this second vote. I hope it will not be so close as to leave us in the embarrassing position of having to take in a large group of recalcitrants, or having to renounce the opportunity of completing what the Fathers of Confederation originally intended...."

European Relations Statement: In reply to Mr. Hackett, in the House of Commons on June 19, the Secretary of State for External Affairs, Mr. St. Laurent, made a statement on relations with western Europe and other members of the Commonwealth. He said in part:--

"We feel that, should war break out that affected the United Kingdom and the United States, we would inevitably be involved and that there might be great value in having consummated a regional pact whereby these western European countries, the United Kingdom and the United States and ourselves, would guarantee each other's security.

"We had hoped that the United Nations would guarantee the security of all of us, but that has not been accomplished, and we think there would be value in a regional pact whereby these western European democracies, the United Kingdom, the United States and ourselves agreed to stand together, to pool for defence purposes our respective potentials and co-ordinate right away our forces, so that it would appear to any possible aggressor that he would have to be prepared to overcome us all if he attempted any aggression.

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"We do not think a pact that did not include those major powers would be sufficiently impressive to require us to be a party to it. We think this western union is a good thing, but our adhesion to it without the United States would add very little to it. We are hopeful that it will develop into something which will comprise the United States along with those who are already members, and in that event we think the people of Canada would wish that we also be associated with it, not because we want to assert domination over anyone, but because we realize that if the group in this regional pact became involved in war we would necessarily be involved with them...."

Canada And ERC: Estimates of the wide variety of products that can be made available by Canada to countries participating in the European Recovery Program have been announced by the Right Hon. C. D. Howe, Minister of Trade and Commerce. He emphasized the fact that the estimated quantities depend on many factors. For instance, the weather may affect agricultural production, the availability of steel will affect the production of manufactures, and the extent to which manufacturers may have made prior commitments.

The Minister also explained that the statement was not exhaustive, nor a forecast of Canada's exports to ERP countries. The important recovery items have been included in accordance with the specific request of the Economic Co-operation Administration, in Washington, but information regarding a number of other commodities is being constantly made available to participating countries through Canadian Trade Commissioners and to ECA officials in Washington through the Canadian Embassy.

Canada's availabilities for the twelve months ended June 30, 1949, are valued at just over \$1,600,000,000. Of this total, goods valued at over \$250,000,000 have already been committed, either by government contracts or private trade arrangements, to specific countries. Program figures listed in the summary are of a minimal nature, however, as it is reasonable to believe that other commitments have been undertaken by Canadian exporters, which would not be known to the Government. Estimates have been prepared on contract prices or those current in May, 1948....

Linseed Oil For Austria: The Bulletin of June 15 reported a Washington press despatch which listed purchases so far authorized in Canada by the Economic Co-operation Administration, amounting to \$58,548,900. Among the items was, "linseed oil, \$1,327,000, Australia". This should have read "linseed oil, \$1,327,000, Austria".



# AIRMAIL BULLETIN

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Tuesday, June 22, 1948.

**In Parliament Monday:** The House of Commons ratified a five-year international agreement aimed at stabilizing wheat prices.

Three new CCF members were introduced and made their maiden speeches. George Cruickshank (L--Fraser Valley) urged the Government to announce financial assistance planned for flood-stricken areas of British Columbia.

The Senate approved in principle the Government's labour code.

**Aviation Convention:** An international Legal Convention on Recognition of Rights in Aircraft was approved at Geneva on June 18 by the Second Assembly of the International Civil Aviation Organization and opened for signature by the 48 member nations of the International Civil Aviation Organization Convention. Among other things this Convention will ensure the recognition by all contracting states of rights in aircraft constituted in any country which is party to the Convention, and is designed to afford the international airline operators with the largest possible measure of assistance in arranging and financing aircraft purchases.

Its adoption is designed to increase the rapidity with which new equipment and aircraft can be brought into service on the world's airlines. The Convention provides the best security which can be obtained for those who finance the purchase of aircraft and spare parts whether the assets involved are within or outside the state of registry of the aircraft. The Convention secures the rights of third parties to all contracting states. This security is achieved with a minimum of interference with national laws, and a minimum of difficulty and expense for member nations.

This Convention, the preparation of which was recommended by the Chicago Convention was originally drafted by the Legal Committee of the International Civil Aviation Organization. After reference to member states for comment it was reconsidered by the Legal Commission of the current ICAO Assembly which began June 1, and adopted June 18 by the unanimous vote of a full Assembly.

**WAC Sales \$434,100,000:** Sales totalling \$3,927,600 during May have brought the grand total of receipts by War Assets Corporation from the disposal of war surplus to \$434,100,000 according to a statement issued by the Corporation.

Aggregate sales to May 31, 1948, of principal commodities were, in round numbers, as follows:

Ships.....	\$ 116,774,000
Automotive vehicles and equipment.....	66,335,000
Machinery and production equipment.....	60,528,000
Lands and Buildings.....	49,803,000
Clothing and Textiles.....	35,583,000

(over)

1947 Tourist Trade: New records were established in Canada's international tourist trade in 1947, with higher receipts by Canada from foreign visitors than in any other year and greater spending abroad by Canadians than ever before.

Expenditures of visitors to Canada reached an estimated total of \$245 million last year, up about \$23 million over the revised figure of \$222 million for 1946, the previous peak, according to figures released by the Dominion Bureau of Statistics. At the same time, spending by Canadians travelling abroad rose nearly \$31 million over 1946 to the record sum of \$167 million. As a result, Canada's net receipts from the international tourist trade declined to \$78 million from \$86 million in 1946.

Expenditures in Canada both by visitors from the United States and from overseas increased last year over 1946, while Canadian travellers also spent more both in the United States and in overseas countries.

Commissions In RCN: Commissions in the Royal Canadian Navy will be granted to select university graduates with degrees in electrical engineering, engineering physics, radio engineering or radio physics, it was announced by Naval Service Headquarters on June 22.

Successful applicants will be entered as Acting Sub-Lieutenants either in the Electrical Branch or the Executive Branch as Communication Officers.

The Electrical Branch of the R.C.N. is the recognized technical authority on all electrical and electronic equipment fitted in H.M.C. ships and establishments. As such, the branch is responsible for engineering, installing, and maintaining a great variety of equipment including high power, rotating machinery and switchgear, fire control equipment, gyro compass, radio communication equipment, loran, radar, asdic, air radio and air electrical equipment.

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Wednesday, June 23, 1948.

In Parliament Tuesday: Finance Minister Abbott said removal of excise taxes is a matter of Government policy which will be announced in due course.

Justice Minister Ilsley said no Communist or Fascist will be allowed to hold positions of trust in the Civil Service.

Prime Minister Mackenzie King denied he had told Liberal members he agreed subsidies should be returned on food items.

The Parliamentary Indian Affairs Committee recommended that the Indian Act be virtually scrapped.

The Commons voted 142 to 2 to pass a bill extending the life of the Agricultural Prices Support Board for a period to be fixed by proclamation.

Opposition members tried unsuccessfully to obtain information about a "highly-secret" atomic energy research project.

The Senate heard warnings that public apathy and flaws in the electoral machinery have become issues of danger and importance. (CP)

WAC Moves to Ottawa: War Assets Corporation head office, which has been located in Montreal since the inception of the war surplus disposal organization, will move to Ottawa about the end of July, it was announced June 22 by H.R. Malley, Vice-President and General Manager. Personnel moving from Montreal will be integrated with elements of the Corporation's headquarters which have been located in No. 4 Temporary Building, in the Capital City.

Gradually diminishing activities, due to the disposal of most of the war surplus, and the desirability of having Head Office in close touch with federal Government officials during the Corporation's future operations, are given as the chief reasons for the move. A considerable saving in operating costs will also result.

The transfer will mean the removal of about 33 of the staff from Montreal to Ottawa.

In the four and one-half years of its existence the Corporation's sales have aggregated more than \$434,000,000. In that period, as surplus declarations increased, the staff at head office and in regions and branches all over Canada and in Newfoundland gradually expanded until it reached a peak figure of about 10,300 employees in January, 1947. Since then it has progressively dropped until at present it is around 2,400, and is expected to be about 1,400 at July 31.

Airborne Magnetometer: The adaption of the airborne magnetometer to geophysical work will greatly aid geological mapping according to an announcement made June 22 by the Honourable James A. MacKinnon, Minister of Mines and Resources. Important mining areas in Canada may now be covered magnetically at the rate of 250 square miles a day. This method permits the tracing of many geological formations and structures in areas covered by such materials as glacial drift, thus providing information which would be impossible to obtain by ground methods without extensive drilling or other costly examinations.

GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Thursday, June 24, 1948.

In Parliament Wednesday: Prime Minister Mackenzie King said the Dominion and British Columbia Governments are in communication about compensation for residents of flooded British Columbia areas.

Members completed study of the new Income Tax Law after voting 86 to 63 to uphold a Speaker's ruling that a Progressive Conservative attempt to reduce interest penalties was out of order.

Finance Minister Abbott tabled supplementary estimates totalling \$197,067,420.

Senator John T. Haig, Progressive Conservative leader, criticized the proposed international wheat agreement as "child's play."

The Senate heard suggestions that the Canadian Prime Minister should be paid \$50,000 yearly.

Crop Report: Dry, cool weather has prevailed over the greater part of the Prairie Provinces during the past week. Topsoil moisture reserves have been diminishing over parts of Manitoba, most of Saskatchewan and much of central and north Alberta. Fairly general rains in Manitoba and showers in Alberta on June 21 have provided a considerable measure of relief, but most correspondents state that further rains are required. Recent rains have also improved conditions in south-eastern Alberta. In Saskatchewan, and wide areas of central and northern Alberta, rains are urgently required to prevent serious crop deterioration. All three provinces report poor germination in late-seeded crops. Since weather conditions this spring were unfavourable to early seeding over much of the west a large acreage of crops was seeded very late. Unless conditions more favourable to germination and growth of these crops develop in the very near future ultimate yields in the affected areas are almost certain to be curtailed. Insect infestations have not been too severe to date in Alberta and Manitoba but severe grasshopper damage is being experienced over many parts of central, south-western and western Saskatchewan. Extensive control measures in these areas are expected to reduce the loss considerably.

Commander Edwards Appointment: Appointment of Commander (P) Gordon C. Edwards, R.C.N., of Montreal, as Deputy Director of Naval Aviation (Air Warfare) is announced by Naval Service Headquarters.

Formerly a member of the Royal Canadian Naval Volunteer Reserve, Commander Edwards recently joined the Royal Canadian Navy with a "short service" commission. He enlisted in July 1940, and shortly afterwards was appointed on loan to the Royal Navy where he was engaged in convoy duty, sailing in ships doing the "Dover Run" in the English channel.

Commencing flying training in 1941, he was attached in 1942 to 824 Squadron, aboard the Royal Navy aircraft carriers "Unicorn", and "Striker". He assumed command of the squadron in 1944, and a year later was appointed commanding officer of 769 Royal Naval Deck Landing Training Squadron in Scotland.

While serving in H.M.S. "Striker" he earned a Mention in Despatches for "gallantry and outstanding service in the face of the enemy". He was twice rescued from the sea when aircraft in which he was flying crashed into the waters off Gibraltar and in the Arctic Ocean. In both cases he was rescued by Royal Navy vessels.

Returning to Canada in 1945 he was named Director of Air Personnel at Naval Service Headquarters, a post he held until his retirement from the R.C.N. (R.) in September 1947.

(over)

Commercial Failures: Commercial failures in the first quarter of 1948 rose to 203, the greatest number in the same period of any year since 1942, according to the Dominion Bureau of Statistics. This total compares with 120 in the same period of 1947, 54 in 1946 and 83 in 1945. Despite the advance over recent years, the number was considerably lower than in pre-war years, comparing with 371 for the first quarter of 1939.

The liabilities rose sharply during the quarter, totalling \$3,405,855 compared with \$1,431,807 in the same period of 1947. There was an advance also over the same periods of 1946 and 1945. Liabilities for the first quarter of 1939 were \$3,592,118.

Navy Training: Training of naval reservists in the Royal Canadian Navy's Pacific Command is now proceeding according to schedule, it was announced at Naval Service Headquarters on June 23.

Officers and men of the R.C.N. (R) are arriving weekly at Esquimalt to begin annual summer training. Many reserve personnel have reported to the Navy's west coast training base, H.M.C.S. "Naden", in the past month from naval divisions ranging from Victoria to Port Arthur.

Industrial Disputes: Time loss due to work stoppages arising out of industrial disputes in Canada during May, 1948, showed a substantial decrease as compared with the previous month and with May, 1947, it was revealed in the monthly summary of strikes and lockouts issued by Honourable Humphrey Mitchell, Minister of Labour.

Preliminary figures for May, 1948, show 22 strikes and lockouts, in existence, involving 3,214 workers, with a time loss of 40,164 man-working days, as compared with 16 strikes in April, with 4,491 workers involved and a time loss of 49,396 days. In May, 1947, there were 47 strikes, involving 35,893 workers, with a time loss of 366,070 days.





## AIRMAIL BULLETIN

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Friday, June 25, 1948.

Defence Statement: The Minister of National Defence, Mr. Claxton, during debate on his department's estimates in the House of Commons Thursday night, made a lengthy review of present day domestic and world conditions, and said in part:--

"Against this background it is now possible to set down Canada's present defence aims and objectives. They are: (1) to provide the force estimated to be necessary to defend Canada against any sudden direct attack that could be or is likely to be directed against it in the near future; (2) to provide the operational and administrative staffs, equipment, training personnel and reserve organization which would be capable of expansion as rapidly as necessary to meet any need; and (3) to work out with other free nations plans for joint defence based on self-help and mutual aid as part of a combined effort to preserve peace and to restrain aggression."

Naval Appointments: Appointment of six high ranking officers to new positions at Naval Service Headquarters and in the senior commands of the Royal Canadian Navy was announced today by Hon. Brooke Claxton, Minister of National Defence.

The new appointments include changes in the top executive posts in both the Pacific and Atlantic Commands of the R.C.N. and in the commanding officers of the aircraft carrier "Magnificent", the Canadian Services College, H.M.C.S. "Royal Roads", Victoria, B.C., and the R.C.N. Air Section, Dartmouth, N.S.

Rear Admiral E. R. Mainguy, O.B.E., R.C.N., of Duncan, B.C., at present Flag Officer Pacific Coast, will transfer to the eastern command on October 1st as Flag Officer Atlantic Coast. He succeeds Rear Admiral C.R.H. Taylor, C.B.E., R.C.N., of Weymouth, N.S., who will proceed on retirement leave. Succeeding Rear Admiral Mainguy as Flag Officer Pacific Coast will be Commodore H. G. DeWolf, C.B.E., D.S.O., D.S.C., R.C.N., of Bedford, N.S., at present in command of the aircraft carrier "Magnificent". Effective date of the appointment is September 8th.

Commodore G. R. Miles, O.B.E., R.C.N., of Rothesay, N.B., will relinquish his post as Chief of Naval Personnel at Headquarters to take command of "Magnificent" on August 30th. Now commanding officer of H.M.C.S. "Royal Roads", Captain W. B. Creery, C.B.E., R.C.N., of Vancouver, B.C., will become Chief of Naval Personnel on August 16. He will be succeeded in his present position by Captain H. S. Rayner, D.S.C. and Bar, R.C.N., Bedford, N.S., who for the past year has been in command of the R.C.N. Air Section, Dartmouth.

Command of the Air Section will be taken over by Lieutenant Commander (F) A. B. Fraser-Harris, D.S.C. and Bar, Halifax, N.S. on June 28th. His present appointment is Commander (Air) of the Section.

P.E.I. Air Navigation School: Extension and strengthening of runways at the RCAF's new Air Navigation School at Summerside, P.E.I., to be carried out at a cost of approximately one and a quarter million dollars, is announced by Hon. Brooke Claxton, Minister of National Defence. Two runways will be lengthened to 6000 and one to 5,300 feet, and all will be strengthened to allow aircraft weighing up to 90,000 pounds to be landed there. More than 100 men will be employed during the summer and early autumn on the construction job, which is being done to allow efficient and safe operation of heavy aircraft which will be flying from the school on long range flights.

(over)

New Goldeye Supply: Honourable James A. MacKinnon, Minister of Mines and Resources, gave further information on June 23 about the new source of supply of the nationally famous food fish, goldeyes. This is being developed in Lake Claire in Wood Buffalo National Park, northern Alberta. Goldeyes have been in short supply in recent years because of the falling off in the catch in Lake Winnipeg and other lakes and the new fishery is expected to make this delicacy more plentiful. Reports from the Lake Claire camp state that the fish being caught are of high grade and in excellent condition.

Gold Production: Canadian gold production in April amounted to 286,065 fine ounces, down slightly from the preceding month's high of 287,708 fine ounces, but substantially above last year's April output of 254,889 fine ounces, according to the Dominion Bureau of Statistics. All producing provinces shared in the increase with the exception of Nova Scotia. Production for all Canada during the four-month period amounted to 1,108,742 fine ounces as against 975,912 fine ounces in the corresponding period last year.

Merchandise Exports: Marked by a sharp increase in shipments to the United States, Canada's merchandise exports in May continued the gains of earlier months this year over 1947, being valued at \$282,300,000 as compared with \$267,800,000 in May last year, according to trade figures released by the Dominion Bureau of Statistics. The May value -- highest for any post-war month -- brought the aggregate for the year to date to \$1,166,600,000 as against \$1,055,800,000 for the first five months of 1947.

Saskatchewan Election: The Canadian Press summary to date of results in Thursday's election in Saskatchewan was as follows:

	1948	1944
CCE.....	30	47
Lib.....	18	5
L-PC.....	1	--
Services.....	--	3
Doubtful.....	1	--
Deferred.....	2	--
Total.....	52	55

Party standing after last election June 15, 1944, and at dissolution May 19, 1948:

CCF.....	47
Liberal.....	5
*Active Service.....	3

\*Active Service representation ended at dissolution.



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Monday, June 28, 1948.

In Parliament Saturday: Debate on the report of the Prices Committee prevented the termination of the business of the present session of Parliament Saturday night.

The House of Commons upheld a Committee decision to reject a divorce approved by the Senate.

Members approved a bill authorizing the Manitoba Government to expropriate power projects.

In the Senate, Senator Arthur Roebuck (L--Ontario) described as "entirely negative" the report of the Parliamentary Committee on Human Rights and Fundamental Freedoms.

Restitution of Property: The Department of External Affairs reminds Canadian citizens and United Nations nationals residing in Canada that claims for the restitution of identifiable property which is located in either the British zone of Germany, the British sector of Berlin or the United States zone of Germany (but not the United States sector of Berlin) should be submitted to the appropriate authorities in Germany before December 31, 1948. The identifiable property which is subject to the restitution procedures is that which was confiscated by the Nazis between January 30, 1933, and May 8, 1945, for reasons of race, nationality, religion or political opinions.

The British Military Government authorities are accepting, for registration, claims for the restitution of identifiable property located both in their zone of Germany and in their sector of Berlin. They have not yet introduced a law providing for the actual restitution of such property.

The United States Military Government authorities have announced a procedure for the restitution of identifiable property which was confiscated and which is located in their zone of Germany but not in their sector of Berlin.

Information on the steps which claimants should take for registering their claims for restitution under the British procedure or submitting a petition of restitution under the United States procedure may be obtained by writing to the Department of External Affairs.

Canadian Commercial Corporation: The various activities of the Canadian Commercial Corporation during the year ended March 31, 1948 were outlined on June 25 when the annual report of the Crown-operated agency was tabled in the House of Commons by Rt. Hon. C. D. Howe, Minister of Trade and Commerce.

The report reviews the Corporation's activities as procurement agent in Canada for foreign governments and agencies, and the assistance it has given Canadian importers and exporters in buying or selling their goods outside of Canada. The Corporation continued to act as exclusive purchasing agent for the Department of National Defence, placing more than 45,000 contracts for stores valued at almost \$82,225,000. This, together with all other activities, brought the total value of new business placed by the Corporation during the year to \$170,972,066.

(over)

Winding up all purchasing in Canada on behalf of UNRRA, the Corporation awarded contracts on its behalf amounting to \$21,483,470 during the year. Other governments and agencies for whom the Corporation placed contracts totalling \$55,795,419 included Argentina, Australia, Belgium, Chile, China, France, Czechoslovakia, Germany (Joint Export-Import Agency), Greece, Japan, the Netherlands, the United Kingdom, the United Nations International Children's Emergency Fund, and the United States.

B.C. Rehabilitation: Army engineers of 23rd Field Company, R.C.E., Chilliwack, under command of Major N. Sadlier-Brown, will undertake the reconstruction of some of the dams and dykes broken during the Fraser Valley floods, Army Area Headquarters in Vancouver has announced.

At the request of Provincial rehabilitation authorities and with the concurrence of the Minister of National Defence, Hon. Brooke Claxton, some 50 army engineers will make an immediate start rebuilding some of the dams on Nicomen Island.

Minister's Commendations: Officers and men of the Royal Canadian Navy, Army and Air Force have been warmly commended by the Hon. Brooke Claxton, Minister of National Defence, for their splendid work in fighting the British Columbia floods.

The Minister's congratulations are contained in a personal letter over his signature, now being published in "orders" of all active and reserve force and auxiliary units of the three services from coast to coast.

Cash Income From Farm Products: Cash income of Canadian farmers from the sale of farm products during the first quarter of 1948 was nearly 13 per cent higher than in the corresponding period last year, amounting to \$403,340,000 compared with \$339,778,000 for January-March 1947, according to a preliminary estimate of the Dominion Bureau of Statistics. These figures compare with \$297,723,000 for the first quarter of 1946.

Dr. T. W. Grindley Appointed: Appointment of Dr. T.W. Grindley as Member of the Canadian Wheat Board was announced June 25 by Rt. Hon. C. D. Howe, Minister of Trade and Commerce. Secretary of the Canadian Wheat Board for the past ten years, Dr. Grindley is recognized as an authority on problems pertaining to the agricultural industry of western Canada.



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Tuesday, June 29, 1948.

In Parliament Monday: The Prices Committee report, requesting action to reduce the cost of living, was adopted after a two-day debate.

Health Minister Martin, replying to Progressive Conservative criticism, said the Prices Committee had a salutary effect on prices.

Prime Minister Mackenzie King said he believed Canadians could look forward to the day when The King and Queen would reside part of the year in the capital of Canada.

On Tuesday the House of Commons will consider departmental estimates. The Senate will sit.

New Brunswick Election: The final standing in Monday's New Brunswick election, as reported by Canadian Press this morning, was:--

	1948	1944
Lib.....	47	36
P.C.....	5	12
Total.....	52	48

Premier John B. McNair and his entire Cabinet were reelected in the voting.

Liquor Vote In P.E.I.: Government control of liquor sales won over prohibition by more than a 2-1 majority when a substantial percentage of the total votes cast in the Prince Edward Island plebiscite had been counted Monday night. Of the 239 polling booths, 225 had reported complete totals.

Returns from both city and rural areas showed Government control with 19,814 votes, against 7,338 for prohibition. About 60 per cent of 52,000 eligible voters cast ballots.

This is the first time since 1878, when the province adopted the Canada Temperance Act, that the island had voted down prohibition. It adopted a dry regime in 1901 and today's was the fourth plebiscite since then. (CP)

French Visas Needed: It has come to the attention of the Department of External Affairs that an increasing number of Canadians holding Canadian passports are arriving at French ports without French visas and are therefore being sent back to the United Kingdom by the French authorities in order to obtain the necessary visa.

Bearers of regular Canadian passports who contemplate travelling to or through France must obtain from French consular officers, before landing in France, visas authorizing their entry into France.

Levels of Earnings: From 1939 to 1947, the gross weekly earnings of the employees of leading manufacturing establishments in Canada increased slightly over 58 per cent, rising from an average of \$23.11 in the former year to \$36.57 in the latter, according to a preliminary report on the results of a study of pre-war levels of earnings in industry by the Dominion Bureau of Statistics. This study is designed to provide data on pre-war levels of earnings comparable to the Bureau's monthly statistics of payrolls, collection of which was begun only in the spring of 1941.



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Wednesday, June 30, 1948.

In Parliament Tuesday: Finance Minister Abbott said the Government has not reached a decision on implementing the report of the Prices Committee.

Prime Minister Mackenzie King indicated he may attend a meeting of Prime Ministers in October despite his expected departure as Liberal leader.

Members criticized expenditures for the Canadian Broadcasting Corporation.

Labour Minister Mitchell said no Government controller will be appointed for companies involved in the lake shipping strike.

Works Minister Fournier said he will act on recommendations his engineers make respecting dredging of the flooded Fraser river in British Columbia.

Parliament is expected to conclude its business this evening.

RAF Jet Fighters: The flight of six Vampire jet fighters of the Royal Air Force, scheduled to leave the United Kingdom July 1 to visit Canada and the United States, where they will form one of the major attractions of air shows at Idlewild and Mitchell Field airports in connection with the New York City Golden Anniversary International Air Exposition, will appear in Trenton, Ont.; Montreal, and Toronto, it was announced June 29 by Air Force Headquarters, Ottawa.

The Vampires, the same type as those flown by the RCAF, will make the first trans-Atlantic crossing by jet aircraft, and will arrive at St. Hubert air station, Montreal, after touching at Iceland, Greenland, and Goose Bay, Labrador. No scheduled date for arrival at St. Hubert can be given, as this will be dependent upon weather conditions encountered enroute.

Assistance To Iceland: Nine nations whose airlines fly across the northern transatlantic route have pledged themselves to give Iceland financial support for those air navigation facilities which are essential for the safety of northern transatlantic flights, according to an announcement made June 29 at ICAO headquarters at Montreal. The decision came as a result of a conference of North Atlantic states held in Geneva recently under the sponsorship of the International Civil Aviation Organization.

The full details of the assistance to be given will be set out in an agreement to be concluded shortly between Iceland and ICAO. The Geneva conference has established the following percentages for reimbursement to Iceland for the cost of past services in the provision of air navigation facilities: Belgium 1.2%, Canada 9.3%, Denmark 1.85%, France 4.6%, Netherlands 5.6%, Norway 1.85%, Sweden 2.8%, United Kingdom 11.1%, United States 61.7%.

Contributions set for the year 1949, including that of Iceland itself, are: Iceland 17.5%, Belgium 1.8%, Canada, 7.1%, Denmark 1.7%, France 4.1%, Netherlands 4.9%, Norway 1.7%, Sweden 2.6%, United Kingdom 9.9%, United States 48.7%.

(over)

Medical Aid For Eskimos: Medical and dental work among the Eskimos of the Eastern Arctic will be carried on this summer by a small group travelling on the "Regina Polaris" which sails from Montreal early in July, Hon. Paul Martin, Minister of National Health and Welfare, announced June 30.

The "Regina Polaris" is one of several vessels being used this year to carry supplies to isolated outposts around Hudson Bay and on the islands of the Canadian Arctic. In other years the medical party travelled on the R.M.S. "Nascopie", lost last year off Cape Dorset.

Travelling on the "Regina Polaris" will be Dr. H. W. Lewis of Ottawa, medical superintendent for the Eastern Arctic, and a dentist. The trip is expected to take between three and  $3\frac{1}{2}$  months.

Liaison Tour: Seven senior British and American officers will come to Ottawa on July 5 from Washington, on a short liaison tour during which they will view Canadian Army training methods and visit the cold weather testing station at Fort Churchill, Man., the Hon. Brooke Claxton, Minister of National Defence, announced June 29.

Members of the party include: Major.-Gen. F.W. Festing, Maj.-Gen. J.A. Gascoigne and Col. R.A.C. Coldstream of the British Army; Lt.-Gen. H.S. Aurand, Maj.-Gen. D.L. Weart, Lt.-Col. S.C. Russell and Maj. F.B. Clay of the United States Army.

They will be accompanied throughout the tour by Maj.-Gen. C.C. Mann, Vice Chief of the General Staff; Maj.-Gen. N.E. Rodger, Quartermaster-General; Maj.-Gen. E.G. Weeks, Adjutant-General, and a number of other senior Canadian officers including Brig. H.E. Taber and Maj. T.W. McClennan, both of the Canadian Army Staff in Washington. Arriving in Ottawa July 5, the party will proceed to Fort Churchill the following day and from there will fly to Winnipeg. They will return to Ottawa July 8 and leave for Washington that evening.



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Friday, July 2nd, 1948.

Parliament Prorogues: The Fourth session of Canada's 20th Parliament ended Wednesday, June 30, at 11.50 p.m. Chief Justice Rinfret, Deputy Governor General, proclaimed prorogation after reading the Speech from the Throne. The session had commenced on December 5 last.

Following are extracts from the speech from the throne:-

"World conditions continue to occasion anxiety. Instead of the closer cooperation which had been hoped for between all nations, the cleavage between certain nations of Eastern Europe and nations of the Western world has become increasingly marked. The sense of danger has led, on the part of free nations, to the establishment and promotion of regional associations to ensure their joint security and well-being. Canada has continued as opportunity has afforded, to further effective organization for international peace and security. My Ministers have made clear our country's intention to assist in maintaining a preponderance of strength on the side of the preservation of freedom....."

"My Ministers are of the opinion that widespread controls of prices, so necessary at a time of war, would prove prejudicial if maintained indefinitely in time of peace. The controls made necessary by war have accordingly been progressively removed. As a means of resisting inflationary pressures, certain controls have been continued in this transitional period....."

"The inability of Canada's European customers to pay for their imports, resulted, during 1947, in a serious depletion of our reserves of United States dollars. To meet the critical situation occasioned by the shortage of United States dollars to pay for our vastly increased imports from that country, it became necessary to impose drastic and unpopular temporary restrictions on our trade. You will recall that the consideration of measures for this purpose necessitated beginning the session early in December. Debate on these measures occupied a large part of its earlier months."

"It is gratifying to note that the measures taken have helped not only to stop the depletion, but to replenish Canada's reserve of United States dollars. The implementation by the United States of the European Recovery Program will contribute materially to the same end. As our reserves increase, and our trade is brought into better balance, restrictions will be progressively removed. A permanent solution of our exchange problem depends, however upon the revival of world trade....."

(over)



The Prime Minister, Mr. King, was given an ovation by the House of Commons and galleries as he performed his last official act in the chamber as Prime Minister and leader of the Government. He delivered a valedictory address in which he said in part:-

"....I have felt that the time has come when someone else should take over the duties and the office of leader of the party and of Prime Minister. I have made it quite clear that I have received the leadership of the party from the party itself and I intend to ask them to allow me to return to them the trust they have placed in my hands and which I have held for 29 years when the convention takes place on August 5, 6 and 7. I shall still remain in the office of Prime Minister.

" When I will give up the office of Prime Minister will depend upon the circumstances that may exist at that time and in the immediate future. It will depend upon other things and upon the wishes in some part of whoever may be chosen to succeed me in the leadership of the party.

" I have made it quite clear right along that while this would be the last session in which I would appear in this house as leader of the Government, I did not necessarily mean to give up the leadership of the Government the moment I gave up the leadership of the party.

" A few weeks ago I made a statement in the presence of the Press (Press Gallery dinner) that it might be two or three months after the convention before I would be giving up the position of leader of the Government. I mentioned one or two things that I had in mind. I made it quite clear right along that I might hold the position of Prime Minister a little longer. The obligation is one that I owe to the Crown and how long I shall continue to exercise it will depend, as I have said, upon circumstances which I shall have to consider.

" This will help to determine the advice I can give the Crown as to whom my successor shall be. That, of course, as I have said, will depend upon who may be the choice of the convention as leader of the party and his wishes in the matter, and will depend upon the circumstances that may be existing in other parts of the world as well as our own and in relation to great matters of state which no prime minister dare shirk in times like the present.

" I make it quite clear that I shall not be appearing in this House as leader of the Government at the next session of Parliament."



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Monday, July 5th, 1948.

Export Permits Required: Rt. Hon. C.D. Howe announced July 2 that export permits will be required, on and after July 15, for all commodities shipped to most European and Middle Eastern destinations. As a result of increasing demand for supplies under the European Recovery Plan the new permit requirements were established under authority of Order in Council P.C. 2984, dated June 29, in order to ensure that Canadian products in short world supply will go to the countries where they will do the most good.

It is not expected that the introduction of these controls will lead to any severe export restrictions, and Mr. Howe stated that for the most part export permits will be freely granted.

The United Kingdom, Northern Ireland and British European Colonies have been exempted from this requirement since it is considered that the strict import control exercised by the British authorities will insure that only the most essential items will be shipped to such destinations. The following countries are affected by the regulations:

Aegean Islands (including Dodecanese Islands)	The Netherlands
Albania	Norway
Andorra	Palestine
Austria	Poland and Danzig
Belgium	Portugal (including Azores and Madeira Islands)
Bulgaria	Rumania
Czechoslovakia	San Marino
Denmark (except Greenland)	Saudi Arabia
Egypt	Spain and Possessions (including Balearic Islands; the Canary Islands; Spanish Morocco; Ceuta; Mellilla, Ifni; Rio de Oro; Spanish Guinea, including Rio Muni and Fernando Po; Annobon, Corisco and Elobey Islands)
Estonia	Sweden
Finland	Switzerland
France (including Corsica)	Tangier (including the International Zone)
French North Africa (including Algeria, Tunisia and French Morocco)	Trans-Jordan
Germany	Trieste, Free Territory of
Greece	Turkey (Asiatic and European)
Hungary	Union of Soviet Socialist Republics (European and Asiatic)
Iceland	Vatican City
Iran	Yemen
Iraq	Yugoslavia
Ireland (Eire)	
Italy (and its Mediterranean Islands)	
Latvia	
Lebanon	
Liechtenstein	
Lithuania	
Luxembourg	
Monaco	

The new area controls in no way modify previous export requirements in respect to specified commodities. Arms, ammunition, implements of war, electronic equipment, radio-active products, and various commodities in short domestic supply will continue to be dealt with in terms of specific commodity control.

Western European Security: The Department of External Affairs made the following statement today:-

The following question was asked in the House of Commons in London today:

"What arrangements have been made for discussions between the Powers adhering to the Brussels Treaty and representatives of the United States Government regarding American armed aid to Western Europe?"

The Foreign Secretary's reply to this question included the following:

"There will undoubtedly be a constant exchange of views in Washington between the Governments of the United States, the United Kingdom, the other parties to the Brussels Treaty and Canada concerning Western European security arrangements, and United States and Canadian association with them."

The Canadian position in regard to such security arrangements and Canada's association with them, was made clear by the Prime Minister in the House of Commons on March 17th, when he said: "The Canadian Government has been closely following recent developments in the international sphere. The peoples of all free countries may be assured that Canada will play her full part in every movement to give substance to the conception of an effective system of collective security by the development of regional pacts under the Charter of the United Nations." The proposed Washington discussions, at this stage at least, will be purely exploratory and on the diplomatic, not the governmental level.

The Canadian Government has been glad to accept the invitation, to participate in them, and the Canadian Ambassador in Washington has been asked to make himself available for that purpose. In these diplomatic discussions he will be assisted by officials of the Department of External Affairs as required from time to time.

Mr. Justice Archibald Appointed: The Prime Minister, Mr. Mackenzie King, announced that, pursuant to legislation enacted at the session of Parliament just ended, and in accordance with the intentions of the Government as announced in Parliament, Mr. Justice W.B. Archibald of the Supreme Court of Nova Scotia has been appointed a Judge of the Exchequer Court of Canada; and as Chief Commissioner of the Board of Transport Commissioners in place of Colonel J.A. Cross whose resignation has been accepted.

Civil Aviation Medicine Study: A division of civil aviation medicine to study the medical aspects of flight has been set up within the Department of National Health and Welfare and will be headed by a former R.C.A.F. wing commander, Dr. H.E. Wilson of Ship Harbour, N.S.

Announcement of this development in governmental medical services was made July 2 by Hon. Paul Martin, Minister of National Health and Welfare.

Dr. Convey's Appointment: The appointment of Dr. John Convey to the staff of the Bureau of Mines was announced July 2 by the Honourable James A. MacKinnon, Minister of Mines and Resources.

R.G.C. Smith's Appointment: Appointment of R.G.C. Smith to the position of Commercial Secretary in Rome was announced July 2 by Rt. Hon. C.D. Howe, Minister of Trade and Commerce. Formerly Commercial Secretary in Havana, Mr. Smith succeeds J.P. Manion, who has been transferred from Rome to Paris. Presently on tour of industries across Canada, Mr. Smith will take up his new position in October.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6-No. 161 Tuesday, July 6th, 1948.

Col. T.E. D'O. Snow Promoted: In recognition of his services in connection with the floods in British Columbia, Col. T.E. D'O. Snow, O.B.E., acting officer commanding British Columbia Area of the Army's Western Command, has been promoted to the rank of brigadier, it was announced July 5 by the Hon. Brooke Claxton, Minister of National Defence. He is to move to Ottawa in August and next November will attend the second course of the National Defence College at Kingston. On completion of this course next summer, he will assume an important appointment at Army Headquarters.

Col. Snow recently gained acclaim for his energetic handling of last month's flood crisis in the Fraser Valley of British Columbia. When the Premier of B.C. declared a state of emergency and called on the armed forces to take control of all flood fighting and relief measures, he was given the task of coordinating the efforts of the three services and the civilian authorities. He turned in an outstanding job, attested to by the scores of commendatory letters received at Army Headquarters here and at Western Command Headquarters in Edmonton from grateful organizations and citizens of British Columbia, including Premier Byron Johnson.

Born in Kimberley, South Africa, May 1, 1905, Colonel Snow was educated at Rothesay College, N.B. and the University of New Brunswick. He was commissioned in the Royal Canadian Regiment on July 1, 1926.

1948 Expenditure Forecast: Canadian expenditures for capital goods in 1948 are now estimated at approximately three billion dollars, which is 25 per cent higher than that for last year. This is a preliminary figure following a review of the forecasts made at the beginning of the year by the Department of Reconstruction and Supply. The forecast made at the beginning of the year was for a total expenditure of \$2.8 billion.

This program of private and public investment outlay is the largest in Canada's history, and comprises an expenditure of \$1.7 billion on new construction, and \$1.3 billion for the purchase of machinery and equipment. As compared with the figures of 1947, expenditure on construction will be 28 per cent higher while that on machinery and equipment will be up 21 per cent. All major phases of Canada's national economy indicate increases in capital expenditure over those forecast six months ago. The commercial, merchandising and service group leads with an increase of 18 per cent, followed by utilities with an advance of 11 per cent, and manufacturing, which will be 7 per cent higher. Smaller increases are anticipated by the primary industries and by the construction industry, amounting to 4 per cent, whereas that for housing and direct government will be 3 per cent higher in each case, and the expenditure on institutions will be up 2 per cent.

Dr. Barton to Continue: It has been announced by the Dominion Government that Dr. G.S.H. Barton, Deputy Minister of Agriculture, who has reached retirement age, has been asked to continue in his present position until June, 1949.

Dr. Barton's contribution to Canadian agriculture as Deputy Minister since 1932 is well known. The war naturally added increased responsibilities, for Canadian food and agricultural supplies soon became just as essential as the more tangible weapons of war used on the actual battlefield. During that time Dr. Barton was a key figure on most of the Allied committees whose task it was to keep supplies of food and other agricultural commodities flowing to Allied countries and armed forces overseas.

Boxer For Olympics: Stores Assistant Eddie Haddad, Royal Canadian Navy, Canadian amateur lightweight boxing champion and No. 1 man on Canada's Olympic boxing team, will arrive in Halifax shortly to undergo special boxing training under Naval auspices in H.M.C.S. "Stadacona", the R.C.N. training base on the east coast, it was announced by Naval Service Headquarters today.

Haddad will leave Halifax for London and the 1948 Olympic Games on July 15 aboard the liner Aquitania. His coach and second, Leading Seaman Gordon Grayston, R.C.N., will join Haddad in Halifax, but Olympic officials have not yet decided whether or not Grayston will be permitted to accompany his young charge to London.

The 20-year old Navy battler won his Dominion title and the opportunity to represent Canada at the Olympic Games this summer during the two-day combined Dominion championship bouts and Olympic trials in Montreal on May 27 and 28. Haddad was named outstanding champion of the tournament and was the first man chosen for the Olympic team at a special meeting of boxing officials held following the final matches.

July 4 Tourist Influx: The greatest July 4 week-end influx of United States tourists in Ontario since the start of the war poured back across the border Monday night after several days of vacation and enjoyment in Canada, the Canadian Press reported.

All border hotel, tourist home and cabin accommodation was taxed to the utmost during the week-end. Some points reported many tourists sleeping in their automobiles in parks or along the highway.

At Fort Erie an estimated 45,000 automobiles coming into Canada were handled by Peace Bridge officials July 2-5. The number, a substantial increase over last year, compared favorably with pre-war traffic.

Niagara Falls reported 22,672 automobiles, carrying 103,319 passengers, crossed Saturday and Sunday over the Whirlpool, Rainbow and Queenston bridges. Pedestrians in the same two days numbered 17,547.

Approximately 67,000 cars entered the Dominion at Windsor during the three-day period. Of these 45,000 crossed by the Ambassador Bridge and 22,000 by tunnel, which reported an increase of nearly 20 per cent over last year.

At Sarnia 5,500 autos crossed the Blue Water Bridge Saturday, the highest one-day total in more than 10 years.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, July 7, 1948.

41,952 Immigrants: Canada received 41,952 immigrants during the first five months of this year, an increase of 170.4 per cent over the total of 15,513 for the corresponding period during 1947, according to an announcement made at Ottawa July 6 by the Honourable James A. MacKinnon, Minister of Mines and Resources.

Mr. MacKinnon pointed out that over the five-month period, there had been a 91.5% rise in numbers of immigrants from the British Isles, the total for 1948 being 18,876, as against 9,859 for the first five months of 1947.

Immigrants from northern European races numbered 5,614, as compared to the 1947 figure of 1,156 for the first five months, and the total of all other races was 14,596, as against a 1947 five-month total of 896. Of the total immigrants, 12.381% were Displaced Persons, the Minister stated.

Mr. MacKinnon pointed out that in May, the total of 9,460 immigrants represented a 106.2% increase over the figure of 4,588 for the same month a year ago. Immigrants from the British Isles totalled 3,934, an increase of 37.5 per cent over the total of 2,862 for May, 1947. Northern European races totalled 1,859, with 1,472 of these coming from the Netherlands to work on farms across the Dominion. Last year's comparative figure for northern European races was 441.

6,500 D.P.'s in June: With a record total of approximately 6,500 arrivals in June, the number of Displaced Persons who have reached Canada since April, 1947, has risen to more than 26,000, it was announced July 6 by the Honourable James A. MacKinnon, Minister of Mines and Resources.

Indicative of the remarkable increase in the arrival of Displaced Persons is the fact that some 12,000 have arrived during April, May and June. Total for the entire twelve months of the fiscal year ended March 31, 1948, was 14,250.

Nearly 4,000 of the Displaced Persons welcomed during the past three months have been close relatives of residents of Canada. During 1947-48, the monthly average of close relatives arriving was slightly more than 400. To date this year the average has been raised to more than 1,200.

During June, the total of Displaced Persons brought to this country in response to requests from industry numbered more than 4,200. The total for close relatives exceeded 2,000, and 147 orphan children were placed in homes across Canada.

Approximate breakdown of the total of more than 16,600 group workers and dependents now in Canada is as follows: woodworkers 3,599; domestics 2,897; miners 1,889; garment workers 2,151; hydro workers 1,663; railway workers 1,823; textile workers 207; steel and foundry workers 330; construction workers 123; farm workers 1,927.

Canada has agreed to accept 30,000 Displaced Persons under the group movement plan. There is no limitation set on the number of Displaced Persons who are allowed to join close relatives already in residence in this country.

Gold Mining Review: Canadian production of fine gold in 1946 amounted to 2,832,554 troy ounces valued at \$104,096,359 as compared with the preceding year's output of 2,692,727 troy ounces worth \$103,823,990, according to the annual review of the industry by the Dominion Bureau of Statistics. The employment situation showed only slight improvement which might account for the increase in quantity of gold, but in July 1946 the Canadian dollar was brought to parity with the United States dollar, thus lowering the price of gold from \$38.50 to \$35.00 per ounce. This price change had an adverse effect on the gold mining industry. Increased costs and limited supply of mining equipment retarded the development of many mines.

Ontario was the largest contributor to the gold production with 64 per cent, followed by Quebec with 21.8 per cent, and British Columbia 4.8 per cent. The balance of the year's output was accounted for by Saskatchewan, Manitoba, Yukon, Northwest Territories, Nova Scotia and Alberta, in that order.

Wheat Situation: Stocks of Canadian wheat in store or in transit in North America at midnight on June 24 totalled 49,706,000 bushels compared with 50,113,000 on June 17 and 70,413,000 on the corresponding date last year, according to the Dominion Bureau of Statistics. Deliveries from farms in the Prairie Provinces during the week ending June 24 amounted to 4,188,000 bushels compared with 4,451,000 in the preceding week.

Naval Cadets: Almost 100 applicants for entry as Naval Cadets to the two Canadian Services Colleges, H.M.C.S. "Royal Roads," Esquimalt, B.C., or the Royal Military College, Kingston, Ontario, will be interviewed by two Naval interviewing boards during the next two weeks, it is announced by Naval Service Headquarters. There will be approximately 47 vacancies for Naval Cadets in the two institutions, when the new term opens in September.

Across Canada: Dr. G.E. Hall, President of the University of Western Ontario, now in London, England, to attend the Congress of Universities of the Commonwealth, is quoted in a Canadian Press cable as stating that more British professors are needed in Canadian universities to meet growing demand for higher education. He said he is only one of many Canadian delegates to the Congress on the lookout for professors wishing to go to Canada.....

British Columbia's special session of the Legislature to deal with flood damage problems opens July 7. A limited moratorium on mortgage and land sale agreements in the Fraser Valley area is heralded in a Canadian Press despatch from Victoria.....

Further measures to encourage shipbuilding in Canada were forecast Tuesday by John V. Clyne, Chairman of the Canadian Maritime Commission, addressing the Technical section of the Canadian Shipbuilding and Ship Repairing Association in Ottawa, Canadian Press reported.....

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, July 9th, 1948.

Minister of Yugoslavia: The Department of External Affairs announces that Mr. Mato Jaksic on July 8 presented to His Excellency the Governor General, his Letter of Credence as Envoy Extraordinary and Minister Plenipotentiary of Yugoslavia in Canada.

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

Mr. Pavle Lukin, Counsellor of the Yugoslav Legation accompanied Mr. Jaksic.

The Minister was born in Dubrovnik in 1903. He was educated there and studied law at the Sorbonne in Paris, and attended the Ecole Libre des Sciences Politiques in that city. Later Mr. Jaksic practiced law in Dubrovnik, and was appointed Honorary Consul of France (Agent Consulaire de France).

During the war Mr. Jaksic served in the National Liberation Movement of Yugoslavia and was elected a Member of the Provisional Parliament. He later was in charge of the Yugoslav Military Mission in Cairo. After the war he was elected as Deputy to the Constituent Assembly, and in December, 1945, was appointed Minister of Yugoslavia in Paris. Prior to his present appointment he was Director of Protocol in the Foreign Office at Belgrade.

Appointment of Professor Curtis: The Prime Minister, Mr. Mackenzie King, announced on July 8 the appointment of Professor C.A. Curtis, Mr. H.C. Bois, and Mrs. T.W. Sutherland to be members of the Royal Commission to continue the work initiated at the last session of Parliament by the Special Committee on Prices.

Professor Curtis, who will be Chairman of the Commission, is Professor of Economics at Queen's University and Mayor of Kingston. Mr. Bois is a resident of Montreal, and is Secretary-Manager of the Cooperative Federée de Quebec. Mrs. Sutherland, who now resides in Parksville, B.C., was for many years active in women's organizations in the prairie provinces.

The Commission has been empowered to continue the enquiry begun by the Parliamentary Committee on Prices into price increases, factors leading to price and cost increases and increased profit margins in Canada. The Commission has been directed to pay particular regard to commodities and services in common daily use.

The Royal Commission on Prices is to report from time to time as may seem advisable, and in any case to present a report not later than the opening of the next session of Parliament.

Savings Bond Series: The Bank of Canada announced on July 8 on behalf of the Minister of Finance that arrangements are being made for the offering of a third series of Canada Savings Bonds this Fall. Terms of the new issue will not be finally established until later - probably some time in September. However, it is expected that the new security will retain the features which proved so popular in the first two series.



Since the introduction of Canada Savings Bonds in 1946, applications for the first and second series have totalled more than 2,100,000 to a total value in excess of \$818,000,000. The decision to issue a third series is based mainly on this widespread demand.

It was also believed that a savings instrument with the features of Canada Savings Bonds would serve a useful purpose by giving further stimulus to the savings tendency developed by Canadians during and since the war. Present holdings have already rendered more than a million Canadians better able to meet personal emergencies or to carry out future plans. Such individual and family resources are an element of strength and stability in the nation.

Crop Report: Crop prospects are generally fair to good in Manitoba, eastern and south-western Saskatchewan and in southern Alberta. Elsewhere over large areas in Saskatchewan and central and northern Alberta conditions are critical due to lack of moisture.

Reciprocal Training: In response to a letter from the President of the United States informing Prime Minister King that on June 1st, 1948, a limited number of young Canadians would be authorized to attend the U.S. Naval Academy at Annapolis and the U.S. Military Academy at Westpoint, Prime Minister King has informed President Truman that Canada is making reciprocal arrangements to admit citizens of the United States to attend Canadian Service Colleges.

Canada - Bahamas Air Service: The Department of External Affairs announces that the United Kingdom and Canada have concluded an agreement which provides for an air service by Trans-Canada Airlines between Canada and the Bahamas. This agreement took the form of an Exchange of Notes amending the Agreement for Air Services between Canada and the United Kingdom territories in the West Atlantic and Caribbean Areas signed at Ottawa on July 17, 1947.

Rail Wage Dispute: The Minister of Labour, Mr. Mitchell, announced Thursday afternoon a conference Friday of parties involved in the railways wage dispute in an effort to avert a transportation strike. Frank H. Hall, chairman of a union committee conducting wage talks with the railroads, was quoted in Montreal as saying settlement negotiations had "blown up" and a strike of 122,000 rail employees would start July 15. The company, he was further quoted as saying, offered an increase of 10 cents an hour which the railwaymen refused, offering to settle at 28 cents, which proposal he said, the companies refused.

Across Canada: Hon. James Gardiner, Minister of Agriculture, has announced his candidature for the leadership of the Liberal Party at the party's national convention to be held in Ottawa August 5, 6 and 7,.... Ontario's population is nearing 5,000,000, Acting Premier Kennedy announced at Toronto, according to C.P. report..... The famous Royal Canadian Mounted Police band flew back to Ottawa from Winnipeg Wednesday after a month's tour of Western Canada....

(No Bulletin was published Thursday, July 8th)



## AIRMAIL BULLETIN

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Monday, July 12, 1948.

North Pacific Air Meeting: The needs and requirements of international flight in the North Pacific are to be examined by a regional air navigation meeting of the International Civil Aviation Organization at Seattle, Washington, commencing July 13. It is expected to last for three weeks.

The North Pacific conference is the tenth in a series designed to cover the major international flying areas of the world. Its main purposes are the careful examination of the existing facilities for airports, navigational aids, communications, air traffic control, meteorology, operations and search and rescue, and the determination of the additional facilities required and the operating procedures necessary for the safe and efficient development of international air transport in the region.

Member states of ICAO which have been invited to participate in the conference, and which have an interest in aviation operations in the North Pacific, are Australia, Canada, China, France, India, Philippines, Netherlands, New Zealand, Siam, United Kingdom, and the United States.

Other ICAO meetings announced in a revised schedule: African-Indian Ocean Regional Air Navigation Meeting (Algiers) August 24, 1948; Air Navigation Committee (Montreal) September 6, 1948; Council (Fifth Session) (Montreal) September 7, 1948; Air Transport Committee (Montreal) September 8, 1948; South-East Asia Regional Air Navigation Meeting (Montreal) November 23, 1948; Operations Division (OPS) (Montreal) February 8, 1949; Airworthiness Division (Air) (Montreal) February 22, 1949.

Shortage of Farm Workers: The organized movement of workers from the Prairie Provinces to Ontario will continue until July 20, the Hon. Humphrey Mitchell, Minister of Labour, announced July 9. He also made an urgent appeal for volunteers from Western Canada to help harvest the eastern crops.

With bumper crops expected, early harvesting operations are in full swing in the East and a serious shortage of farm workers has developed. So far, the flow of workers from the western provinces and the Maritimes under Dominion-Provincial Farm Labour Movements has not kept up with the demand.

The anticipated demand is about 2,500 outside workers. So far, less than 900 have come forward---730 from the Prairies and 120 from the Maritimes.

Grain Subsidies: The Dominion Government will pay 5 cents per bushel on oats and 11 cents per bushel on barley delivered and sold by western producers during the period from August 1, 1947, to October 21, 1947, when price ceilings on these grains were removed.

The Rt. Hon. C.D. Howe, Minister of Trade and Commerce, in making this announcement July 9, pointed out that elevator companies have already made substantial payments to producers delivering oats and barley prior to the removal of the ceiling. After reviewing the price situation which existed last fall, and taking into account the adjustment payments which have been made by elevator companies, the Government felt that producers delivering and selling oats and barley during the present crop year, prior to the removal of price ceilings on these grains, were entitled to an adjustment on the part of the Dominion Government. Mr. Howe emphasized that these payments apply only on oats and barley delivered and sold by producers between August 1, 1947, and October 21, 1947.

Fraser Valley Diking Board: J.B. Carswell, prominent Scottish-born Canadian civil engineer, has been designated chairman of the new Fraser Valley Diking Board after consultation with the B.C. Government, the Rt. Hon. C.D. Howe announced July 10. The three-man board will be responsible for repairing, strengthening and reconstructing the dikes in the Fraser Valley and removing water and debris from land inundated by recent floods, under the arrangement by which the Federal Government will bear seventy-five per cent of costs of reconstruction.

F.G. Goodspeed, Assistant Chief Engineer of the Dominion Department of Public Works, will be the Dominion Government representative on the board, and Bruce Dickson, Provincial Diking Commissioner, will be the B.C. representative.

Mr. Carswell, during the war, served as representative of the Department of Munitions and Supply in Washington, and was the first president of the War Assets Corporation. He retired from this post in July, 1945, and returned to private practice as consulting engineer in Vancouver. Prior to the war he was president of the Carswell Construction Company, Toronto.

The new board, with offices shortly to be established in Vancouver, will be getting into action at the earliest possible moment. In the meantime the work is going on under the direction of the military authorities from whom the Board will take over in due course.

Arctic Voyages: Seven vessels will be used to carry supplies to posts in the Eastern Arctic this summer, the Hon. James A. MacKinnon, Minister of Mines and Resources, announced July 8.

These ships will visit all settlements, medical centres, R.C.M.P. detachments, trading posts, missions, and weather and radio stations in the Far North. In former years the Patrol was carried on by R.M.S. "Nascopie", which was lost on a reef off Cape Dorset last year.

First vessel to leave for the Northland will be the M.V. "Regina Polaris", owned by the Hudson Bay Vicariate Transport Limited, which will sail from Montreal July 10. The M.V. "Terra Nova", chartered by the Hudson Bay Company, will sail in August. The other vessels carrying Government supplies will be the M.V. "Eskimo", owned by the Hudson Bay Company; the M.V. "Clarenville" and the M.V. "Earl Trader", both operated by the Hudson Bay Company; the Baffin Trading Company's M.V. "Ice Hunter", and the Government ice-breaker "N.B. McLean".

In addition three Royal Canadian Navy Officers and a Naval photographer will be aboard United States ships which will proceed to Canadian Arctic waters this summer to re-supply existing Canadian-United States weather stations and to reconnoitre sites for further weather stations to be established jointly by the two governments in 1949.

The Canadian observers, are Commander (E) Thomas Fife, R.C.N., Ottawa; Lieutenant (N) J.H. McLean, R.C.N., Vancouver, B.C.; Constructor Lieutenant A.D. Carson, R.C.N., St. Andrews, N.B.; and Petty Officer Photographer G.E. Salter, R.C.N., Dartmouth, N.S.

Cost-of-Living Index: The Dominion Bureau of Statistics cost-of-living index, on the base 1935-39=100, advanced one point during May, from 153.3 for May 1 to 154.3 for June 1, almost all of this rise resulting from higher food prices. At the first of June last year the index stood at 134.9. From August, 1939, to June 1 this year the cost-of-living index has advanced 53.1 per cent.

The food index moved up from 191.2 on May 1 to 193.9, due mainly to further advances for meats and vegetables. Butter prices averaged lower. Other changes in group indexes were of lesser proportions. Clothing advanced from 173.6 to 174.8. Scattered advances in coal and coke changed fuel and light from 122.7 to 124.3, and home furnishings and services moved up fractionally from 161.9 to 162.0.



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Tuesday, July 13th, 1948.

Boston Consul: Arrangements have been completed for the appointment of T.F.M. Newton as Consul in Boston for the states of Maine, New Hampshire, Vermont, Rhode Island and Massachusetts, the Department of External Affairs announced July 13. It is planned to open the Consulate October 1. The Boston Consulate is to be under the general supervision of the Consulate General in New York.

Mr. Newton was born near Sarnia, Ontario, and educated at Sarnia Collegiate Institute and McGill University, graduating in 1925. He received his M. A. in English from McGill in 1927. Mr. Newton was with the English department of Harvard University from 1928 to 1937, when he went to McGill University as Associate Professor of English and Assistant Warden of Douglas Hall, men's residence at the University.

In 1943, Mr. Newton, on loan from McGill, joined the Wartime Information Board in Ottawa. He was transferred to New York in 1943, and became director of the office in 1945. During 1946 he was supervisor of the Canadian Information Service in the United States. Following the integration of C.I.S. in the Department of External Affairs, he was appointed to the Canadian Embassy in Washington.

Displaced Persons: Displaced Persons are showing a desire to remain in the occupations for which they were brought to Canada, according to the Hon. Humphrey Mitchell, Minister of Labour.

Of Displaced Persons brought to Canada in July, 1947, under an agreement to work for a definite period in the woods, 370 in the Spruce Falls area will soon terminate their agreement. Although free to seek any employment they wish at the termination of this agreement, 65 per cent have chosen to stay at their jobs. Of the remaining 35 per cent, it is expected some will return to the woods later.

North Pole Flights: Scientists from the Observatory in Ottawa are to leave Rockcliffe Air Station July 13 aboard an R.C.A.F. Canso amphibian to continue last year's aerial magnetic surveys aimed at fixing position of the Magnetic North Pole, the Hon. James A. MacKinnon, Minister of Mines and Resources has announced.

The Joint Mines and Resources-R.C.A.F. expedition, the Minister stated, hopes to determine with greater exactness the position of the North Magnetic Pole, known to be located in the northwestern part of Prince of Wales Island as a result of last summer's "Operation Polco", when the R.C.A.F. flew a similar group north. In addition, it will gather sufficient data to enable completion of the first reliable magnetic charts of Canada's Arctic regions.

Accompanying the party, which will spend about two months in the Arctic islands, will be two scientists appointed by the Geographical Bureau, Department of Mines and Resources.

In charge of the magnetic work will be Paul H. Serson, of Ottawa. A veteran of three successful trips to the Arctic, including last year's survey, Mr. Serson will use instruments of his own design which received initial tests last summer on "Operation Polco".

Across Canada: Drastic curtailment of mail services throughout Canada were announced by Postmaster-General Bertrand in case of a threatened rail strike cutting off train services July 15.... A promising uranium field is being developed by the Federal Government in Northern Saskatchewan, according to the Hon. C.D. Howe, Minister of Trade and Commerce.... The National Research Council have started retesting their flying wing glider near Edmonton.... Some 70 key men are expected to come to Canada from war-devastated countries to be attached to cultural centres here under a United Nations plan, the Canadian Press says.... Canada's \$1,500,000,000 veterans' rehabilitation programme is "over the hump," according to a CP interview with Walter S. Woods, Deputy Minister of Veterans Affairs.

World Wheat Situation: With the present outlook for European crops favourable, there is promise of the tight wheat supply situation of the past two or three years being relieved to a considerable extent, according to the Dominion Bureau of Statistics. Excluding Russia, Europe's crop of wheat and rye is tentatively estimated by the United States Department of Agriculture at 2,016 million bushels, which is sharply above the 1947 outturn of 1,493 million bushels and also considerably above the 1946 production of 1,791 million bushels. It is still 300 million bushels below the pre-war average, however, and Europe will again need considerable imports in the coming crop year.

Supplies available from exporting countries from new crops are still an unknown factor, except in the United States where the second largest crop in history is expected. The official forecast now placed the United States winter wheat crop at 877.2 million bushels. No official estimate of the spring crop has been made, but average yields would give a production of 315 million bushels. Prospects for nearly all other crops in the United States are average or better.

Due to the protracted June drought throughout a large part of the wheat-growing area of the Prairie Provinces, the Canadian outlook at present is not so favourable. The wet spring delayed seeding of the major part of the acreage and abnormally high temperatures dried the surface soil, resulting in poor germination and growth of late-sown crops. Grasshoppers are also doing considerable damage. Unless weather conditions are particularly favourable in the next few weeks a large crop cannot be expected this year in Canada.

Production of Poultry and Eggs: Net production of farm eggs in 1947 totalled 373,696,000 dozen as compared with 323,563,000 dozen in 1946. The value of eggs sold and used for consumption and for hatching on farms in 1947 amounted to \$135,298,000, while in 1946 the revised value was \$113,988,000. Eggs produced in 1947 elsewhere than on farms were estimated at 33,680,000 dozen with a net value of \$12,586,000. For 1946 the comparable figures were 28,778,000 dozen valued at \$10,310,000.

During 1947, 56,252,000 farm poultry weighing 301,389,000 pounds were sold or used for poultry meat at a value of \$81,667,000 compared with 51,815,000 birds weighing 265,171,000 pounds sold for \$73,751,000 in 1946. In addition to the farm birds, producers elsewhere than on farms sold or used for meat 23,105,000 pounds valued at \$6,308,000 in 1947 compared with 20,095,000 pounds valued at \$5,644,000.



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Wednesday, ~~June~~<sup>July</sup> 14th, 1948.

Railway Wage Dispute: The Federal Cabinet is meeting today to seek a solution to a nation-wide railway strike over wages scheduled to start tomorrow. The Railways Association of Canada announced that the cancellation of passenger trains begins today. Those travelling were warned that they must be prepared to terminate their journeys by midnight tonight. Railway hotels "may be unable to provide services to guests after midnight Wednesday." The Association has placed an embargo against acceptance of all freight shipments by Canadian railways after midnight tonight. An embargo against shipment of livestock and perishables went into effect Sunday night. Rail shipments of coal from the United States to Canada were embargoed yesterday to avoid having cars tied up by the threatened railways strike.

United States Loan: Canada is borrowing \$150 million in United States funds from The Prudential, The Equitable Life and the Metropolitan Life Insurance companies, the Hon. Douglas Abbott, Minister of Finance, announced yesterday. The interest rate will be 3 per cent or \$4.5 million a year in United States funds. Bonds bearing interest at this rate and having a term of 15 years will be issued for the amount of the loan. The bonds will be dated August 1, 1948; will mature August 1, 1963; and will be callable on six months' prior notice after February 1, 1959.

The proceeds of the issue will be used mainly to repay the drawings of \$140 million so far made by the Government of Canada on the credit arranged last fall with the Export-Import Bank of Washington. The remainder will serve to increase Canada's exchange reserves.

Mr. Abbott said that "the purchase on such favourable terms of this substantial issue of Canadian bonds by these three large insurance companies in the United States is a tribute to the high credit standing of Canada in the United States market."

R.C.A.F. Air Mapping: With the summer season hardly more than half over, the RCAF's two photo-survey squadrons have photographed more than 456,000 square miles of Canadian territory, a new record in ground covered. The RCAF say that last year the total coverage for the whole summer was slightly more than 400,000 square miles and last year was the largest single season's operation since the RCAF began the job of photographing the Dominion in 1921. So far this year almost all of Labrador has been photographed, two-fifths of Baffin Island and 74,000 square miles in Northern Quebec.

This year's aerial photo operations are expected to result in many corrections to maps of the Arctic island region. RCAF aircrew flying over the far North area in the past have noted discrepancies between coastlines and existing maps, based in many cases upon doubtful information. In addition to being used for mapping, such aerial photographs are also valuable in assessment and development of natural resources.

Operations this year have been accelerated not only by good weather, but by addition of Canadian-built Lancasters to the work, enabling greater coverage. In all, 16 aircraft, including Lancasters, Mitchells, and Dakotas, are being used on straight photo operations, some of which took time off to aid in flying supplies to the British Columbia flood area.

Conditions of Field Crops: Crop prospects for wheat, oats and barley at June 30 were considerably less favourable than at the same time last year, according to the Dominion Bureau of Statistics. Rye and flaxseed condition figures were somewhat less than a year ago whereas figures for other crops were nearly the same or slightly higher than those of 1947. Adverse weather in the Prairie Provinces pulled down the average for all Canada especially for wheat and to a lesser degree oats and barley and flaxseed. Fall rye, however, although somewhat lower, has fared better than the other major grain crops. Minor crops are grown more extensively in the eastern provinces and favourable weather this year has resulted in higher condition figures for peas, beans, buckwheat, mixed grains, potatoes and root crops. Hay and clover and pasture conditions are only slightly less favourable than at the same time last year.

The spring wheat condition figures for the Prairie Provinces based on weather factors indicated poorer yields in prospect at June 30 this year than at the same time a year ago when prospects were good.

Prospects for feed grain crops in the Prairie Provinces were also not as encouraging as last year at June 30. Greatly improved conditions in eastern Canada, over a year ago, however, will serve to make up in part for anticipated reductions in output of these crops. Other grain crops show greater improvement over the low points reached last year in all eastern provinces except Nova Scotia.

For all Canada, the condition of field crops at June 30, 1948, expressed in percentage of the long-time yields per acre, was reported as follows, with figures for June 30, 1947 within brackets: fall wheat 97 (91); spring wheat 95 (125); all wheat 95 (125); oats 80 (88); barley 78 (91); fall rye 79 (85); spring rye 75 (89); all rye 78 (87); peas 90 (84); beans 96 (76); buckwheat 96 (87); mixed grains 96 (74); flaxseed 83 (93); corn for husking 94 (78); potatoes 95 (83); turnips, etc. 93 (82); hay and clover 94 (94); alfalfa 92 (91); fodder corn 94 (80); sugar beets 90 (89); pasture 97 (99).

In the Prairie Provinces, the condition of the principal cereal crops at June 30, 1948, was reported as follows, with the figures for June 30, 1947 within brackets: Manitoba - wheat 113 (126); oats 88 (92); barley 87 (92); rye 92 (91); flaxseed 90 (91). Saskatchewan - wheat 93 (127); oats 68 (91); barley 72 (92); rye 73 (86); flaxseed 75 (95). Alberta - wheat 94 (123); oats 76 (93); barley 76 (93); rye 85 (84); flaxseed 82 (93).

Mica Mining Industry in 1946: Canadian production or primary shipments of all grades of mica in 1946 totalled 8,720,669 pounds valued at \$199,039 compared with 7,044,221 pounds worth \$233,270 in 1945. Of the total output in 1946, mines in Quebec contributed 2,397,788 pounds valued at \$108,667 and Ontario, 4,707,381 pounds worth \$66,952; British Columbia mines shipped 1,615,500 pounds valued at \$23,420. The major portion of the shipments was amber mica, which weighed 7,104,739 pounds and was valued at \$175,579. Nearly all the white mica was produced in British Columbia.





## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6 No. 167

Thursday, July 15th, 1948.

Economic and Social Council Delegation: The composition of the Canadian delegation to the Seventh Session of the Economic and Social Council of the United Nations, which begins its meetings July 19 in Geneva, Switzerland, was announced today by the Department of External Affairs. Delegate: L.D. Wilgress, Canadian Minister to Switzerland. Alternate: Dr. G.F. Davidson, Deputy Minister of Welfare. Advisers: H. Allard, Canadian Embassy, Brussels; S. Pollock, Department of Finance, and L.A.D. Stephens, Canadian Legation, Berne.

This session of the Economic and Social Council is expected to last about four weeks. The Economic and Social Council will consider reports from the specialized agencies of the United Nations including the International Refugee Organization, UNESCO, the World Health Organization and the Food and Agriculture Organization. Reports will be tabled, too, by the Economic Commissions for Europe, for Asia and the Far East, and for Latin America; and the question of establishing an Economic Commission for the Middle East will be taken under consideration.

Further reports will be presented by various technical commissions of the Economic and Social Council, including the Statistical Commission, the Population Commission and the Social Commission. The Council will consider the work and recommendations of the Commission on Human Rights which has recently completed its final draft of an International Declaration on Human Rights. The International Labour Organization will present a report dealing with the right of Trade Unions to freedom of association; and the Council will conclude its consideration of the work of the Commission on the Status of Women.

Railway Wage Dispute: The general rail wage strike was called off Wednesday, less than 15 hours before the deadline for the stoppage of Canada's trains. Rail union officers, in an overnight six-cent drop from their wage demands, settled their dispute with the railways, on a 17-cents-an-hour wage increase, retroactive to March 1. The settlement, which was negotiated by the Government, covers 150,000 union employees and extends to 20,000 non-union workers. The length of contract is to be negotiated but it is reported to be probably two years. A C.P.R. spokesman said that an interim freight-rate increase of about 15 per cent would be required to provide the annual sum of \$27,200,000 by which the cost of railways operations of the Canadian Pacific has been increased.

Immigration and Wages: Past history and statistics are contrary to an opinion expressed in some quarters that immigration tends to lower wages, according to the Hon. Humphrey Mitchell, Minister of Labour. During the thirteen-year period from 1900 to 1913, he said yesterday, Canada experienced the greatest influx of immigrants in her history. Immigration rose from a normal inflow of 50,000 a year at the beginning of the century to over 400,000 in the fiscal year 1912-1913. Statistics show that a general increase in wages of between forty and forty-five per cent took place during this period. This shows the fallacy of the belief that immigration depresses wages, Mr. Mitchell pointed out.



Ontario Development: Premier George Drew of Ontario told the Canadian Press yesterday on arrival at Toronto from the United Kingdom that some definite announcement is expected before the end of July concerning establishment by United Kingdom firms of branch factories in Ontario. During brief visits to France and Italy, Premier Drew said he had some preliminary talks with French and Italian business officials concerning the establishment of branch factories in Ontario. He added the talks were successful and would be followed up later. Meanwhile Dana Porter, Ontario Minister of Planning and Development, is reported as having completed a tour of the Netherlands investigating the possibility of getting more Dutch farmers to migrate to Ontario.

The Late Hon. R.B. Hanson: Prime Minister Mackenzie King in a statement yesterday, said that "In the passing of the Hon. R.B. Hanson, Canada loses one who over many years was prominent in her public life and who, especially during the most critical years of the war, rendered an important service to his country. Without self-seeking, Mr. Hanson found himself placed, after the general elections of 1940, in a position of great responsibility and much difficulty, as Leader of the Opposition in the House of Commons."

Across Canada: A shotgun blast fired by a ship's officer yesterday wounded three of six members of the Canadian Seamen's Union who boarded the freighter Lethbridge near Sarnia. The Canadian Press reported that this was the first shot fired in the Great Lakes shipping dispute since the Canada Steamship Lines armed its ships to repel boarders.... Six R.A.F. Vampires landed at Goose Bay, Labrador, last night, en route to Canada, to complete first Atlantic crossing by jet-propelled aircraft. Waiting at Goose to take off on the first west-east crossing were 14 United States jet fighters.

(Yesterday's Airmail Bulletin, Vol. 6 No. 166, should have been dated July 14, 1948)



# AIRMAIL BULLETIN

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Friday, July 16, 1948

Security Council Order to Jews and Arabs: Canada yesterday gave full support to a United Nations Security Council order to the Jews and Arabs to stop their war in Palestine, the Canadian Press reported. The Security Council order, which resulted from a United States proposal demanding a halt in hostilities within three days, threatened use of international armed force if necessary. It was approved by a vote of 7 to 1 with 3 abstentions. Syria voted against the proposal and Russia, the Soviet Ukraine and Argentina abstained.

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

There were declines in May in all of the nine main commodity groups except non-metallic minerals. Decreases in most instances were of moderate proportions, the most pronounced being registered by the fibres and textile group. Among the individual commodities, there were declines in fruits, vegetables, cotton products, and automobiles. Nuts, flax, hemp and jute, farm implements, mining and metallurgical machinery, crude petroleum and petroleum products were among the larger advances.

Imports from the United States in May were valued at \$144,966,000 as compared with \$184,708,000 in May last year, the decline of \$39,742,000 comparing with \$22,100,000 in April and \$26,800,000 in March. Aggregate imports for the five months ending May were \$729,550,000 compared with \$806,270,000 in the similar period of 1947, a decrease of 9.6 per cent.

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

Railway Freight Dispute: Premiers of all provinces except Ontario and Quebec - seven in number - will begin meetings in Ottawa, July 20, to confer on the Federal Government's rejection of their proposal for a Royal Commission to study the freight rate structure and their request for suspension of the 21 per cent freight rate increase which has been approved.

Premier Manning of Alberta told the Canadian Press yesterday that no one could "disagree" with the proposed 15 per cent railway freight rate increase if additional revenue is needed to meet the wage boosts given railway employees. In their successful application for a 21 per cent rate increase authorized last spring, he added, the railways had included charges which did not properly belong to a rates structure.

Saskatchewan already has gone on record as favouring a Federal subsidy as an alternative to any increase in freight rates, Acting Premier J. W. Corman said in a Canadian Press interview yesterday.

Premier Johnson of British Columbia said his province is prepared to battle the new proposal from the CPR for a 15 per cent rate boost with a demand for immediate removal of the mountain differential. The Canadian Press also reported that the Vancouver Board of Trade is seeking a Federal Royal Commission investigation before any increase is permitted.

Canadian Army Training: The staffs of the Army's five regular commands across Canada are being trained to act as combat division staffs if war breaks out, Lt. Gen. Charles Foulkes, Chief of the General Staff, told the Canadian Press yesterday. He said that there were no Canadian "chair soldiers" and that some of the staffs now are engaged in field exercises. The divisions would come out of the reserve army that is planned on a two-corps, six-division basis resulting from experience with Canada's first wartime army.

General Foulkes thought that the Canadian army would now move towards the original post-war total of 25,000. The latest recruiting figures show 16,500 in khaki. He said that the demobilization of 500,000 men had been a major task but that it had been exceeded by the job of storing equipment all across the country.

Across Canada: Canadian embassies and government missions around the world are to be equipped with Canadian silverware designed by Harold Stacey and handmade by Canadian craftsmen using native metal. The Canadian Press says that Mr. Stacey and his assistants have been busy on the work for months and the number of pieces will run into the thousands... Emilio Diaz Romero, retiring Bolivian Consul in Montreal, told the Canadian Press yesterday that a Bolivian legation might be opened in Ottawa and a Canadian legation established in La Paz. He plans to write a book based on his eighteen months in Canada.... Calgary is enjoying its first moving picture world premier, described by the Canadian Press as "a rootin tootin western picture" called "Northwest Stampede" and filmed in colour. Made last summer at the Calgary stampede and written by Toronto-born Art Arthur, the film is believed to be the first major Hollywood production to be filmed in colour entirely in Canada, using a story of modern Canadian life... The Montreal Gazette reports that the United Kingdom Cabinet has sanctioned a £4,000,000 order for the purchase of 22 airliners which are made in Montreal. Because these aircraft are powered by British engines, the dollar outlay will not be so great as for United States planes of the same design.



# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, July 19, 1948.

**Industrial Mobilization Plans;** Plans for industrial mobilization in Canada are well under way. For three days members of the Industrial Defence Board have been in session in Ottawa. Eighteen committees have been set up to deal with various phases of the problem.

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

- CHAIRMAN:-** Mr. H. J. Carmichael, CMG, Vice President, Conroy Manufacturing Co. Ltd., St. Catharines, Ont.
- VICE-CHAIRMAN:-** Mr. J. Edouard Simard, Vice President, Marine Industries Ltd., Sorel, Que.
- MEMBERS:-**
- Mr. J. R. Donald, OBE, President, Donald Inspection Ltd., MONTREAL, Que.
  - Mr. William Knoll, General Manager, Trenton Steel Works Ltd., TRENTON, N.S.
  - Mr. J. G. Notman, OBE, General Manager, Dominion Engineering Works Ltd., MONTREAL, Que.
  - Mr. Clarence Wallace, CBE, President, Burrard Ship Building Co., VANCOUVER, B.C.
  - Mr. Willian Wecker, General Manager, General Motors of Canada, OSHAWA, Ont.
  - Maj.-Gen. John H. MacQueen, CBE, President, Canadian Arsenals Limited, OTTAWA, Ont.
  - Commodore J. G. Knowlton, OBE, Chief of Naval Technical Services, Naval Service HQ, OTTAWA, Ont.
  - Maj.-Gen. N. E. Rodger, CBE, Quartermaster-General, Army HQ, OTTAWA, Ont.
  - Air-Vice Marshal A. L. James, CBE, Air Member for Technical Services, Air Force HQ, OTTAWA, Ont.
  - Dr. O. M. Solandt, OBE, Chairman, Defence Research Board, Department of National Defence, OTTAWA, Ont.
  - Mr. W. Gordon Mills, CMG, Deputy Minister, Department of National Defence, OTTAWA, Ont.
  - Mr. Maxwell W. Mackenzie, CMG, Deputy Minister, Department of Trade and Commerce, OTTAWA, Ont.

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

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

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

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

H.M.S. "Sheffield" To B.C.: The cruiser flagship of the America and West Indies Squadron, H.M.S. "Sheffield", will make an informal visit to British Columbia ports during an extensive summer training cruise and will take part in combined fleet exercises with units of the R.C.N.'s Pacific Command, it was stated at Naval Service Headquarters, July 16.

The 9,100-ton cruiser, flying the flag of Vice-Admiral Sir William Tennant, K.C.B., C.B.E., M.V.O., Commander in Chief of the America and West Indies Squadron, will arrive at Esquimalt August 7 and will remain there until August 16. She then sails to Vancouver for a seven-day visit before making her final Canadian stop at Comox from August 23 to 30.

Belgium Honours Canadians: Ninety-five awards, 81 of them posthumous, have been conferred by the Government of Belgium upon members of the wartime Canadian Army and Royal Canadian Air Force, it has been announced by the Hon. Brooke Claxton, Minister of National Defence. The awards are in recognition of distinguished services in the cause of the Allies in connection with the liberation of Belgium during the Second World War, and unrestricted permission for the wearing of the decorations has been granted by His Majesty King George VI.

Fifty-one of the Army's list are posthumous awards and will go to next-of-kin. Similarly, 30 of the Air Force's list of 35 are posthumous.

Across Canada: Premier George Drew of Ontario announced, July 16, that he had received the resignation of Attorney General Leslie Blackwell. Mr. Blackwell, however, will continue to hold office for some months to come and will retain his Toronto seat in the Legislature. In stating that Mr. Blackwell had decided to resume his law practice, the Ontario Premier paid tribute to his service.... The coastal steamer Cardena, of the Union Steamships Line, on the night of July 16 crashed on the reef at the entrance to False Bay, 55 miles northwest of Vancouver, it was announced by Canadian Press. All 187 passengers and crew were safely landed from lifeboats.... The first Jet planes to fly the Atlantic touched down at St. Hubert Airport, near Montreal, on July 16, Canadian Press announced. The R.A.F. pilots said the six Vampires had encountered terrific headwinds.



# AIRMAIL BULLETIN

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Tuesday, July 20, 1948.

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

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

On learning of Mr. Bracken's intended resignation, the Prime Minister issued a statement expressing regret that Mr. Bracken had found it necessary to resign as Leader of his Party. In their respective positions, the Prime Minister said, Mr. Bracken and he had sought throughout to maintain a due regard for the best traditions of Parliament; in private and in public they had at all times preserved the friendliest of personal relationships; he wished Mr. Bracken a speedy restoration to health and strength.

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

At Valcartier Camp, July 21, the party will observe COTC training and visit the Reserve Force summer camp as well as the cadet instructors camp. The day's itinerary also includes a visit to Les Ramparts, The Terrace and Notre Dame de la Victoire church.

Demonstrations by a platoon of the Royal 22e Regiment and the "Retreat" ceremonial will be staged for the attaches on Thursday. They will return to Ottawa the following day.

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

Seek Fur Workers: The Interdepartmental Committee dealing with immigration matters on July 19 issued the following statement:

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

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

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

Across Canada: Spokesmen for seven provincial Governments are in Ottawa today to protest against the recent award of a 21 per cent freight rate increase. The delegation, which reportedly is to meet the Cabinet today, includes the Premiers of Nova Scotia, New Brunswick, Prince Edward Island, Manitoba and Alberta....Sale of beer and wine by the glass was favoured by a near two-to-one majority in a plebiscite in Halifax yesterday.

# AIRMAIL BULLETIN

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Thursday, July 22, 1948.

External Affairs Postings: The Department of External Affairs announced today the following transfers and postings:

Mr. John B. C. Watkins, First Secretary and until recently Head of the European Division of the Department, is leaving shortly for Moscow to replace Mr. John Holmes as Charge d'Affaires a.i. at the Canadian Embassy. After Mr. Watkins' arrival, Mr. Holmes will proceed to Paris as a Member of the Canadian Delegation to the General Assembly of the United Nations.

Mr. Fulgence Charpentier of the Information Division of the Department will leave Ottawa in a few weeks for Paris where he will be Information Officer at the Canadian Embassy.

Mr. Paul Malone will replace Mr. T. F. M. Newton at the Canadian Embassy in Washington as Information Officer. Mr. Newton's appointment as Canadian Consul at the Consulate in Boston has been announced.

Mr. M. A. Crowe, of the Economic Division of the Department, has been appointed Third Secretary at the Canadian Embassy at Moscow.

Mr. James Murray Cook who has been attached to the American and Far Eastern Division of the Department, is posted to the Canadian Embassy at Lima, Peru, as Third Secretary. He replaces Mr. F. M. Tovell, Second Secretary, who has returned to Ottawa to the Latin American section of the American and Far Eastern Division.

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

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

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

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

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

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

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

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

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

Across Canada: A field of 311 candidates will contest Quebec's 92 Legislature seats in the July 28 provincial election, it was announced by the Canadian Press at the end of nomination day yesterday, July 21....Six employes of the Ontario Hydro Electric Power Commission were drowned in the Ottawa River yesterday, July 21, when a Bailey bridge collapsed at the hydro development site 40 miles northwest of Pembroke....Newfoundland votes today on its new form of government, the alternative choices in today's balloting being union with Canada or responsible government....A Canadian Press cable from London, England, reported that Queen Elizabeth met more than 400 Rhodes scholars and their wives at the headquarters of the Dominion Fellowship Trust. She chatted with students from Canada, Australia and South Africa.

Note: (No Bulletin was issued on Wednesday, July 21, 1948)



## AIRMAIL BULLETIN

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Friday, July 23, 1948.

Newfoundland Referendum Voting: Newfoundlanders voted again yesterday, July 22, on their future form of government. The alternatives in yesterday's referendum were confederation with Canada or responsible government. The voting was said to have been about as heavy as in the first vote when almost 90 per cent of eligible voters turned out.

Reporting the results from St. John's, The Canadian Press this morning said that when the counting of votes ended Thursday victory for confederation with Canada seemed probable. With returns nearing completion and finals listed for eight districts, read the morning report, responsible government lead with 64,890 votes and confederation polled 64,160. But responsible government, it was stated, had drawn on most of its sources of strength while some largely confederate areas in the outports still had not sent in many results.

Speculation on whether the anticipated majority for confederation would be large enough to be deemed conclusive was raised in the press despatch from St. John's.

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

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

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

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

Col. Urquhart, who was colonel of Vancouver Island's The Canadian Scottish Regiment (Princess Mary's), has been an additional Aide de Camp to His Majesty the King for Canada since October, 1921. He had a brilliant record in the First Great War, serving with the 16th (Scottish) Battalion, C.E.F., and later as officer commanding the 43rd (Ottawa) Battalion. He was awarded the Military Cross and the Distinguished Service Order and subsequently a Bar to the DSO for courageous action while severely wounded.

Atlantic Training Flights: Initiation of the first regular peacetime schedule of trans-Atlantic training flights by the RCAF's Air Transport Command was announced, July 22, by the Hon. Brooke Claxton, Minister of National Defence. Fast four-engine North Stars of 426 Transport Squadron, Dorval, near Montreal, are being used and present plans call for 2 or 3 trips each month.

English terminal is Lyneham, Wilts., west of London, wartime jumping-off base for crews headed for the Middle and Far East.

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Two main routes are used, and these are alternated on eastern and western flights. One route is via Goose Bay, Labrador-Keflavik (Meek's Field), Iceland-Lyneham, Eng. The other via Gander, Newfoundland-Lagens, Agores-Lyneham, Eng.

Eight days are allowed for each round trip. Four days in England are spent preparing for the return flight, and practising procedure and instrument landings at key transport bases in England. Two complete crews are used on each trip.

RCAF scheduled trans-Atlantic flights stopped in 1946 when the well known 168 "Mail" squadron completed its wartime service to overseas troops. Since that time the RCAF has made many trans-oceanic flights but no regular schedule has been maintained.

W/C W. G. Chapman, DSO, Fredericton, N.B., Commanding Officer of the squadron, is a well known RCAF pilot. During the war he commanded the famous 162 Squadron of which F/L D. E. Hornell, VC, was a member.

Canada And The United Nations: The Department of External Affairs announced July 22 that, in response to a request from the Secretary General of the United Nations, the Government of Canada has sent to the United Nations an account of the steps taken by Canada to give effect to resolutions on economic and social matters approved by the General Assembly and the Economic and Social Council.

Sea Cadets' Training: Hon. Brooke Claxton, Minister of National Defence, has announced that a special 14-day course of instruction for 34 picked members of the Royal Canadian Sea Cadets will be held at H.M.C.S. "Royal Roads", near Victoria, B.C., commencing August 1. Selected on a per capita basis by local committees of the Navy League of Canada, the young seamen will be representative of the entire Dominion. Averaging between  $16\frac{1}{2}$  and  $17\frac{1}{4}$  years of age, they will undergo training at the Canadian Services college which will fit them as petty officer instructors in their own corps.

Grant To Toronto: The City of Toronto, has been given a federal Government "go ahead" signal to proceed with its planned redevelopment of the six-block Regent Park area in the east-central section of the city. Rt. Hon. C.D. Howe, Minister of Reconstruction, announced a maximum grant of \$1,150,000 to the Toronto Housing Authority. The Authority is a municipal body established to construct and manage the proposed 1056-unit project which will replace the present sub-standard buildings in the area.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Monday, July 26, 1948.

Newfoundland Referendum: The Prime Minister, issued a statement, July 23, on the referendum held July 22 in Newfoundland, in which, according to calculations to date, about 52 per cent of the people voted for confederation and 48 per cent for responsible government. The Prime Minister's statement read:--

"The Canadian Government and, I am sure, the people of Canada generally are watching with deep interest the press reports of the results of the referendum held yesterday in Newfoundland. The reports indicate that a substantial vote has been cast in favour of confederation; there has also been a substantial vote in favour of responsible government. Apparently, a number of outlying communities are still to be heard from before a complete picture can be had of the situation. The Canadian Government is being kept informed of the results as they become available and will in due course be notified officially of the final result. Until this result is authoritatively known and has been considered by the Cabinet, I prefer to refrain from further comment."

Under date of July 23, the Canadian Press has reported from St. John's, Newfoundland, a declaration by Confederate Leader Joseph Smallwood that there was no other course open to Canada than to take Newfoundland into confederation. On the other hand Wickford L. Collins, Secretary of the Responsible Government League, was reported as making public the contents of messages sent to leading political figures in Canada and the United Kingdom protesting confederation negotiations with Canada other than through "properly elected governments." One of the League's seven points, it was reported, was that voters for confederation represent only 52 per cent of the votes cast and number only 77,000 out of total electorate of approximately 180,000.

Crop Acreage Estimates: Area seeded to wheat in Canada this year is estimated at 24,073,900 acres, a reduction of one per cent from the estimated 24,260,400 acres sown last year, according to figures released by the Bureau of Statistics. Area under oats is practically unchanged. Rye acreage is substantially increased, while that of barley showed a marked reduction. Hay and clover acreage is down two per cent, but alfalfa up four per cent. Acreage seeded to potatoes is one per cent higher.

Oat acreage is estimated at 11,100,900 acres compared with 11,048,500 acres in 1947, increased seedings in Manitoba and Ontario more than balancing decreases in all other provinces. A marked reduction of 12 per cent in barley acreage to 6,537,900 acres this year resulted from significantly reduced seedings in all provinces except Ontario and British Columbia. Rye acreage is estimated at 2,062,200 acres, an increase of 78 per cent over the 1,156,400 acres sown in 1947. The acreage sown to potatoes in 1948 is estimated at 502,100 acres compared with 497,400 in 1947.

Wheat acreage in the three Prairie Provinces in 1948 is estimated to be 23,045,000 acres compared with 23,357,000 acres in 1947. Oat acreage this year of 7,636,000 acres is three per cent below that of a year ago, while barley acreage is down 14 per cent to 6,082,000 acres. A considerably increased acreage is indicated for both rye and flaxseed. Summerfallow acreage in 1948 at 19,409,000 is slightly reduced from that of the previous year.

(over)

Army Cadets Training: Two representatives from each provincial department of education in Canada have been invited to visit the Army Cadets Trades Training Camp at Ipperwash, Ont., July 27, Hon. Brooke Claxton announced, July 26.

The object of the visit is to interest educational authorities in all provinces in the work carried on, to ensure that no conflict will exist between the standards of the Canadian Vocational Training Organization and Cadet Trades Training; and to effect the close co-operation with provincial departments of education essential to the expansion of the Cadet Trades Training plan to include trainees from all provinces.

The Army Cadets Trades Training Camp is a new idea which had its inauguration this year. Should the results obtained prove satisfactory, cadet trades training may be extended to provide a three year progressive course from all service commands.

War Assets Appointment: James David Gardner, of Ottawa, has been appointed director of the lands and buildings department of War Assets Corporation, it is announced by H. R. Malley, Vice President and General Manager of the company. He succeeds G. H. S. Dinsmore, formerly of Toronto, who resigned from the Corporation to enter private business in Montreal.

Dental Health Appointments: Promotion of Dr. H. K. Brown of Ottawa, formerly of Edmonton, to head the dental health division of the Department of National Health and Welfare, and the appointment of Dr. H. R. McLaren of Windsor, Ont., to the dental health staff were announced by Hon. Paul Martin, Minister of National Health and Welfare.

29 Die In Air Crash: Twenty nine persons died in the worst air crash in Canadian aviation history Saturday night when a chartered Rimouski Airlines DC3 crashed and burned on a fog-shrouded coastal cliff 12 miles from Gaspe, Que. The Canadian Press reported that most of the passengers aboard the twin-engined craft were lumberjacks returning from the bush for a holiday after work in the woods of Anticosti Island. Also aboard were two married couples and a baby. All men were reported to be employes of Consolidated Paper Corporation Limited.

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Tuesday, July 27, 1948.

Orders Air Crash Probe: The Honourable Lionel Chevrier, Minister of Transport, announced, July 26, that a board of enquiry had commenced preliminary investigation into the air crash of the DC-3 at Cap des Rosiers Saturday, July 24.

The two-man board of enquiry is presently at Gaspé, Quebec, and comprises J. L. Blondeau of Montreal, district inspector, air regulations, Department of Transport, as chairman, and D. T. Jackson, senior aircraft inspector of the Department of Transport at Montreal.

The investigation commenced on the morning of July 26 at Gaspé. The aircraft, a DC-3, was registered as CF-FKY. The pilot, Emmerson Mills, and co-pilot, Ross Miles, and twenty-six passengers were killed in the crash.

Governor General's Aide-de-Camp: Captain Herbert S. Rayner, D.S.C. and Bar, R.C.N., of Bedford, N.S. whose appointment as Commanding Officer Canadian Services College, at Royal Roads, B.C. was announced, June 25, has been appointed aide-de-camp to the Governor General, Viscount Alexander, it was announced today by Hon. Brooke Claxton, Minister of National Defence. In this capacity Captain Rayner succeeds Commodore Wallace B. Creery, C.B.E., R.C.N., Vancouver, B.C. He will assume his duties, July 30.

Older Worker Problem: The problem of employment for workers over 45 years of age has grown more serious in the last twelve months, according to Arthur MacNamara, Deputy Minister of Labour.

In April of this year, 30.1 per cent of all job applicants registered with the National Employment Service were 45 or over, a total of 49,777 persons, as compared with 29.2 per cent or 48,351 persons a year ago. In four selected occupations -- clerical, metal-working, construction and service -- more than 50 per cent of the applicants were male workers 45 or over.

Farm Labour Immigration: Farm labour immigration from the Displaced Persons Camps of Germany has now been developed to the point where a Canadian farmer may obtain a year-round helper from overseas within a very short time of his application being filed with the National Employment Service.

Hon. Humphrey Mitchell has made this known in an appeal to Canadian farmers to assist the National Employment Service in bringing the farm labour supply and demand picture up to date, by registering immediately their needs for year-round farm help. He pointed out that immigration plans, as they applied to farm labour, were based on the actual number of known openings rather than the knowledge of a general shortage of full-time workers in agriculture.

The Minister stated that about 800 single male workers were now being chosen for farm jobs in Canada, and about 500 of them would be in Canada within the next two weeks, and he urged farmers to get in their applications immediately so that those most needing these men would get them.

To date a total of 2,185 single male workers for farm jobs in Canada have arrived from DP Camps: P.E.I., 15; N.S., 18; N.B., 6; Que., 241; Ont., 1,162; Man., 324; Sask., 62; Alta., 345 and B.C., 12.

(over)

Wheat Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on July 15 amounted to 41,569,200 bushels as compared with 46,016,900 on July 8 and 59,388,300 on the corresponding date last year, according to the Bureau of Statistics. Deliveries of wheat from the prairie provinces during the week totalled 1,537,300 bushels as against 2,507,900 in the preceding week.

Overseas export clearances of wheat during the week ended July 15 amounted to 3,300,200 bushels compared with 4,533,600 in the corresponding week last year.

Border Traffic: Highway traffic at the Canada-U.S. border in May advanced 15 per cent over the corresponding month last year, representing a slightly larger advance proportionately than that recorded in the first four months of the current year. American traffic entering Canada was 24 per cent greater than in May 1947, but Canadian traffic returning from the United States was six per cent smaller.

"NOOTKA" To Montreal, Quebec: The Canadian-built tribal class destroyer "Nootka" will make informal visits to Montreal and Quebec early in August it was announced at Naval Service Headquarters, July 27. The trim warship will leave her Halifax base on August 3rd for the up-river voyage and will call in at Montreal from August 6th to 8th and at Quebec from August 9th to 10th.

Across Canada: The National Progressive Conservative Convention will be held at Ottawa's Coliseum on September 30, October 1 and 2, it was decided last evening by the executive of the Progressive Conservative Party of Canada. The Convention will choose a successor to Hon. John Bracken, national Leader....Four persons were killed yesterday by lightning in violent storms in Manitoba and Saskatchewan, The Canadian Press reported from Winnipeg....Canada will be among the 40 countries which will be represented at the annual International Philatelic Exhibition at Basle, Switzerland, August 21-29, it was announced at Ottawa....All of Europe could be fed for four months on the whale meat wasted annually in the Arctic due to antiquated methods of killing the creatures, Dr. H. R. Lillie, whaling authority, of Dundee, Scotland, now touring Canada and the United States, is reported by The Canadian Press to have stated at Winnipeg.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

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Wednesday, July 28, 1948.

Newfoundland Referendum: The Prime Minister, Mr. Mackenzie King, said July 27 that it would seem from the results of the Newfoundland referendum thus far reported, that there would be a substantial majority in favour of confederation with Canada.

A statement on behalf of the Government of Canada could not, however, be made until official notification of the final result had been communicated to Ottawa. This might be a matter of a few days.

(Incomplete tabulations have given confederation an approximate 6,000 lead over responsible government. But, according to an analysis by The Globe and Mail today, 18 of 25 electoral districts voted in favour of confederation.)

Operational Training Unit: Formation of a Fighter Operational Training Unit for the RCAF at St. Hubert, Montreal, was announced July 27 by Hon. Brooke Claxton, Minister of National Defence. The OTU, which is to be formed September 1, is to have two main functions. Pilots already having earned their wings will be converted to Vampire jet fighters and will be trained in interceptor air defence operations. In addition, training will be given to operations room control staff. Pilots will be posted to operational fighter squadrons on completion of the course.

Pilots and ground staff at the OTU using modern planes and equipment, and with the aid of radar, will learn techniques similar to those that saved the Allies during the Battle of Britain. Co-operation of ground plotters and radar workers and fighter pilots, enabled Allied aircraft to be on the spot at altitude, when enemy bombers arrived. The Vampire with its high speed and rate of climb is admirably suited to this type of work.

Announcement of the new training unit follows previous statements that one of the operational roles of the RCAF in future will be to field fighter squadrons capable of being employed in the interception of possible enemy bomber aircraft. At the same time the RCAF proposes to keep abreast of modern bomber techniques, a bomber squadron being slated for activation as part of the peacetime organization of the Regular Air Force. In addition, two of the Auxiliary Squadrons now operating - at Saskatoon and Edmonton - are tactical bomber units.

St. Hubert, home of the new training unit, was used during the war mainly as a service flying training school, where single engine pilots were given advanced training. It is presently the home of the two Montreal Auxiliary Squadrons, 401 and 438, which will continue to operate from there.

Crop Report: Favourable weather conditions continued over the prairies this past week with temperatures about normal and fairly general rainfall. Crop prospects are still very good in Manitoba and some improvement has occurred in the other two provinces. Yields will be light in large areas in the western half of Saskatchewan and in the east-central part of Alberta. Recent rains have improved the outlook for feed in these areas. Elsewhere in Alberta and Saskatchewan crop conditions are fair to good.

(over)



Most districts in Manitoba now have sufficient moisture to carry crops to maturity although a few small areas report being in need of rain. Growing conditions during the past week have been favourable and crop prospects continue to be good.

Rains have fallen over most of the grain growing areas of Saskatchewan during the past week and the general appearance of crops has improved.

Crop prospects in Alberta were maintained during the week with scattered showers occurring over most of the province and good rains being received in parts of the east-central area.

Securities Transactions: The rise in the volume of international transactions in securities which commenced in March continued in April and May, the May figure amounting to \$44,800,000, an increase of 57 per cent over the lowest volume of the year reported in February. Both sales and purchases in May advanced over the preceding month, but the rate of advance of purchases was greater than that of sales, with the result that the purchase balance of \$1,400,000 in April increased to \$5,800,000 in May. Transactions with all countries in the first five months of 1948 resulted in a purchase balance of \$12,400,000, almost twice as large as the corresponding figure in the preceding year.

Employment And Payrolls: Employment and payrolls in leading establishments in the major industrial groups showed considerable expansion in activity at the beginning of June in all provinces except New Brunswick where no change on the whole was reported, according to preliminary figures released by the Bureau of Statistics. The advance index number of employment in Canada, based on 1926 as 100, stood at 191.7 as compared with 186.5 at May 1, and 184.5 at June 1, 1947. This year's June 1 figure was the highest in the record for the early summer.

Across Canada: Quebec voters go to the polls today in a provincial election in which the National Union Party Government of Premier Maurice Duplessis is seeking endorsement for a new term....Fifty Canadian teachers about to return home after a year as exchange teachers in the United Kingdom chatted yesterday with the Queen at a reception, reports a Canadian Press cable from London, England....Hon. J. A. MacKinnon, federal Minister of Mines, was reported by The Canadian Press from Edmonton as saying that if the present rate of post-war immigration continues Canada will have 100,000 new residents by the end of 1948. This means newcomers during 1948.

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Thursday, July 29, 1948.

6 Months Exports \$1,401,100,000: Canada's merchandise exports dropped in June to \$234,500,000 from the postwar monthly high of \$282,300,000 for May, the Bureau of Statistics reports. The June, 1947, total was \$272,700,000.

Exports during the first six months of this year were \$1,401,100,000 against \$1,328,500,000 in the corresponding 1947 period.

There were further gains in shipments to the United States and Latin American countries and a drop in exports to the United Kingdom, other British countries and Europe. A sharp reduction in wheat and wheat flour shipments abroad accounted for a large part of the overall decline.

Continuing the current high rate of exports to the United States, the June total rose to \$109,785,000 from \$81,975,000 in the corresponding month last year, bringing the six-month figure to \$646,049,000 against \$481,982,000.

Shipments to the United Kingdom declined for the second consecutive month, totalling \$55,169,000 compared with \$76,195,000 a year ago, but the six-month total was slightly higher at \$360,370,000 against \$352,639,000.

Quebec Election: Premier Maurice Duplessis and his Union Nationale party were returned to power in Quebec province in yesterday's provincial election. The Union Nationale party won 82 of the 92 seats in the Legislative Assembly. This morning's Canadian Press report said that while Liberal Leader Adelard Godbout's fate was still uncertain it was indicated that he had suffered personal defeat in his riding of L'Islet. The Canadian Press reported the party standing this morning as follows:--

	1944	1948
N.U.....	48	82
Lib.....	37	8
Bloc. Pop.....	4	--
C.C.F.....	1	0
Nat.....	1	1
Ind.....	0	1
Total.....	91	x92

(x--Additional seat in 1948.)

Ask Further Freight Rate Increase: The Railway Association of Canada, granted a 21 per cent freight rate increase last March, today applied for a further 20 per cent to meet higher wages and "other sharply increased costs," The Canadian Press announced July 28.

Coupled with the request for the 20 per cent boost in rates was an application for an interim increase of 15 per cent to meet immediate requirements arising from the 17-cents-an-hour wage increase granted the railway unions a fortnight ago.

(over)

The application was made by the association on behalf of all its members, which include the Canadian Pacific, Canadian National, Algoma Central, Northern Alberta, Ontario Northland and the Toronto, Hamilton and Buffalo Railways.

In the case of coke and coal the railways asked for a straight tonnage, instead of a percentage, increase. Their request was for an interim 10 cents a ton and a permanent boost of 15 cents. The application did not involve rates on grain and grain products moving between points in Western Canada.

The application followed by 14 days the settlement of the wage dispute with the unions and by eight days the appearance here of premiers and cabinet representatives from all but two of the nine provinces protesting against the March increase.

Manpower Picture: Employment conditions in Canada showed further improvement during June and July, Labour Minister Mitchell announced July 27 in his monthly statement on the manpower picture. Seasonal industries are making heavy demands upon the labour force, but the supply of workers is more adequate than one year ago and severe labour shortages have been avoided.

The closing of schools for vacation has released an estimated 125,000 students into the labour market. Some are looking for permanent work and others for temporary summer jobs. Many of these registered for employment with the offices of the National Employment Service but the total number of unplaced applicants continued to decline. This is a definite indication that they were rapidly absorbed into employment.

Unplaced applicants fell to 110,000 at July 15, 1948, from 119,000 at June 17. The jobs available were filled rapidly. There were 51,000 unfilled vacancies registered at July 15, the heaviest concentration being in Ontario. One month previously, 63,000 vacancies were on file.

Transport Board Member: The Prime Minister, Mr. Mackenzie King, announced July 28 the appointment of Mr. Howard B. Chase to be a member of the Board of Transport Commissioners for Canada. Mr. Chase is a resident of Montreal. He is Assistant Grand Chief Engineer of the Brotherhood of Locomotive Engineers.

Minister's Criticism: The Minister of Transport, Mr. Chevrier, in a letter to CSU Great Lakes Director Michael Jackson, has charged the union with taking the law into its own hands and trying to destroy the shipping industry. He was answering a charge in a letter addressed to him by Mr. Jackson that the Government had abdicated.

Wrote Mr. Chevrier:- "My feeling all along has been that the only thing you and your associates are interested in is the fomenting of trouble and discord in industry."

At the same time the Minister criticized the actions of the Canada Steamship Lines against which the seamen are striking, as "equally reprehensible."



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Friday, July 30, 1948.

National Health Grants: Exact amounts available to each province out of the \$30,000,000 national health grants voted by Parliament were announced July 30 by Hon. Paul Martin, Minister of National Health and Welfare.

Allotted mainly on the basis of the estimated 1947 provincial populations, the amounts are: Ontario, \$9,667,979; Quebec, \$8,985,035; British Columbia, \$2,529,153; Saskatchewan, \$2,001,742; Alberta, \$1,968,738; Manitoba, \$1,805,965; Nova Scotia, \$1,541,779; New Brunswick, \$1,226,052 and Prince Edward Island \$293,857.

Only one grant--\$100,000 for public health research--is not being allocated on a provincial or population basis. All grants, including the research grant, for 1948-49 total \$30,120,300.

(Yesterday Mr. Martin announced the appointment to the staff of the National Health Department of Dr. F. W. Jackson, formerly Deputy Minister of Health and Public Welfare for Manitoba, who will be the departmental officer responsible for getting the health program launched.)

Largest single type of grant is \$13,000,000 for hospital construction. Divided on a population basis, it makes available a ceiling amount of \$4,336,439 to Ontario; \$3,842,650 to Quebec; \$1,080,745 to British Columbia; \$871,636 to Saskatchewan; \$850,932 to Alberta; \$769,151 to Manitoba; \$642,857 to Nova Scotia; \$508,282 to New New Brunswick and \$97,308 to Prince Edward Island.

These sums are available on condition that the province concerned at least matches the federal Government's contribution.

Record Construction Contracts: The value of construction contracts awarded in Canada for the first half of 1948 hit an all-time high of \$483,000,000 compared with \$379,000,000 in the corresponding period of 1947, figures compiled by the Canadian Construction Association and published this morning show. Home building was well in the lead in the published statistics, which were as follows for the six months under review:--

Residential contracts, \$176.4 million as against \$80.3 million a year ago, an increase of \$96.1 million; business and commercial, \$139.3 million against \$124.8 million, an increase of \$14.5 million; industrial, \$36.9 compared with \$45.1, a drop of \$8.2 million; and engineering, \$130.3 million compared with \$75.9 million, up \$54.4 million.

While the increase in business and commercial building was not considered particularly significant because of increased costs, importance was attached to the tremendous jump in the contracts for homes and engineering projects.

The increase in residential contracts was attributed partly to government-sponsored plans and to speculative construction by private builders. Hydro projects both in Quebec and Ontario were primarily responsible for the boost in the engineering field.

(over)

Sixty-two per cent of the dollar gain was due to higher costs. A graph, prepared by the Toronto Builders' Exchange from figures supplied by MacLean Building Reports, Ltd., indicated that construction costs have risen some 33 per cent during the last 2½ years.

The figures were compiled from reports obtained in four cities-- Toronto, Montreal, Winnipeg and Vancouver.

Infant Mortality Decrease: Infant and maternal death rates in Canada decreased in 1947 for the fourth year in succession according to preliminary figures compiled by the Bureau of Statistics.

In 1947 as compared with 1946, the death rate for children under one year fell from 47 to 45 per 1,000 live births, and the rate for children under one month from 27 to 26. The maternal death rate dropped fractionally to 1.8 to 1.5 per 1,000 live births.

If the final figures confirm the trend shown by the preliminary compilation, the past four years will record a drop of a full 10 points in the infant death rate, from 55 per 1,000 live births in 1944 to 45 in 1947.

The actual number of deaths of infants under one year was 1,592 greater in 1947 than in 1946, but, balanced against an increase from 330,732 to 358,709 in the number of live births, the mortality rate was nonetheless lower than in 1946.

Commenting on these statistics, Dr. Ernest Couture, director of the child and maternal health division, Department of National Health and Welfare, described them as "significant and encouraging" but emphasized that the infant mortality figures can be lowered much further. The maternal mortality rate has reached the stage in Canada where the risks of childbirth are negligible.

James Bay Game Preserve: James Bay, the southern extension of Hudson Bay, roughly 250 miles long and 100 miles wide, has been established as a native hunting and trapping reserve under the game regulations of the Northwest Territories; it was announced by Hon. James A. MacKinnon, Minister of Mines and Resources. This area has been set aside with the object of preventing the depletion of the wild life resources and of allowing the Indians, Eskimos and half-breeds living on the islands and the mainland to continue to depend on these resources for food.

The James Bay Game Preserve includes all of the bay south of a straight line drawn from Cape Henrietta Maria in the Province of Ontario to Cape Jones in the Province of Quebec and all of the islands in the bay except Twin Islands, on which hunting is strictly prohibited at all times. In this preserve only Indians, Eskimos and half-breeds living as natives may hunt or trap. The preserve does not include any part of the mainland of Ontario or Quebec. Hunting and trapping by white persons may be carried on on the mainland under the provisions of the provincial game laws and the Migratory Birds Convention Act and Regulations.

The completion of the railway to Moosonee on James Bay made this area readily accessible to hunters and the more recent use of aircraft to carry hunting parties to the region has increased the difficulty of enforcing the game laws. Arrangements are being made to utilize aircraft to patrol the new preserve and an additional number of game officers are being assigned to the area in the interests of wildlife protection.

Across Canada: The Federal Government has asked the Supreme Court of Canada for a ruling on the legality of the Dairy Industry Act which contains the ban on oleomargarine. The move had been suggested in a resolution passed by the Senate last session....The Canadian Press reported from St. John's, Newfoundland, that the Responsible Government League had asked Prime Minister King to receive a delegation from the League and hear its views. League spokesman denied that there had been any split in the League.



## AIRMAIL BULLETIN

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Tuesday, August 3, 1948.

Special Excise Taxes Removed: The Hon. Douglas Abbott announced July 31 that the special excise taxes in effect since November last as part of the exchange conservation program will cease to apply after midnight, Saturday, July 31. This means that electric refrigerators, vacuum cleaners, electrical appliances, outboard motors, motorcycles, firearms and certain toilet articles, principally brushes, combs and mirrors, will be entirely free from the 25% tax. The excise tax on automobiles, radios, phonographs, cameras, projectors and photographic films and supplies will be reduced from present rates to the former 10% level.

"These taxes, like other parts of the exchange conservation program, were an emergency measure and I have made it clear on a number of occasions that the Government intended to remove them as soon as possible." said Mr. Abbott. "They were imposed originally, not for revenue purposes, but as part of the program to curtail the use of United States dollars. The continuing improvement in our exchange position, the increasing effectiveness of direct measures of control over imports and the positive efforts to increase exports, seem sufficiently encouraging to justify the removal of these taxes now."

Mr. Abbott explained that special authority was obtained from Parliament during the recent session to remove these taxes by proclamation when circumstances permitted. He explained also that their repeal automatically reinstates the previous 10% revenue tax on certain items such as automobiles, radios, phonographs, cameras and projectors, and photographic films and supplies. In effect, the proclamation re-establishes the tax situation as it existed just prior to November 18th, 1947, with the exception of 16 mm. projectors which were exempt from tax by the last budget.

There is always a difficult problem with regard to stocks on hand when taxes are repealed, Mr. Abbott states, and went on to say that he had already received requests that when these taxes were removed there should be refunds of taxes already paid by dealers on goods held for sale. In this regard Mr. Abbott stated - "The difficulties in the way of making refunds to the trade are very great, and I have concluded, after giving the matter fullest consideration, that the Government should not depart from the long standing rule that no refunds of tax are made in such circumstances."

Statement On Newfoundland: The Prime Minister, Mr. King, on July 30, issued a statement on the vote of the people of Newfoundland. His statement, in part, reads as follows:--

"The result of this vote to date, as communicated officially to the Government of Canada by the Governor of Newfoundland, is as follows:

"Out of a total registered vote of about 176,000, the vote for Confederation is 77,869 and for responsible government 71,464. The total majority to date is thus over 6,400. It is estimated that about 500 votes are still to be counted but this will not materially alter the result. It would also appear that close to 85 per cent of the eligible voters exercised their right to vote.

(vote)

"It will be noted from the above that a definite majority of the very high percentage of the electorate of Newfoundland which voted, has expressed its wishes in favour of Confederation. It would seem, therefore, that the result of the plebiscite in favour of union between the two countries is 'clear and beyond possibility of misunderstanding'. This result was attained without any trace of influence or pressure from Canada.

"The Government welcomes, and I believe the people of Canada also welcome, the result of the plebiscite. We have ascertained that for its part the United Kingdom Government, which at present is responsible for the administration of Newfoundland under the United Kingdom-Newfoundland Act, 1933, in view of the result of the referendum, is in agreement with the entry of Newfoundland into Confederation. The union when effected, will seal in constitutional terms a close and fraternal association that has existed, in war and in peace, between the two countries over many years.

"The Canadian Government is now consulting with the Governments of Newfoundland and the United Kingdom in the working out of appropriate constitutional procedure for implementing the decision taken by the people of Newfoundland. The Government will also be glad to receive with the least possible delay authorized representatives of Newfoundland to negotiate the terms of union on the basis of my letter of October 29, 1947, to the Governor of Newfoundland, and the document transmitted with it. In these negotiations any special problems which may arise in connection with the entry of Newfoundland into Confederation will, I am sure, receive most careful consideration. Before final action is taken, the Government will recommend the resulting agreement to the Parliament of Canada for approval. In this connection, I would recall my statement made in the House of Commons on June 23rd, 1947, that, 'on the part of Canada, no final decision would of course be taken without the approval of Parliament'.

"The union of Newfoundland and Canada, two North American democracies in the British Commonwealth of Nations, will add strength to both. Together, as partners, we may look forward to the future with more confidence that if we had remained separate political communities.

"As Prime Minister of Canada, it is a pleasure for me on behalf of Canada to welcome, warmly and sincerely, the decision of the people of Newfoundland. As a member of the Government of Canada, it has been a privilege to have had to do with seeking to bring to completion a constructive partnership foreseen by those men of courage and vision in both countries who, many years ago, began the work of Confederation."

(From St. John's, Newfoundland, the Canadian Press reported that Commissioner Albert J. Walsh had been named as Chairman of the Newfoundland delegation which will come to Ottawa.)

Liaison Visit To The U.S.: Lieutenant-General Guy Granville Simonds, CB, CBE, DSO, formerly General Officer Commanding 2 Canadian Corps during World War II, and at present seconded to the British Army as senior army instructor at the Imperial Defence College in the United Kingdom, sailed from Southampton July 30 for New York and will spend the next six weeks on a liaison visit in Canada and the United States.

Across Canada: Delegates to the National Liberal Convention, which officially opens Thursday, began arriving in Ottawa at the week-end. Hon. C. G. Power, former Minister of National Defence for Air, has announced himself as a leadership candidate....Bernard Baruch, U.S. statesman, passed through Montreal at the weekend. He declined comment on world affairs but praised Canada....Mayor Lewis of Ottawa left hospital Monday and was reported to be in improved condition.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Wednesday, August 4, 1948.

Departmental Postings: The Department of External Affairs announced August 4 the following transfers and appointments:

Mr. Graham McInnes, formerly of the National Film Board, joined the Department on August 2. He will be in the Information Division.

Mr. Jean Fournier, who has been attending the National Defence College, Kingston, as a student, is returning to Ottawa where he will be seconded to the Privy Council.

Mr. John Teakles of the Under-Secretary's office will replace Mr. Fournier at the National Defence College.

Mr. Paul Emile Morin has been posted from the Canadian Consulate in Lisbon, Portugal, to the European Division of the Department in Ottawa. He is expected to arrive on August 14.

Mr. Arthur Edward Blanchette of the Information Division has been posted to the Canadian Embassy at Mexico and will leave Ottawa in September.

Hon. James Forrestal To Visit: Hon. Brooke Claxton, Minister of National Defence, announced August 4 that the Hon. James Forrestal, Secretary of Defence of the United States, would visit Canada at his invitation, arriving on Sunday, August 15th. Mr. Forrestal will be returning the visit made by Mr. Claxton to Washington in January of this year.

The Minister said that the visit, which was an informal one, would provide an opportunity for the Secretary of Defence to meet and discuss mutual problems with Canadian cabinet ministers and senior defence officers.

Following the Secretary's visit in Ottawa, Mr. Forrestal and Mr. Claxton will proceed together on the morning of Tuesday, August 17th, to Ogdensburg, New York, where they will take part in the Ogdensburg Bi-Centennial and the ceremony commemorating the meeting there of President Roosevelt and Right Hon. W. L. Mackenzie King, Prime Minister of Canada, on August 17, 1940. It will be recalled that it was at this meeting between the President of the United States and the Prime Minister of Canada that the Canada-United States Permanent Joint Board on Defence was established.

Admit Czechoslovakians: The Hon. James A. MacKinnon, Minister of Mines and Resources, announced August 3 that authority has been issued for the admission to Canada of Czechoslovakians who have fled from that country and are now located in camps in occupied territory.

Arrangements are being made immediately for an immigration selection team, which includes medical officers and officers of the Department of Labour, to visit the camps and select up to 1,000 of these refugees for placement in employment, on arrival in Canada, by the Department of Labour.

Commendation For CRRU: The Secretary of State for External Affairs has announced that a message has been received from Dr. Julian Huxley, Director-General of the United Nations Educational, Scientific and Cultural Organization, expressing pleasure at the work which is being accomplished by the Canadian Council for Reconstruction through UNESCO as a result of its recent national campaign for funds. The CRRU conducted the drive jointly with the United Nations Appeal for Children under the title of "The Canadian Appeal for Children".

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Among the Council's plans to assist in the reconstruction of war-devastated countries are the shipment of 650 tons of school supplies and the establishment of a number of fellowships to enable foreign students to study in Canada.

While in Europe on private business, Major Vincent Price of Toronto, Chairman of the Canadian Council for Reconstruction through UNESCO, visited Paris and gave the UNESCO Secretariat a report on the Canadian contribution. In his telegram, Dr. Huxley asked Mr. St. Laurent to transmit to the people of Canada "UNESCO's deep appreciation and whole hearted gratitude" for the "great Canadian contribution".

Property In Italy: The Department of External Affairs has reminded Canadian citizens who may have lost property, situated in Italy, as a result of the war that in order not to risk forfeiture of their rights under the Treaty of Peace with Italy, a demand for restoration of such property must be made before September 15, 1948, to the Government of Italy.

The Department of External Affairs has been advised that such demand may be made directly to Ufficio Beni Alleati e Nemici, Ministero del Tesoro, Rome, Italy,

Agricultural Graduates: The trend towards a wider use by industry of agricultural university graduates will receive added impetus in 1949 when about 1,000 students will graduate from agricultural colleges in Canada, Hon. Humphrey Mitchell, Minister of Labour, announced August 3.

Mr. Mitchell pointed out that the 1949 class will be unusually large as a study of the long-term trend over a period of years suggests a normal yearly graduation of about 300.

It is expected that a proportion of students will take up farming. The success of many previous graduates prove farming, as a career, an attractive possibility. However, diversion to fields other than agriculture is particularly evident from the past records of agricultural graduating classes. Their usefulness has become established in such fields as meat-packing, milk distribution, preparation of flour and feeds, canning refrigeration and sugar production. The federal and provincial Governments and government agencies probably will absorb more than 100.

Discontinue Subsidy: The Wartime Prices and Trade Board announced July 31 that the subsidy on fats and oils going into soap and shortening is being discontinued effective August 1st, and that these products are being released from price control.

Across Canada: Overall attendance at the National Liberal Convention opening Thursday is expected to exceed 4,000, according to The Canadian Press forecast of this morning. On Thursday there will be the opening address by Prime Minister King; on Friday study of resolutions; and on Saturday balloting for the new Leader....Defence Minister Claxton announced at a press conference that a three-service recruiting drive, taking in both active and reserve forces, will be launched September 1 with no definite manpower target.



# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

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Thursday, August 5, 1948.

Statistical Effects Of Union: The Canadian Press has itemized as follows some of the results of union with Newfoundland upon Canadian statistics: Union of Newfoundland with Canada will make Canada larger than Europe, raise its population to nearly 13,000,000 and give it a new 14th city.

It will do these things to Canada:

Population--Raise it from roughly 12,600,000 by 320,000 to 12,920,000.

Area--Increase it from 3,690,000 square miles by 152,000 to 3,842,000, compared with Europe's 3,776,000.

Expanse--Extend its width about 275 miles to roughly 3,350 from Cape Race to Queen Charlotte Islands.

Border--Add nothing to the 3,987-mile border with U.S.

Provinces--Give it a new NINTH province in population, a new SEVENTH province in size.

Cities--Give it a new 14th city, St. John's with 60,000 people, between Verdun, Que., and Regina.

Railway Revenues: Reflecting the increase in freight rates, earnings of Canadian railways rose to a new high monthly figure of \$71,000,800 in May as compared with \$66,864,000 in the corresponding month last year. Freight revenues increased from \$52,831,000 in 1947 to \$56,967,000 or by 7.8 per cent, despite a reduction in tons carried of 5.9 per cent and in revenue ton miles of 14.7 per cent. The average freight receipts per ton mile increased from 1.018 cents to 1.288 cents or by 26.5 per cent. Passenger revenues fell from \$6,802,000 to \$6,369,000.

Operating expenses increased from \$58,576,000 in May last year to \$63,031,000. This also was a new high record when back pay charged to August 1944 expenses is eliminated. Net operating revenues were reduced from \$8,288,000 in May 1947 to \$7,970,000, and the operating income from \$4,752,000 to \$4,337,000.

For the five months ended May, operating revenues increased from \$306,476,000 in 1947 to \$330,113,000, operating expenses from \$277,587,000 to \$303,026,000, and the operating income was reduced from \$12,515,000 to \$10,443,000.

Liberal Convention Opens: The National Liberal Convention opened at the Coliseum in Ottawa today with more than 4,000 attending. This morning's schedule called for an opening speech by the Prime Minister, Mr. King, election of convention officers, address of welcome by the Mayor of Ottawa, appointment of committees, and a garden party this evening at the Central Experimental Farm.

Saskatchewan Cabinet: A new member of Saskatchewan's C.C.F. Cabinet was sworn in Wednesday, the Canadian Press reports from Regina.

He is 57-year-old James A. Darling. The member for Watrous will administer a newly-formed Department of Public Works and Telephones.

The defeats in the June 24 election of J. L. Phelps, Resources Minister, and O. W. Valleau, Social Welfare Minister, necessitated the shuffle.

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**Other changes were:**

**Appointment of J. H. Brockelbank as Resources Minister. His former Department of Municipal Affairs will be administered by Co-Operatives Minister L. F. McIntosh.**

**Appointment of J. H. Sturdy from the Reconstruction and Rehabilitation Department portfolio to Minister of Social Welfare.**

**Transfer of the Provincial Secretary position from Social Welfare to Labour Minister C. C. Williams.**

**Transfer of Public Works to Mr. Darling from Highways Minister J. T. Douglas.**

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Friday, August 6, 1948.

Newfoundland Delegation: The Canadian Press announced today in a despatch from St. John's, Newfoundland, the names of the six remaining members of the seven-man delegation that will come to Ottawa to conduct further discussions on union. Their departure date was not announced.

The members are:--Joseph Smallwood and F. Gordon Bradley, leaders of the Confederate Association; J. B. McEvoy, one-time Chairman of the National Convention; Chesley A. Crosbie, leader of the party that stood for economic union with the United States; Phillip Gruchy, manager of the Anglo-Newfoundland Development Company, and Gordon A. Winter, former President of the Newfoundland Board of Trade.

Albert J. Walsh, Vice-Chairman of the Commission Government, already had been appointed Chairman of the delegation.

National Liberal Convention: The National Liberal Convention, which opened at the Coliseum in Ottawa yesterday, continued its deliberations today. The principal event of the day was the retirement speech of the Prime Minister, Mr. King. Consideration of Committee reports was to occupy the delegates for the greater part of the balance of the day. The Convention is to choose Mr. King's successor on Saturday.

Eastern Arctic Patrol: The M.V. "Terra Nova", chartered by the Hudson's Bay Company, will sail August 8 from Montreal carrying supplies for Dundas Harbour on Devon Island and the settlements along the eastern and northern coasts of Baffin Island, it was announced August 5 by the Honourable James A. MacKinnon, Minister of Mines and Resources. The vessel will undertake a portion of the duties of the Eastern Arctic Patrol, which in former years was carried out by the R.M.S. "Nascopie."

For many years, Canada has sent an annual expedition to the Canadian Eastern Arctic, which is reached by way of Hudson Strait and Baffin Bay, to replace personnel at R.C.M.P. posts, weather and radio stations, and medical and health centres, and to carry supplies and government inspection and health services to distant outposts of Canada in the Far North.

Motor Vehicles Shipments: Factory shipments of Canadian-made motor vehicles in June totalled 23,362 units as compared with 21,368 in the preceding month and 21,137 in the corresponding month last year, according to the Bureau of Statistics. During the first six months of this year, 129,182 units were shipped as compared with 126,215 in the similar period of 1947.

Factory shipments in June comprised 13,990 passenger cars and 9,372 commercial vehicles, 11,988 of the former and 7,470 of the latter being shipped for sale in Canada, with the remainder for export. In the half-year period, 74,179 passenger units and 55,003 commercial vehicles were shipped from the factories. Passenger units shipped for sale in Canada numbered 63,400, and commercial vehicles, 40,601.



# AIRMAIL BULLETIN

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Monday, August 9, 1948.

Mr. St. Laurent Chosen Liberal Leader: Right Hon. Louis Stephen St. Laurent, former Minister of Justice and now Secretary of State for External Affairs in the Cabinet of Right Hon. W.L. Mackenzie King, was chosen to succeed Mr. King as Leader of the Liberal party at the National Liberal Convention in the Coliseum, Ottawa, Saturday evening.

The Canadian Press reported in part as follows the concluding events of the Convention:

"In a triumph unparalleled in the long party history, the suave, 66-year-old External Affairs Minister captured the coveted leadership Saturday with a majority of 469 votes in the third day of the National Liberal convention.

"He decisively defeated two opponents -- Agriculture Minister Gardiner, 64, and Hon. C. G. Power, 60 -- and won the heart-felt acclaim of 6,000 delegates and party supporters who shook the convention hall with a great roar of applause.

"And so decisive was his victory that only one ballot was needed. The vote was: Mr. St. Laurent 848; Mr. Gardiner 323; Mr. Power 56.

"There were 1,299 delegates empowered to vote and the final result indicated 64 of them did not use their ballots.

"Six younger men were nominated along with the three main candidates but all withdrew before the balloting started. They were Finance Minister Abbott, 49; Health Minister Martin, 45; Transport Minister Chevrier, also 45; Defence Minister Claxton, 49; Trade Minister Howe, 62, and Premier Garson, 49, of Manitoba.

"The leadership balloting took the spotlight from the other main function of the convention -- the construction of a new platform on which the party's appeal for a return to power in the next general election will be made.

"The platform included 21 points and three of them strayed from the Government line. They called for a Royal Commission on freight rates, Government - subsidized low-cost housing and Government aid in obtaining 'union security' and Government enforcement of labour laws.

"Mr. St. Laurent's triumph ended the exactly 29-year rule of Prime Minister Mackenzie King, the 73-year-old retiring party leader, who won the leadership on the same day three decades ago--August 7, 1919--though by a smaller majority. The vote then had been 476 for Mr. King and 438 for W. S. Fielding, one-time Finance Minister in Liberal cabinets...."

Anti-Aircraft School: A permanent Army school for the study and instruction of anti-aircraft and coast artillery techniques has been established at Esquimalt, on Vancouver Island, it was announced in Ottawa.

To work with the school, the 129th Light Anti-Aircraft Battery, now at Picton, Ont., will be converted to heavy anti-aircraft and moved to the new Esquimalt school. Most coast artillery personnel presently on the west coast will remain as part of the new school and will be joined by gunners from the east coast and the anti-aircraft school at Picton. The moves are expected to take place in September and October, after completion of this summer's C.O.T.C. training program.

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The new school is to be well equipped and is expected to make a real contribution to the gunners' science. It is planned that a proportion of C.O.T.C. cadets and Active Force recruits will be trained here in future.

The Esquimalt school, known officially as the Royal Canadian School of Artillery (Coast and Anti-Aircraft), will become Canada's third Active Force school of Artillery. The other two are the School of Artillery (Field, Medium and Anti-Tank), at Shilo, Man. and the school of Artillery (Anti-Aircraft), located at Picton, Ont.

P.P.C.L.I. Airborne Unit: "The Princess Patricia's Canadian Light Infantry, Calgary, has been selected to be the first battalion to be trained as an airborne unit since the war," Major-General C. C. Mann, CBE, DSO, stated here today in an address to officers and men of the famous infantry unit at Currie Barracks.

General Mann, vice chief of the General Staff, arrived here yesterday from Toronto aboard a RCAF transport plane to make the important announcement. The General, 43, qualified as a paratrooper himself last January. He will leave Calgary for Ottawa immediately.

Hudson Bay Navigation Opens: The navigation season opened officially at the port of Churchill August 8 with arrival of the steamers Great City and North Anglia from the United Kingdom, the Canadian Press reported from Churchill.

The Great City will start loading grain August 9, while the North Anglia will discharge 800 tons of freight before taking on grain.

Grain deliveries from prairie points to Churchill are reported slow at the moment, but expected to speed up when the new crop comes on the market. Churchill's terminal elevator now is holding 1,500,000 bushels of grain.

Northern Inspection Tour: Honourable Lionel Chevrier, Minister of Transport, is leaving Ottawa Monday morning, August 9, for an inspection tour of airports and other departmental facilities in Northern Alberta and the Yukon. He will be accompanied by departmental officials. The Minister's itinerary will include a visit to the new airport constructed at Yellowknife and from there to Whitehorse, Y.T. Inspection will be made of the different airports on the Northwest Airway System on the trip from Whitehorse to Edmonton.

Unemployment Insurance Act: Hon. Humphrey Mitchell, Minister of Labour, announced August 6 that the Act passed at the last session of Parliament, to amend the Unemployment Insurance Act, 1940, has been authorized by Order-in-Council to become effective on October 4, 1948.



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Tuesday, August 10, 1948.

Former Italian Colonies: Through the Canadian High Commissioner in London, Canada has submitted to the Deputies of the Council of Foreign Ministers a supplementary statement indicating the manner in which the Canadian Government believes that the principles enunciated in its statement of June 7, 1948, discussing the disposal of Eritrea, Italian Somaliland and Libya, should be carried out. Partial text of an announcement issued August 9 by the Department of External Affairs dealing with this further submission reads as follows:--

"The Canadian Government has concluded that one of the first needs of the three territories is the continuation of outside assistance. In conformity with its statement of June 7 it therefore supports the application of the international trusteeship system to the former Italian colonies, except where the majority of the inhabitants desire incorporation in a neighbouring state or territory. On the basis of the information now before it, the Canadian Government has arrived at the following provisional views regarding the disposition to be made of the former Italian colonies.

"The Canadian Government is disposed to support the designation of Italy as administering authority for the trust territory of Italian Somaliland. It assumes that the terms of the trusteeship agreement for this territory will not preclude the establishment in due course of the closest possible economic, social and cultural relations among territories of East Africa which are inhabited principally by peoples of Somali race.

"The Canadian Government is inclined to support the union with Ethiopia of that portion of the highlands of Eritrea in which the majority of the people wish to be included in the Ethiopian Empire. The remainder of the territory would be placed under trusteeship. So far as the control of this area is concerned, Canada is not at present prepared to go beyond expressing support for the designation of the United Kingdom as administering authority. In the trusteeship arrangements for this area the Canadian Government would welcome the inclusion of clauses providing Ethiopia with free ports at Massawa and Assab and exempting Ethiopia from the payment of transit dues on goods moving to and from the free ports across Eritrean territory.

"The Canadian Government is not at present prepared to express a firm opinion on whether the former Italian colony of Libya should be established as a single trust territory or whether it should be divided into two separate trust territories of Tripolitania and Cyrenaica. If separatist sentiment in Cyrenaica is considered to be too strong to admit of the inclusion of that territory in a single trust territory of Libya, the Canadian Government would favour the creation of two separate trust territories. In this case Canada would support the choice of the United Kingdom as administering authority for Cyrenaica. Because of the close ties already existing between Cyrenaica and Tripolitania and because of the desirability of establishing even closer relations between the two territories, the Canadian Government would favour the appointment of the United Kingdom as administering authority in Tripolitania as well as in Cyrenaica.

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"For the same reasons, if a single trusteeship agreement for the whole of Libya is planned, the Canadian Government is disposed to support the choice of the United Kingdom as the Administering authority for the territory. A trusteeship agreement for Libya might contain provisions for the development of autonomous provincial administrations in Tripolitania and Cyrenaica and for the group settlement of Italians in Tripolitania.

"Each administering authority chosen by the Four Powers should submit as soon as possible to the General Assembly of the United Nations a draft trusteeship agreement for the approval of that body. Until the Assembly's approval has been given, the Canadian Government assumes that no major change will occur in the administration of any of the territories.

"In drafting the terms of the trusteeship agreements, administering authorities should bear in mind the need of various regions for agricultural development by non-indigenous agricultural settlers familiar with modern methods of intensive farming. There exists in Italy a considerable body of displaced agricultural and industrial workers already familiar with living conditions in North Africa and East Africa. The Canadian Government accordingly considers that in areas where foreign agricultural and industrial settlers are needed and where Italian settlers are welcome by the native inhabitants, facilities should be provided at an early date for the settlement in the areas concerned of former residents of Africa now living in Italy.

**Border Traffic:** Volume of highway traffic at the Canada--U.S. border in June was two per cent greater than the corresponding flow of traffic recorded in June 1947, according to the Bureau of Statistics. American traffic entering Canada in June was six per cent higher in 1948 than in 1947, and Canadian traffic returning from the United States was eight per cent lower. The aggregate number of border crossings was 881,900, consisting of 689,300 foreign entries and 192,600 Canadian vehicles returning. Of the foreign inflow, 192,000 vehicles entered on travellers' vehicle permits, 479,700 were non-permit or local entries, and 17,600 were commercial vehicles. The Canadian traffic comprised 16,500 units remaining abroad for more than 24 hours, 160,100 staying for shorter periods, and 16,000 commercial vehicles.

**Across Canada:** The Minister of Transport, Mr. Chevrier, announced at Ottawa today that, as of August 1, the Hudson Bay Railway had been placed under the provisions of the Railway Act instead of the Government Railways Act, thus bringing it under the jurisdiction of the Board of Transport Commissioners in matters of operational requirements and general rulings of the Board....The Minister of Trade and Commerce, Mr. Howe, was quoted by The Globe and Mail in an interview at Port Arthur, as indicating that negotiations are now under way between the Government and Steep Rock Iron Mines, Limited, for financing the opening of the A ore body at an approximate cost of \$7,000,000. This, he was quoted as saying, would step up Steep Rock output from one million tons per year to more than three million tons....The Bureau of Statistics announced that the official cost-of-living index rose 2.6 points during June to strike a new peak of 156.9.



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Wednesday, August 11, 1948.

Union With Newfoundland: The Canadian Government, replying to a Newfoundland query, has said that union would not be "practicable" until at least March 31, 1949, according to a dispatch by the Canadian Press from St. John's, Newfoundland, confirmed at Ottawa today.

Crop Prospects Improve: Crop prospects in the Prairie Provinces have shown quite general improvement during the last two weeks. Near-normal temperatures, along with fairly well distributed rains, have promoted growth and improved the outlook for late-seeded crops particularly. Yields will be extremely variable however, in many areas of Saskatchewan and Alberta due to previous drought conditions and uneven germination. Harvesting of fall-sown grains is generally well advanced and is completed in many southern districts. Cutting and combining of spring grains will be general in Manitoba in a few days. Spring crops are particularly late in Alberta and harvesting will not be general for at least one to three weeks.

Cost Of Living Rise: With a further sharp rise in the food index, supplemented by moderate increases in clothing, homefurnishings and services, fuel and light, and the miscellaneous items indexes, the Bureau of Statistics cost-of-living index, on the base 1935-39=100, rose from 154.3 for June 1 to 156.9 for July 2. A year ago the index stood at 135.9 and at January 2 this year at 148.3. From August, 1939, to July 2 this year, the increase in the cost-of-living index was 55.7 per cent.

The food series moved up from 193.9 on June 1 to 201.3, due mainly to increases in meats, potatoes and eggs. At July 2 last year the food index stood at 159.8, the 12-month rise amounting to 41.5 points. Clothing index advanced from 174.8 to 175.4, homefurnishings and services from 162.0 to 162.8, fuel and light from 124.3 to 124.5, and miscellaneous items from 122.7 to 123.1. The rental index was unchanged at 120.9.

Aklavik Administrative Officer: The Hon. James A. MacKinnon, Minister of Mines and Resources, has announced that the Civil Service Commission has authorized the appointment of Robert Bouchard, of Montreal, as Administrative Officer with headquarters at Aklavik, Northwest Territories. Mr. Bouchard will be responsible for Departmental activities in and around Aklavik and will act as liaison officer with other Governmental agencies in the district.

Manufacturing Inventories: Total value of manufacturing inventories increased steadily during 1947 but levelled off during the early months of 1948, according to index numbers released by the Bureau of Statistics. The overall rise from December, 1946, to the end of January, 1948, was 40.1 per cent and to the end of April, 1948, was 42.1 per cent. This rise in the value of inventories reflects some element of price change. Though changes in the index of wholesale prices are not directly correlated with variations in the index of inventory values, it may be noted that the rise in the former during 1947 was 31.5 per cent, with a further rise of five per cent by the end of April, 1948.

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Fruit Crop Report: Canada's fruit crops generally are about the same size as those of 1947, according to first estimates of production released by the Bureau of Statistics. The apple crop, currently estimated at 14,945,000 bushels, shows very little change from last year when the production was set at 14,931,000 bushels. Reduced pear crops in all producing provinces have resulted in a decline in the Canadian total of 22 per cent since last season, with production estimated at 753,000 bushels compared with 965,000.

Double Wings Authorized: It has been decided that all RCAF aircrew are to wear double wings in the future. The new wings will be similar to the familiar Air Force pilots' wings. RCAF Headquarters, Ottawa, has announced that radio-officers and radio-navigators, who together with pilots, make up the present peacetime aircrew list, are to wear double wings, resembling those worn by pilots, but with distinctive centres indicating the aircrew branch.

Across Canada: Headed by a proposal for socialization of Canada's key industries, the 10th National Convention of the CCF, opening at Winnipeg August 19, will deal with an agenda of 105 resolutions, The Canadian Press reports from Winnipeg....Ontario Hydro Chairman Robert H. Saunders told a special meeting of mayors and reeves of the Toronto area that low rainfall in the east had made a 10 per cent reduction in power consumption imperative this autumn and winter, a Canadian Press dispatch from Toronto reports....An annual tax of \$10 on automobiles and up to \$20 on trucks in the Toronto metropolitan area to pay for street construction and maintenance has been recommended by the Toronto and Suburban Planning Board....The Dairy Council of Canada, in a submission to the federal Cabinet, has asked the Government to import a sufficient quantity of butter to meet minimum domestic requirements or, alternatively, to reimpose the butter ration; if the Government found it could not implement either of these recommendations the industry then suggested it authorize the sale of "the necessary quantity of a suitable substitute product" until such time as butter supply is adequate, The Canadian Press reported today....Shortage of teachers in Canada has reached around 7,200 and immigration would step up this figure to 15,000, the Canadian Teachers Federation convention was told Tuesday by Secretary Treasurer George Croskery of Ottawa, according to The Journal's report.



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Thursday, August 12, 1948.

International Food Committee: The Cereals Committee of the International Emergency Food Committee is holding its Fifth (1948) meeting in Ottawa August 11-12. This international Committee, consisting of members of twenty-eight nations, is responsible for making recommendations to the respective governments regarding the international distribution of all grains and their food products. Membership on the Committee, which is within the framework of the U.N. and its Food and Agricultural Organization, accounts for over 90 per cent of the international grain import trade.

The principal items on the agenda of the present meeting in Ottawa are the recommended distribution of breadgrains and coarse grains for the July-December 1948 period and a consideration of the 1948-49 cereal year's position. In connection with the years outlook it is significant to note that reports from member governments received by the Committee Secretariat, which is located at Washington, D.C. indicate another year of active export demand for North American and Australian supplies.

While production, especially of breadgrains, in 1948 considerably exceeds the smaller harvests in importing countries a year ago, import demand continues at a high level. This situation results from the desire of importing countries to improve bread rations, reduce extraction rates, rebuild working stocks from the very low levels reached during the past two critical food years and to slacken the rigid grain collection programs in effect in some countries since the beginning of the war. Many countries are still giving wheat and rye the number 1 import priority, even though domestic crops are much better this year.

Imports of coarse grains for feed for livestock rehabilitation are also featuring the 1948-49 outlook, according to Committee information. Import requests from Europe are only slightly below the prewar annual import of 9-10 million tons. Many countries are planning substantial increases in hog and poultry production during the year. Because of the critical world food situation since the end of the war, coarse grains have had to be used to a maximum extent possible as a substitute for bread grains in order to meet bread rations of importing countries.

Northern Radar Network: The Canadian Press today reported a news story appearing in a Washington newspaper claiming that Canada and the United States are considering construction of a radar network across Alaska and the Canadian Northland as a first line of defence against aggression. The estimate of cost mentioned is \$250,000,000.

A/M Edwards Honoured: The award of the United States Legion of Merit, Degree of Commander, to Air Marshal Harold Edwards, CB, former Air Officer Commanding-in-Chief, RCAF Overseas, was announced August 11 in Ottawa.

The award was made for A/M Edwards' outstanding co-operation with the United States forces in the United Kingdom and particularly for his close liaison with the U.S. Air Force while AOC-in-C.

A/M Edwards was born at Chorley, England in 1892. He came to Canada as a youth and enlisted in the Royal Canadian Navy at the outbreak of World War I. Later he joined the Royal Naval Air Service and flew as a pilot in France. He was taken prisoner and spent two years as a prisoner-of-war. Twice he escaped but each time was recaptured.

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After the war A/M Edwards went to Russia where he served as a flying instructor. In 1930 he returned to Canada and joined the Canadian Air Force. In 1937 he commanded a detachment at the coronation of King George VI and in 1939 was in charge of Air Force arrangements for the visit of Their Majesties to Canada.

In Feb. 1940 he was appointed Air Member for Personnel of the Air Council of the RCAF and advanced to the rank of Air Commodore. In September, 1941 he was promoted to the rank of Air Vice Marshal and in November, 1941 became Air Officer Commanding-in-Chief of the RCAF Overseas. In June, 1942 he was raised to the rank of Air Marshal.

A/M Edwards retired from the RCAF in 1944 and at present is residing at St. Sauveur des Monts, P.Q.

Labour Income: Seasonal increases in employment raised the estimated total of Canadian labour income to \$557,000,000 in May as compared with \$540,000,000 in the preceding month, according to the Bureau of Statistics. There was a seasonal increase in agricultural employment and wage rates, but average earnings in the nine leading non-agricultural industry groups declined very slightly. In the same period the cost-of-living continued to rise, increasing about two-thirds of one per cent between May 1 and June 1.

Across Canada: Today's morning newspapers feature a Canadian Press despatch from Havana, Cuba, telling of the armed hold-up of a branch of the Royal Bank of Canada in Havana of \$562,000 in cash....The shortage of butter stocks is a matter of major comment and concern throughout Canada and today the Bureau of Statistics announced that butter stocks at August 1 were down 14,400,000 pounds from the same date last year.



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DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, August 13, 1948.

Top Weatherman To Oslo: Canada's top weatherman, Andrew Thomson, Controller, Meteorological Division, Department of Transport, left August 9 for Oslo, Norway, to attend meetings of the Executive Council of the International Meteorological Organization. It is hoped, said Mr. Thomson, that plans will be completed at these sessions for the first meeting of the World Meteorological Organization and the drafting of an agreement with the United Nations.

Discussions will continue with many of the problems arising from the meetings held in Toronto in August, 1947. The financing of the organization itself and such international projects as weather reporting facilities in Iceland will be discussed.

Mr. Thomson will be one of the Canadian delegates to the International Union of Geodesy and Geophysics to be held in Oslo. The Eighth General Assembly meets there on August 17 - 28 to co-ordinate methods and procedures in geophysics and geodesy on an international level.

The Netherlands Honours Canadian: The Netherlands Government has conferred the award of Bronze Lion on Colonel (Acting Brigadier) Jean Victor Allard, CBE, DSO, ED, of Quebec City, it was announced August 13 by the Hon. Brooke Claxton, Minister of National Defence. The award is in recognition of Brig. Allard's contribution to the liberation of Holland during the recent war.

Brig. Allard returned to Canada early this year from Moscow where he was Canadian military attaché since November 1945. He is now officer commanding Eastern Quebec Area with headquarters in Quebec City.

Large Engineering Classes: The shortage of graduate engineers experienced by Canadian industry for the past several years will be considerably relieved in 1949, according to an announcement made August 12 by Hon. Humphrey Mitchell, Minister of Labour.

About 3,300 students--more than 68 per cent of them veterans--will earn their engineering degrees in 1949. Nearly twice as large as the 1948 class, this will be the largest graduating class in engineering in the history of Canada, Mr. Mitchell pointed out. It is expected that a comparable number will graduate in 1950, with the number decreasing slightly in 1951.

Commemorate William Francis Ganong: A tablet in commemoration of William Francis Ganong, distinguished Canadian scholar, will be unveiled August 27 in the New Brunswick Museum, Saint John, N.B. The tablet has been provided by the National Parks Service of the Department of Mines and Resources on the recommendation of the Historic Sites and Monuments Board.

A native of New Brunswick, William Francis Ganong was Professor of Botany at Smith College, Northampton, Mass., for 38 years. He was widely known on the North American continent as a scientist, cartographer, geographer, and historian. He died in Saint John, N.B. in September, 1941, in his 78th year.

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RCAF Appointment: The appointment of Wing Commander D. T. French, DFC, of (1362 Dallas Rd.) Victoria, B.C., and (28 Greensway Ave.) Ottawa, as Commanding Officer of RCAF Station Aylmer, Ont., was today announced by Air Force Headquarters. Prior to his appointment, W/C French had been Executive Assistant to Air Marshal W. A. Curtis, CB, CBE, DSC, ED, Chief of the Air Staff.

Across Canada: Press services in Canada are heralding the attendance of Prime Minister King at both the United Nations meetings in Paris and the Commonwealth Prime Ministers' Conference in London this fall.... A big Trans-Canada Airlines plane was destroyed by fire just after landing at Sydney, N.S. yesterday but the 11 passengers and six crew members filed to safety through the landing exit as the four-engined North Star went up in flames. The Canadian Press reported Airlines spokesmen as saying that the right landing wheel bumped a mound of earth about 20 feet from the edge of the runway.... Industrial employment in Canada hit a new June high this year and the weekly earnings of persons in recorded employment were higher than in June a year ago, the Bureau of Statistics reports.



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Monday, August 16, 1948.

Export Controls Removed: The Right Hon. James G. Gardiner, Minister of Agriculture, announced August 13 that, effective Monday, August 16, export control of beef cattle and calves, beef and veal, dressed and other edible beef and veal products, canned foods containing meats, and meat pastes, would be discontinued. Control was imposed in September, 1942, to maintain supplies of beef for Canadian consumers and to aid in the enforcement of price controls.

Departmental officials pointed out that, while the United States has no present restrictions on the number of cattle to be imported at the minimum duty of  $1\frac{1}{2}$  cents per pound live weight, the total quota under the new trade agreement is 400,000 head annually, for cattle weighing over 700 pounds, instead of the old total of 225,000 head. In addition to live cattle, Canadian beef and beef by-products may also find a market in the United States under the new duty rate of three cents per pound established by the Geneva agreement instead of the old rate of six cents per pound.

As to the number of cattle which might be exported to the United States, it was pointed out that in the year 1944 exports of beef, mainly to the United Kingdom, were equivalent to more than 600,000 head of cattle. Since that time export surpluses have dropped off until, in the first seven months of this year, exports amounted to the equivalent of only 35,000 head of cattle. However, in recent weeks cattle marketings have been on the increase, and there is no doubt that there will be a substantial seasonal surplus of beef in Canada during the remainder of this year.

It was announced also that export permits are now being freely issued to anyone desiring to export oats and barley from Canada and that, since August 1, equalization fees formerly charged on the export of oats and barley have been discontinued.

Mr. Forrestal's Visit: Hon. James Forrestal, United States Secretary of Defence, arrived at Rockcliffe Airport Sunday afternoon. He was met by Hon. Brooke Claxton, Minister of National Defence; the Hon. Ray Atherton, United States Ambassador to Canada; Air Marshal W. A. Curtis, Chief of the Air Staff, and United States Service attaches. Mr. Atherton, who played golf with Right Hon. C. D. Howe Sunday afternoon, is to meet with the Cabinet Defence Committee today (Monday).

Titanium Ore Discovery: Premier Duplessis of Quebec announced August 13 the discovery in Eastern Quebec of what may be the world's largest deposit of titanium ore and made known plans for a \$25,000,000 project to develop it. The Canadian Press reported in a dispatch from Quebec City, Kennco Explorations, Limited, operating under a licence from the Quebec Government, will build a 27-mile railway from the north shore of the Gulf of St. Lawrence into the mineral area, said the dispatch.

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The Quebec Premier also announced August 14, according to The Canadian Press, plans for construction of a \$2,000,000 power dam in the Ottawa district. He told a press conference that construction of the dam will be started soon by the Gatineau Power Company Limited near Sullivan Island, upriver from Rocher Fondu.

Population of Canada: Showing an increase of 301,000 over a year earlier, Canada's population at June 1 this year reached 12,883,000, according to the annual estimate by the Bureau of Statistics. The year's gain was the largest ever recorded and compares with the previous record increase of 275,000 in the preceding twelve months, which had brought the population over the twelve-and-a-half million mark to 12,582,000 at June 1, 1947.

Population at the 1941 Census was 11,507,000, the increase in seven years thus amounting to 1,376,000, or nearly 12 per cent. Both natural increase and greater immigration contributed to the latest gain. Births were at the highest level for a year, while deaths continued at the low level of recent years. Immigrants during the period totalled about 90,000.

All provinces had population gains between June 1, 1947 and 1948, except Prince Edward Island. Ontario had the greatest increase with an estimated rise of 108,000. Quebec was second with 80,000, and British Columbia third with a gain of 38,000. Next in order of increase were: Alberta, 24,000; Manitoba and Nova Scotia, 14,000 each; and New Brunswick and Saskatchewan, 12,000 each. Population of Prince Edward Island declined an estimated 1,000, and that of the Yukon and Northwest Territories was unchanged.

Foreign Vehicle Entries: The number of foreign vehicles entering Canada on traveller's vehicle permits in July was 12 per cent higher than in the corresponding month last year, the total standing at 407,884 as compared with 362,638, according to the Bureau of Statistics. During the seven months ending July the number of entries was 911,844 as compared with 823,306 in the similar period of 1947, an increase of 10.8 per cent.

Increases were recorded in July in all provinces except Manitoba and British Columbia, the latter province still suffering from the adverse effects of news accounts of flood damage last spring. July totals for all provinces were barely one per cent lower than those of August, 1947, the month in which the greatest volume of highway traffic on record entered Canada.

Canada Savings Bonds: Hon. Douglas Abbott, Minister of Finance, announced August 13 that the Second Series of Canada Savings Bonds will be withdrawn from sale on August 31. This will not affect any application where arrangements for payment have been made prior to this date. This announcement is in accordance with the provisions of the offering which stated that the Minister of Finance reserved the right to withdraw the Second Series of Canada Savings Bonds from sale at any time after November 1, 1947. The termination of the sale of the Second Series anticipates the offering of a Third Series in October.

Across Canada: Ontario's Department of Agriculture is working on estimates of the Ontario 1948 crop totals, with the harvest described by Agriculture Minister Kennedy as "a billion dollar crop", according to a Canadian Press dispatch from Toronto....The Prime Minister, Mr. King, is reported to be taking a brief holiday in Maine....Sixty-year-old Lieut. James Boa, of the 48th Highlanders, Toronto, won the Governor General's gold medal on the last day of the Dominion Rifle Association meet at Connaught Rangés, Saturday. Right up to the last shot the issue was in doubt as between Lieut. Boa and his 24-year-old son, Gilmour Boa.





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Tuesday, August 17, 1948.

Mr. Claxton's Ogdensburg Address: The following is an excerpt from the address delivered August 17 by Hon. Brooke Claxton, Minister of National Defence, at the unveiling of a plaque at Ogdensburg, N.Y., in commemoration of the meeting at Ogdensburg of President Franklin D. Roosevelt and Prime Minister Mackenzie King on August 17, 1940:

"....The progress of human nature is often challenged in a world which threatens the extinction of civilization. We have shown that the sort of relationship which must exist between nations if they are to survive, is possible and practical. I often wish the countries of the world could see how the United States and Canada work out their disputes. I have heard newspaper men complain that there is seldom a story in Canadian-United States relationship. We don't know the strife, the bitterness and the misunderstanding which today make the headlines all over the world. Yet we have a story to tell which must be heard.

"A man who robs his neighbour is more likely to make the papers than the man who lends his neighbour his lawn mower. But the world is inclined to forget what we know - that the only sort of neighbours who prosper are those who seek to understand each other, and in so doing, strive to help and not to hinder.

"There was a time when a country had no neighbours except those on its borders. Today distance has shrunk and almost every country in the world has become our neighbour. There are good neighbours and bad neighbours. We are two good neighbours who have sensibly determined to work together to preserve our freedom.

"We have other good neighbours who also fought for their freedom, which is again in jeopardy, and freedom, let us not forget, is indivisible. If it is sensible to work with one good neighbour, why not with the rest? Recognizing this, the United States and Canada have done all they can to assist the free nations of Europe to regain their moral and economic vigour...."

The ceremony was attended also by Hon. James Forrestal, United States Secretary of Defence.

I.U.G.G. Congress, Oslo: A large Canadian delegation has been named to attend the triennial meeting of the International Union of Geodesy and Geophysics which is to be held in Oslo, Norway, August 17-28, 1948. This is the first of these congresses to be held since the war. Increasing interest in geophysics is evidenced by the fact that the number of delegates to this congress, appointed by various official organizations in Canada, is the largest on record. Dr. J. T. Wilson, Professor of Geophysics, University of Toronto, and chairman of the Canadian National Committee of the I.U.G.G., is Canada's chief delegate. Mr. N. J. Ogilvie, Honorary President of the Canadian National Committee of the I.U.G.G., and former Federal Geodesist, who was Canada's chief delegate to previous meetings of the congress, was unfortunately not able to join the party this year.

Other members of Canada's delegation, with their respective fields of endeavour shown in brackets, are as follows: Dr. P. D. Baird, President of the Arctic Institute of North America, Montreal (hydrology); Dr. C. S. Beals, Federal Astronomer, Ottawa (terrestrial magnetism and seismology); Dr. B. W. Currie, Professor of Physics at the University of Saskatchewan, Saskatoon (terrestrial magnetism and hydrology); Mr. F. T. Davies, Chief of Radio Propagation Laboratories, Defence Research Board,

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Ottawa (terrestrial magnetism and atmospheric electricity); Dr. G. Hanson, Chief Geologist, Department of Mines and Resources, Ottawa (vulcanology); Mr. G. Klein, Division of Mechanical Engineering, National Research Council, Ottawa (hydrology); Mr. R. F. Leggett, Director, Division of Building Research, National Research Council, Ottawa (snow and ice research); Mr. J. L. Rannie, Federal Geodesist, Ottawa (geodesy); and Mr. A. Thomson, Controller, Meteorological Division, Department of Transport, Toronto (meteorology).

"Magnificent" To Hudson's Bay: Preparatory to her cruise to northern waters with the destroyers "Nootka" and "Haida" next month, H.M.C.S. "Magnificent", Canada's new 18,000 ton aircraft carrier sailed recently from Halifax for ten days of deck landing training and flying exercises. Following her return on August 6 from a shakedown cruise in Nova Scotian waters, she embarked the ground personnel and equipment of the 19th Carrier Air Group, and when she put to sea again last week had the complement with which she will sail for Hudson's Strait on September 1. The 19th C.A.G. consists of No. 803 squadron of fast Sea Fury fighters and No. 825, equipped with Firefly IV general purpose two-seaters.

On her return to Halifax on August 20 the carrier will put the finishing touches to her preparations for the first R.C.N. penetration of Hudson's Bay waters. This will include off-shore flying when the opportunity presents.

Farthest north for "Magnificent" on the cruise itself will be Wakeham Bay, near the upper end of Hudson's Strait. From here she will return to Halifax on September 11 while the destroyers continue to Churchill and later to Coral Harbor at Southampton Island -- the most northern point of the trip.

It will be a routine voyage aimed at acquiring practical experience and local knowledge. A number of observers will be carried. These will include a magnetic observer from the Dominion Observatory, a representative of the Defence Research Board, and several officers from Army and Air Force.

Rail Freight Traffic: The tonnage of all revenue freight hauled by Canadian railways during April totalled 12,180,375 tons, a decline of 230,768 tons or nearly two per cent from the same month of 1947. Loadings at stations in Canada were actually 435,746 tons heavier than in the preceding April. Receipts from foreign connections destined to Canadian or foreign points dropped sharply from 3,878,412 tons to 3,211,898, with tonnage destined to Canadian consumers receding from 2,026,019 to 1,581,154 tons revealing significant declines in imports from the United States of agricultural, mine and manufactured products. However, the April total of freight hauled was 1,435,330 tons above April 1946, and double the average pre-war movement for the month. Gains over April 1947 were shown in mine and forest products while the agricultural, animal and manufactures and miscellaneous groups declined.

Cumulative totals of all freight carried by Canadian lines to the end of April showed 48,311,228 tons transported, an increase of 1,851,361 tons or four per cent over the same period of 1947, to establish a peacetime record for any like period. This volume has been attained despite considerably reduced domestic output of many agricultural and animal commodities and the restricted entry of certain American products in the interest of dollar conservation.

Across Canada: Alberta electors are voting today in a provincial election in which the 13-year-old Social Credit Government is seeking re-endorsement. Twenty nine Estonians who crossed the Atlantic in a 30-ton vessel were being questioned at Quebec by immigration officers prior to official decision as to their disposition. They are without entry papers, according to The Canadian Press report from Quebec....The Prime Minister, Mr. King, is vacationing at Seal Harbor, Me. for a short period, the Associated Press announced this morning.



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Wednesday, August 18, 1948.

Wheat Forecast 372,000,000 Bushels: Canada's 1948 wheat crop is estimated at approximately 372,000,000 bushels, some 31,000,000 bushels greater than the production in 1947 and about 35,000,000 below the 10-year 1938-47 average outturn, according to the Bureau of Statistics. The estimated average yield per seeded acre is 15.4 bushels as compared with 14 bushels last year and the 10-year average of 17.1 bushels per acre. The current crop will be harvested from an estimated 24,100,000 acres as against 24,300,000 in 1947 and the 10-year average acreage of 23,700,000.

In the Prairie Provinces the wheat crop is expected to yield 340,000,000 bushels as compared with 319,000,000 in 1947. The anticipated average yield of wheat in the Prairie Provinces this year is 14.8 bushels per seeded acre, with Manitoba averaging 22.9, Saskatchewan 12.3 and Alberta 17.3 bushels per acre. The estimated production of wheat in the remaining provinces of Canada is approximately 32,000,000 bushels of which Ontario's output at 28,600,000 represents the principal part. All but 1,200,000 bushels of the production in Ontario is fall wheat.

The production of oats in 1948 is placed at approximately 338,000,000 bushels, a gain of some 59,000,000 over the 1947 outturn.

Barley production, estimated at just over 146,000,000 bushels, is up approximately 5,000,000 from the 1947 level.

The combined output of fall and spring rye is estimated to be 26,300,000 bushels, an increase of nearly 100 per cent over the 1947 production. The all-Canada acreage of 2,100,000 is nearly double last year's figure while the anticipated average yield at 12.5 bushels per seeded acre compares favourably with the 1947 average of 11.4 bushels.

A near-record Canadian flaxseed crop of 18,000,000 bushels from 1,900,000 seeded acres is anticipated this year. The output of flaxseed in 1947 was 12,200,000 bushels, while the largest flaxseed crop previously harvested in Canada amounted to 26,100,000 bushels in 1912.

Satisfactory yields of hay and clover and alfalfa are expected in most provinces. For Canada as a whole, the total production of hay and clover is currently estimated at 15,700,000 tons in comparison with last year's 16,200,000 tons.

Col. Thorne's Trade Tour: Col. E. C. Thorne of the Export Division, Foreign Trade Service, will leave Ottawa by air on August 27 on a four-month tour of Mexico, Colombia, Venezuela and Cuba. Rt. Hon. C. D. Howe, Minister of Trade and Commerce announced August 17.

Chief of the Machinery, Metals and Chemicals Section of the Export Division, Col. Thorne will make a survey of the industrial requirements of these four countries and discuss details of Canadian machinery and industrial equipment with businessmen in that area. Canadian machine tool manufacturers can make any type of special purpose equipment, in addition to the high precision, high production machine tools required in industries using mass production methods. While in some cases manufacturers' capacity is taken up by present bookings, this condition will not continue indefinitely, and Canadian industry is looking forward to securing further orders in South and Central America.

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Alberta Election: Alberta's Social Credit Government, Premier Manning and his nine-man Cabinet were returned to office in yesterday's provincial election, the incomplete results as reported this morning by The Canadian Press being as follows:--

	1948	1944
SC.....	46	51
CCF.....	1	2
Lib.....	1	0
Ind.....	0	3
Others.....	0	1
Doubtful.....	9	0
Total.....	57	57

Doubtful seats are as follows:--

SC leading (3): Beaver River, Calgary, Pincher-Creek Crowsnest.

Ind. leading (2): Calgary, Edmonton.

Ind-SC leading (1): Banff-Cochrane.

Lib leading (1): Edmonton.

CCF leading (1): Calgary.

Lab leading (1): Calgary.

Alberta's electors appeared this morning also to have voted in favour of placing the province's power industry in the hands of the Government. With more than half of the 2,760 polls heard from on the power plebiscite, Government ownership was leading by more than 5,000 votes over retention of the industry by private power companies.

30,500 Dwelling Units: The number of dwelling units completed in Canada in the first six months of 1948 is estimated at 30,528. Since April, starts have far exceeded completions and the number under construction at the end of June had increased to 52,143. The average length of time required to complete a dwelling unit has been about seven months, although indications are that this period may show a seasonal reduction in the fall. At this rate, most of the dwelling units under construction at the end of June will be completed by the end of the year, making a total for 1948 of at least 80,000 units.

Man-Hours and Earnings: Average hours worked in leading manufacturing establishments showed a decline at the beginning of June, largely due to the observance of the Victoria Day Holiday during the pay period reported by many employers. The latest average was 41.7 hours as compared with 43.1 at May 1, and 42.9 at June 1, 1947, according to the Bureau of Statistics.

The average hourly earnings of the wage-earners for whom statistics were available at June 1 stood at 90.6 cents, the highest figure in the record of 44 months. The May 1 average, previously the maximum, was 89.4 cents.

The average weekly wages of the hourly-rated personnel employed by leading manufacturers at June 1 amounted to \$37.78. This was lower than the May 1 peak figure of \$38.53, and was also less than the March 1 mean of \$38.02, but was otherwise the highest in the series.

Across Canada:...The Canadian Press reported from Geneva this morning that Dana Wilgress, Canadian Ambassador to Switzerland, has been elected chairman of the 23-country group which last year signed the Geneva Tariff Agreement....It was reported from Havana that the authorities have almost effected complete solution of the \$576,000 Royal Bank of Canada robbery, and have recovered \$92,000 of the stolen money....Toronto's livestock market levelled off Tuesday with the price of cattle settling at a figure \$3 to \$6 higher than the price bid before the embargo was lifted against shipments of cattle to the United States, it was reported from Toronto.



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Thursday, August 19, 1948.

Flour, Bread Prices Controlled: The Wartime Prices and Trade Board announced today that, acting on instructions from the Government, price ceiling control is being reimposed, as of today, on all flour made wholly or partly from Western Canada wheat, and all bread made wholly or partly from such flour.

The prices at which the above products are frozen at all trade levels are those which were in effect, July 31, the date on which the Minister of Trade and Commerce announced the domestic price for wheat and an accompanying subsidy on wheat milled for domestic use.

Government spokesmen pointed out that this subsidy was being paid for the specific purpose of preventing price increases to the consumer and it is now felt that the reimposition of controls is necessary to achieve the purpose intended by the payment of the above mentioned subsidy.

The order, means that no person may sell flour or bread as above defined to any other person at a price higher than he was charging the same class of buyer, July 31.

Austin Motor Co. Plant: War Assets Corporation reports the sale of the property originally built by the Libby-Owens Glass Company at Hamilton, Ont. and recently occupied as a part of the Army Trade School. This property has been sold to the Austin Motor Company (Canada) Limited, a wholly owned subsidiary of the Austin Motor Company, of Longbridge, near Birmingham, England. It is understood the company intends to use this plant for the manufacture of its entire line of cars. Arrangements are underway to bring certain equipment from England in order to get an early start.

The Austin Company plans to expand its premises to make possible the production of cars, which will eventually employ at least 2,000 workers. Engineers from the parent plant are now in Canada, and will immediately start laying out the plant in order that production may get underway with the least possible delay.

In the initial stages, operations will consist for the most part of assembling components imported from the parent company, and the finishing, painting and testing of the completed units. Some Canadian-made parts and materials will be used and, as the plant is expanded, not only will more Canadian-made materials be purchased, but it is intended that the factory itself will progressively manufacture components until the vehicles emerge as complete Canadian products.

Freight Rates Increase: The Montreal Gazette said today that railway sources had confirmed that a 15-per-cent increase in freight rates on certain lines in Canada will go into effect September 15. From Ottawa The Canadian Press reported that the new freight rate increase was announced in special tariff supplements issued by the Canadian National Railways and Canadian Pacific Railway. It will come into effect September 15 and will be in addition to the general 21 per cent increase authorized last April by the Board of Transport Commissioners.

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Alberta Election: Latest standing in Alberta's 57-seat Legislature as a result of the August 17 provincial election is given this morning by The Canadian Press as follows:

	1948	1944
S.C.....	50	51
C.C.F.....	2	2
Lib.....	2	0
Ind.....	1	3
Others.....	0	1
Doubtful.....	2	0
Totals.....	<u>57</u>	<u>57</u>

Across Canada: Canada's 100,000 civil servants are asking a cost-of-living bonus of \$31.50 a month and additional bonus of \$7.40 a month for each five-point rise in the cost of living index beyond the January 2 figure of 148.3, The Canadian Press reports....An Israeli purchasing mission spokesman was reported by The Ottawa Citizen to have said last night that he expected the mission will do a \$20,000,000 business with Canada before the year is ended. The spokesman was reported to have said also that during the last 10 days the mission had obtained export permits for 88,000,000 cigarets to be shipped to the Jewish forces in Palestine and 16,000 cases of sweetcondensed milk.



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Friday, August 20, 1948.

Mobile Ionospheric Observatory: Canada's first mobile ionospheric observatory will be put into operation Monday, August 23, by the Defence Research Board on the railroad to Fort Churchill, it was announced August 19 by the Department of National Defence.

The new observatory, housed in a converted railway coach, is expected to be a vital link in an international chain of stations supplying information essential to the development of radio communication and radio navigation in the north.

Canada already has a number of ionospheric stations in operation in the north country but this is the first mobile observatory to be used in this important research work. The "lab" will operate under the direction of Mr. J. H. Meek of Defence Research Board headquarters in Ottawa, and will operate over the Hudson's Bay Railroad between Portage la Prairie and Churchill. One round-trip will be made every three months, in each of the four seasons of the year, with week-long stops going and coming at such intermediate points on the rail line as The Pas, Waboden, Pickwitonei, Gillam, Herchmer and Churchill.

The auroral (northern lights) zone, which covers all of northern Canada, is highly suitable for the study of ionospheric conditions because charged particles, emanating from the sun, are deflected closer to earth by the earth's magnetic field in this area. The charged particles come from sun spots which last year reached their highest point in 200 years of recording.

The new mobile ionospheric station will send radio beams as high as 200 miles above the earth. These are reflected by the ionosphere to the point of origin, and from the beams can be deduced required information about conditions in the upper regions. Based on this information, predictions can be made of future radio transmission conditions and selection of suitable frequencies for long distance radio communication is made easier.

The recordings of Canadian stations are co-ordinated with those of 63 other stations in various parts of the world, and from the mass of information are produced monthly predictions of useful radio frequencies and daily ionospheric storm warnings.

C.C.F. National Convention: Partial report by The Canadian Press of yesterday's proceedings at the C.C.F. National Convention in Winnipeg reads as follows:

"The C.C.F. National Convention erupted into a controversy today (Thursday) over the issue of nationalizing all chartered banks but wound up by writing a public ownership plank into its new 'first term' platform.

"Debate on the issue raged for two hours on the convention's opening day, with 25 speakers arguing the merits of outright ownership versus 'effective public control' coupled with a threat of nationalization if the banks did not behave.

"The upshot was a 94-56 vote upholding the public ownership policy of the C.C.F. National Executive and rejecting the control idea of its National Council, a larger body representing all provinces.

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"The bank ownership plank was the first of the party leaders' sweeping new socialization measures to be fitted into the platform. Later, the convention adopted a second one calling for a transportation policy integrating all transport means and putting the Canadian Pacific Railway under state ownership.

"The two planks, and others still to be considered, will form the basis of the policy the C.C.F. plans to follow if and when it gains control of Parliament.

"These were the only two 'first-term' planks adopted at the sitting today, which bogged down over the bank issue and a lesser controversy over the railway policy.

"As finally adopted, the railway plank included a clause pledging the party to establish freight-rate scales that would not be discriminatory against any region. This was pushed through by Harold Winch, British Columbia C.C.F. leader, who denounced the 'mountain differential' rate scale of the railways.

"Other planks in the platform due for later discussion include socialization of the coal and steel industries, of the manufacture of farm implements and fertilizer and the oil, electricity and gas industries...."

Carry-Over Of Grain: Stocks of Canadian wheat in all North American positions on July 31 were approximately 76,000,000 bushels as compared with 87,400,000 on the corresponding date last year, a decline of 13 per cent, according to the Bureau of Statistics. Exports have been maintained at extremely high levels relative to available supplies during the post-war period with the result that crop-year-end carry-over stocks of Canadian wheat for the last three years have been lower than at any time in the past 20 years with the exception of 1936-37 and 1937-38 when serious drought conditions prevailed in the West. The average July 31 carry-over of Canadian wheat for the 10-year period (1938-1947) was 270,200,000 bushels.

Across Canada: Unemployment in Canada dropped from 126,000 at June 1, 1946, to 82,000 at the same date this year, the Bureau of Statistics has reported....A group of 42 Estonian refugees arrived at Saint John, N.B., yesterday, aboard a 60-ton, two-masted sailing vessel after a hazardous, 20-day voyage from the Canary Islands, The Canadian Press reported from Saint John, N.B....A Trans-Canada Airlines plane will call at Shannon Airport Sunday to take the Earl and Countess Mountbatten to Canada, The Canadian Press reports from London, England....The 367-ton trawler Arleux, one of the best known ships on the Atlantic seaboard, blew up and sank 15 miles at sea Thursday, but her crew of 25 made land safely, The Canadian Press reports from Halifax, N.S.





## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, August 23, 1948.

Moderate Trade Gains: With moderate gains both in imports and exports, Canada's total foreign trade during the first half of 1948 increased to \$2,688,900,000 as compared with \$2,602,000,000 last year, according to total trade figures for June released by the Bureau of Statistics. The half-year aggregate value was the highest ever recorded for the period, comparing with the wartime peak of \$2,633,200,000 in 1944.

Cumulative value of domestic exports in the six months was about five per cent higher than in 1947, amounting to \$1,400,100,000 compared with \$1,328,500,000, while foreign goods re-exported increased to \$18,700,000 as against \$16,800,000. Merchandise imports, showing a smaller gain, totalled \$1,270,100,000 as compared with \$1,256,700,000.

The favourable over-all balance of trade for the half year was \$148,800,000, substantially above last year's low total of \$88,500,000 but below the 1946 half-year balance of \$194,000,000. There was a sharp drop in the adverse trade balance with the United States to \$228,200,000 from \$488,000,000 in the first half of 1947, while the favourable balance with the United Kingdom also declined to \$220,900,000 compared with \$269,000,000.

CCF National Convention: M. J. Coldwell, M.P., was unanimously re-elected for two years as President and National Leader of the CCF prior to the conclusion of the Party's Convention at Winnipeg on Saturday. Professor Frank R. Scott, of Montreal, was re-elected National Chairman of the Party.

Besides demanding an immediate session of Parliament to reimpose controls on living costs, the Convention, according to The Canadian Press report from Winnipeg, drafted a program to be launched during the first term of a CCF federal Government. The Canadian Press listed the following as major points:--

"1. Public ownership of 'key' industries including the chartered banks and railways --especially the Canadian Pacific -- and a transportation policy integrating rail, road, water and air services. Coal and primary steel would be taken over.

"2. 'Social ownership' -- which might mean state or co-operative control -- of industries vital to agriculture such as the farm implement, meat-packing and fertilizer businesses.

"3. Public ownership of the fuel industries -- including gas, oil and electricity in addition to coal -- in co-operation with the provincial governments.

"4. An extended social security program that would include increased old age and blind pensions, maternity benefits and unemployment benefits. It would be financed in part by a 'social security contribution'.

"5. Full hospital, medical, dental and optical care for everyone, regardless of income.

"6. A 13-point farm program including guaranteed prices, controlled marketing, crop insurance and long-term, low-interest credits to farmers.

(over)

"7. Control of the investments of large private investors such as insurance, mortgage and trust companies and the big industrial corporations.

"8. Federal financing -- by subsidy where necessary -- of low-cost, low-rental housing.

"9. A labour code that will establish national minimum standards in wages, hours, paid vacations and age of workers.

"10. Control of Canada's international trade in basic products such as grains, livestock, timber, coal, some minerals and fresh fruits and vegetables.

"11. A 'new deal' for the Maritimes and Newfoundland as part of 'national economic planning'.

"12. A series of constitutional amendments including abolition of the Senate and of appeals to the Privy Council, re-alignment of Dominion-provincial jurisdictions to give the federal Government more power, a bill of rights and a national flag and anthem."

London Employment Office: A branch office of the National Employment Service has been opened in London, England, according to an announcement August 20 by Hon. Humphrey Mitchell, Minister of Labour.

The office would function for the present in the manner of a combined Regional and Local Office in Canada, Mr. Mitchell stated. The purpose of this office would be the counselling of intending emigrants to Canada and interviewing them in regard to job opportunities.

The office would be of service to United Kingdom emigrants by advising them if there were a current demand for their particular experience or skill. It would also advise what locality in Canada offered the best opportunity for their employment.

Co-operation was being maintained with the United Kingdom Department of Labour and Employment Exchange. This was working out so well that, in some instances, requirements for certain types of skilled labour in Canada might be cleared through all local offices of the United Kingdom Employment Exchange.

It was not the desire of the Canadian Government to attract needed personnel from United Kingdom industry, he pointed out, but where they could be spared the office could often obtain craftsmen and technicians who might be badly needed in Canada.

30,785 Displaced Persons: Figures released August 20 by the Immigration Branch of the Department of Mines and Resources show that 30,785 Displaced Persons had arrived in Canada up to July 31.

Arrivals during April, May, June, and July totalled 16,535, an increase of more than 2,000 over the total of 14,250 for the entire twelve months of the fiscal year ended March 31, 1948.

Indicative of a speed-up in the movement of close relatives of residents of Canada was the announcement that 6,316 of these people had been welcomed since April 1, as compared to a total of 5,042 for the previous twelve months. Total of close relatives arrivals as of July 31 was 11,358. Orphan children placed in homes throughout Canada numbered 710.

Those who arrived in group movements of workers in response to requests of industry totalled 18,717, broken down as follows: farmers, 2,244; family farm group, 744; woodworkers, 3,599; textile workers, 247; domestic married couples, 142; garment workers, 1,350; garment workers' dependants, 826; railway workers, 1,911; hydro workers, 1,666; building construction workers, 173; steel and foundry workers, 306; steel and foundry workers' dependants, 24; miners, 2,042; domestics 3,443.

Across Canada: The Prime Minister, Mr. King, has returned to Ottawa after a seven day holiday at Seal Harbor in Maine....Premier Garson of Manitoba announced August 21 that Manitoba is filing a formal statement of opposition to the application by the railways for an additional 20 per cent freight rate increase.



# AIRMAIL BULLETIN

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Tuesday, August 24, 1948.

International Court Nominations: The Department of External Affairs announced August 23 that the National Group of Canada has met at the invitation of the Secretary-General of the United Nations to nominate qualified persons in a position to accept the duties of a judge of the International Court of Justice as provided for by the Statute of the Court.

The International Court of Justice is a tribunal of fifteen judges established by the Charter to decide, in accordance with international law, such disputes as states may wish to submit to it and to deliver such advisory opinions as may be requested by the competent organs and agencies of the United Nations. The judges are elected for a period of nine years. However, Article 13 of the Statute of the Court provides that of the judges elected at the first election (held on February 6, 1946) the terms of five judges shall expire at the end of three years, and the terms of five more judges shall expire at the end of six years.

According to the Statute of the Court, each country is required to nominate a National Group to select candidates. In May, 1948, the Canadian Government appointed the following persons to constitute the National Group of Canada:

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 A. Campbell,  
Chief Justice of Prince Edward Island;

The Honourable W. M. Martin,  
Chief Justice of Saskatchewan.

John T. Hackett, Esq., K.C., M.P., President of the Canadian Bar Association, consented to act as adviser to the Group.

National Groups are authorized to nominate only four candidates for election to the Court, though there will be five vacancies to be filled. Under the Charter of the United Nations, these vacancies are to be filled by elections conducted by the General Assembly and the Security Council before February 7, 1949. It is expected that they will be filled during the third session of the General Assembly which opens in Paris on September 21, 1948. The National Group of Canada has nominated the following persons as candidates for election to the Court and it has advised the Secretary-General of the United Nations of its nominations.

- |                                |          |
|--------------------------------|----------|
| Judge J. E. Read               | (Canada) |
| Judge Hsu Mo                   | (China)  |
| Judge Abdel Hamid Badawi Pasha | (Egypt)  |
| Sir Benegal Narsinga Rau       | (India)  |

(over)

M. M. Maclean Appointment: The Hon. Humphrey Mitchell, Minister of Labour, announced August 23 the appointment of M. M. Maclean, Director of Industrial Relations in the Department of Labour, as Chief Executive Officer of the Canada Labour Relations Board.

Mr. Maclean has been Chief Executive Officer of the Wartime Labour Relations Board (National), which the new Board replaces on September 1st-the day the new Labour Act becomes operative.

At the same time, the Minister announced the appointment of Bernard Wilson, Industrial Relations Officer and Chief Assistant to Mr. Maclean, as Secretary to the Board. Mr. Wilson was also associated with the Wartime Board as Secretary.

Their new duties will be in addition to their regular duties with the Department of Labour, Mr. Mitchell said, and the staff of the Industrial Relations Branch of the Department has been authorized to perform necessary administrative duties for the new Board.

Army Week in September: Army Week will be held for the Canadian Army commencing Monday, September 20. Army camps and establishments across the country will hold "open house" to which the public will be invited, Army Headquarters has announced.

"The main purpose of Army Week is to acquaint the Canadian public with the function of the Canadian Army and the activities of its professional soldiers and Reserve Force personnel", stated Maj.-Gen. E. G. Weeks, CB, CBE, MC, MM, Adjutant General.

The Army, from Halifax, N.S. to Whitehorse, Y.T., will present displays and exhibits, demonstrations with modern equipment such as radar and anti-aircraft artillery to the visitors.

Army Highland Band to Visit U.S.A.: At the invitation of the 244th Coast Artillery Group, U.S. Army, the Argyle and Sutherland Highlanders Pipe Band, Hamilton, will leave for the United States on Friday, September 3. The kilted pipers will give a series of concerts while guests of the Americans at Linwood Park, N.J., and Schenactady, N.Y. The band will return to Canada after a 10-day visit on September 13.

Social Welfare Study: Three top-ranking experts in social welfare have arrived here to study specific phases of Canada's social security program and welfare services.

They are Luis M. Manalang of Manila, the Philippines; Y. S. Djang of Shanghai, China; and Dr. Behram H. Mehta of Bombay, India.

The visits to Canada were arranged under a United Nations fellowship program. Its purpose is to give an opportunity for governments of countries whose welfare services need development to send their welfare experts abroad to observe the experience of other countries. In Canada the Department of National Health and Welfare is the agency responsible for planning a program of interviews and observations for the visiting fellows.

Securities Transactions: Volume of international transactions in securities rose sharply in June, amounting to \$60,000,000 as compared with \$44,800,000 in the preceding month and \$23,200,000 in the corresponding month last year, according to the Bureau of Statistics. Aggregate for the first six months of this year was \$239,600,000 as compared with \$241,100,000 in the like period of 1947.

Across Canada: Between 4,000 and 5,000 Netherlands families will come to Canada next year with the intention of purchasing farm lands, Hon. J. A. MacKinnon announced at Edmonton yesterday according to a Canadian Press dispatch....A fire believed caused by an explosion swept through Canadian National Railways Bonaventure freight yards in Montreal yesterday, causing damage estimated at a million dollars.



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Wednesday, August 25, 1948.

**Further Crop Improvement:** Favourable weather during the past two weeks has further enhanced crop prospects in the Prairie Provinces. This is particularly true for late-sown crops which are filling well. Wet weather in Manitoba, where much of the grain is ready to harvest, has delayed operations somewhat in many parts of that province. In Saskatchewan, harvesting is under way in all districts and fair progress is being made. Crops are late in Alberta but are filling satisfactorily. Harvesting of spring grains will be general next week. Grasshopper damage is continuing in the affected areas of Alberta and Saskatchewan and sawflies are causing some damage in southern districts of these provinces.

Frequent scattered showers in Manitoba have delayed harvesting during the past two weeks with the result that only fair progress has been made in some areas.

Harvesting is under way in all districts of Saskatchewan with about 40 per cent of wheat cut in southern and central areas and averaging about 25 per cent for the province as a whole. Favourable weather for filling during recent weeks has resulted in good to excellent quality of all grains.

Crops in Alberta, though late, are maturing satisfactorily with weather conditions favourable for filling and ripening. Harvesting of spring grains has begun at scattered points and should be general next week. Barring the occurrence of frosts, fair to good yields are anticipated except in the eastern districts of the province where earlier drought damage is still evident.

The harvesting of a near record crop in southern Ontario has continued under generally favourable weather conditions during the past two weeks. Wheat yields have been well above average and the outturn of spring grains in practically all districts has also been quite satisfactory.

**Naval Air Mechanics School:** The first Canadian school for the training of Naval Air Mechanics has been established by the Royal Canadian Navy at the R.C.N. Air Section, Dartmouth, N.S. and the first 26 week course is now under way, it was announced August 25 at Naval Headquarters.

Before the establishment of the School of Naval Aircraft Maintenance, as it is known, R.C.N. Air Mechanics received their technical training in the United Kingdom, through an arrangement with the Royal Navy. The entire training is now conducted in Canada.

**Strikes and Lockouts:** Two strikes which began during July accounted for a substantial increase, as compared with the previous month, in total monthly time loss due to work stoppages arising out of industrial disputes in Canada during July, 1948, it was shown by the monthly summary of strikes and lockouts for July issued August 25 by Hon. Humphrey Mitchell, Minister of Labour.

Preliminary figures for July, 1948, show 25 strikes and lockouts in existence, involving 8,513 workers, with a time loss of 79,867 man-working days, as compared with 27 strikes in June, with 3,765 workers involved and a time loss of 35,055 days. In July, 1947, there were 29 strikes, involving 3,105 workers, with a time loss of 23,769 days.

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Dr. J.H. Grove Appointment: Dr. J.H. Grove of Ottawa has been promoted by the Civil Service Commission to head the blindness control division of the Department of National Health and Welfare.

Hon. Paul Martin, Minister of National Health and Welfare, who made the announcement here August 25, explained that this division works closely with provincial pension authorities and with other branches of the federal health and welfare department in administering pensions for civilian blind, authorizing pension examinations and issuing certificates of blindness. Nearly 9,000 blind persons receive pensions totalling about \$2,000,000 a year. The division is authorized to conduct research into causes, control, prevention and treatment of blindness. It co-operates closely with the Canadian National Institute for the Blind.

Capt. Charbonneau Returns: Capt. A.J. Charbonneau, MC, former administrative and training officer of the 21st Armoured Regiment (1e Regiment de Hull) returned to Ottawa today from Switzerland.

Capt. Charbonneau has been attached to the Swiss Army since June of last year. He has now been appointed to the Directorate of the Royal Canadian Armoured Corps at Army Headquarters here.

While in Switzerland, Capt. Charbonneau observed training at various military establishments and schools and paid particular attention to Swiss methods of instruction. An expert skier himself, he was able to participate fully in the various training exercises carried out by Switzerland's crack ski and mountain troops.

Across Canada: A trail of notes pinned to trees in dense bushland and mountainous country saved the life of Dr. V.B. Murray, United States pilot, missing 17 days in Northern Alberta. He was brought to hospital after his plane crashed in the Nose Creek area....The Queen Elizabeth Hospital for Children in London has been selected by Princess Elizabeth as the charity to receive the remainder of a wedding present from the Imperial Order Daughters of the Empire, it was announced Tuesday by Mrs. F.P. McCurdy, national president of the order, the Canadian Press reported from Toronto.

Canadian Delegation to the U.N. Assembly: The Prime Minister, Mr. King, announced today that the Canadian Delegation to the Third Session of the General Assembly of the United Nations, which will meet in Paris on September 21 next, will be as follows:

Representatives:

The Right Honourable W.L. Mackenzie King,  
Prime Minister and President of the  
Privy Council, Chairman of the Delegation

The Honourable Lionel Chevrier  
Minister of Transport

The Honourable Wishart McL. Robertson,  
Leader of the Government in the Senate

General the Honourable  
A.G.L. McNaughton,  
Canadian Permanent Delegate to  
the United Nations.

Major-General George P. Vanier,  
Canadian Ambassador to France.

Alternates:

Hugues Lapointe,  
Parliamentary Assistant to the  
Minister of National Defence.

Ralph Maybank,  
Parliamentary Assistant to  
the Minister of National Health  
and Welfare.

Norman A. Robertson,  
Canadian High Commissioner in the U.K.

L. Dana Wilgress,  
Canadian Minister to Switzerland

R.G. Riddell,  
Department of External Affairs.

The Canadian Delegation will be assisted by technical advisers and secretarial staff drawn from Canadian diplomatic missions abroad and from the Department of External Affairs.

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Thursday, August 26, 1948.

Prime Minister's Statement: The following statement was issued August 25 by the Prime Minister, Mr. Mackenzie King:

"I stated in the House of Commons before Parliament prorogued, and again at the recent Liberal Convention, that, once a successor to myself in the Leadership of the Party had been chosen, I would confer with him as to future plans, and in particular the time at which it would appear to be most appropriate for me to seek retirement from the Leadership of the Government.

"Since the Convention I have made clear to Mr. St. Laurent and my other colleagues of the Cabinet that in deciding upon the precise time of tendering to His Excellency my resignation as Prime Minister, I desired to be governed by what would appear to them to be most in the public interest, having in view the many matters to which the new leader is now obliged to give consideration, and for which he has to make suitable provision.

"A question to which, in this connection it has been felt necessary to give most careful consideration is whether I should seek retirement from office forthwith, thereby occasioning the immediate formation of a new administration, and the immediate transfer from myself to Mr. St. Laurent of the full responsibilities of office, or whether that step should be deferred until after the meeting of Prime Ministers of the Commonwealth to be held in London in October.

"The meeting in London is not, as some have assumed, in the nature of an Imperial Conference at which several ministers and their advisers will be present, and where decisions upon policy will be made. It is a meeting between the Prime Ministers of the United Kingdom and certain other nations of the Commonwealth to discuss matters of common interest in a manner which will permit of the freest possible exchange of views for reference back to their respective governments. The meeting had been planned originally for the months of June or July. It was deferred owing to the difficulty of securing a representative gathering at that time.

"Mr. St. Laurent feels that he should have a little more time to make the necessary preparations before assuming the duties of the head of a new administration. He also feels that it would be unfortunate were he obliged, almost immediately after assuming office, to be away from Canada for a possible absence overseas of some weeks, and this at a time when so many matters require consideration at home, a great number of which are related to the preparation of the business of the next session of Parliament. For these reasons, Mr. St. Laurent has expressed the wish that I should represent Canada at the meeting of Prime Ministers in London in October, and also head the Canadian delegation at the early sessions of the Assembly of the United Nations which meets in Paris next month. After consultation with my other colleagues, I have agreed to meet Mr. St. Laurent's wishes in these particulars.

"In agreeing to delay the time of my retirement from office, I have been influenced by the fact that, during my absence abroad, Mr. St. Laurent will be Acting Prime Minister, and that the consideration of all matters of policy, and the preparation of the session's program will be under his immediate direction. We have arranged that, if at any time during the course of the London meeting, Mr. St. Laurent's presence in London would appear to be desirable, he will endeavour to join me there.

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"I should perhaps add that much as I would have welcomed the opportunity while in Europe to accept the invitations repeatedly extended to me by the governments of Italy and Greece to pay an official visit to those countries, I feel that this would not now be possible, and have so advised our ambassadors in Rome and Athens.

"It is my intention to seek retirement from office as soon after my return from London as may serve to meet my successor's convenience."

At the conclusion of the above statement the Prime Minister announced the Canadian delegation to the Third Session of the General Assembly of the United Nations, which was reported in yesterday's Bulletin.

Immigration Up 167.5 P.C.: Immigration to Canada during the six months ended June 30 surpassed that of the similar period in 1947 by 167.5 per cent, it was announced August 25 by the Immigration Branch of the Department of Mines and Resources.

The six-months total was 57,275, as compared to 21,413 for the corresponding period a year ago. This total was only 6,852 less than the figure of 64,127 for the whole of the calendar year 1947.

A 79.6 increase was recorded in immigration from the British Isles, the total being 23,468 as against 13,068 for the six months ended June 30, 1947. Similar increases were recorded in arrivals of northern European immigrants, with this year's figure of 8,319 being more than three times greater than the 1947 total of 2,626. Totals for all other races was 21,908, as against 1,204 a year ago.

Of the 57,275 immigrants, Displaced Persons numbered 18,886. Actual total of Displaced Persons now in Canada is more than 30,000.

Rosthern By-Election: The Prime Minister, Mr. Mackenzie King, announced August 25 that an Order in Council had been passed fixing Monday, October 25, 1948, as the date of polling for the by-election in the electoral district of Rosthern in the Province of Saskatchewan.

Across Canada: A boatload of Baltic refugees, the fifth to reach Canadian shores this month, is expected to arrive in Halifax this week with 37 Latvians and Estonians, The Canadian Press announced from Halifax.... Two Canadian-born scientists will be honoured by the American Chemical Society, each receiving \$1,000 prizes, The Canadian Press announced from New York City. They are Dr. Saul Winstein, chemistry professor at the University of California and formerly of Montreal; and Dr. Dilworth Wayne Woolley, 34-year-old blind member of the Rockefeller Institute of Medical Research, New York, born at Raymond, Alta.... A heat wave covered Eastern Canada Thursday. Toronto, with an official 101 degrees, felt the brunt. Ottawa's official high was 94.





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Friday, August 27, 1948.

August Heat Wave: While Pacific Coast points are experiencing what The Canadian Press dispatch from Vancouver today describes as "one of the coldest clammiest Augusts on record", Eastern Canada entered upon the third day of one of the severest August heat waves on record. In Ontario, according to The Canadian Press, Niagara district dairy farmers said pastures were drying up and fruit growers said they had already lost 30 per cent of their peach crop from extreme heat. In Toronto on Thursday the official maximum temperature was 97 degrees. Ottawa was second highest with a maximum of 93. It was reported by The Gazette of Montreal that Thursday's 89.9 degree temperature established a new heat record for August 26 in Montreal, and, on an hour by hour basis, smashed every heat record known by the McGill Observatory in 75 years.

Farm Workers' Movement: The annual movement of farm workers from Ontario and Quebec to the West to assist in harvesting operations there is in full swing, it was announced August 26 by the Hon. Humphrey Mitchell, Minister of Labour.

The movement, as the earlier movement of farm workers from West to East, has been arranged by the federal Department of Labour in co-operation with the Provincial Departments of Agriculture. As in previous years, arrangements were made with the railways for reduced fares for the harvesters.

The number of workers required this year in the West has been estimated at approximately 2,000 by the Departments of Agriculture of the three Prairie Provinces. This is about the same number as last year.

Grants To Schools Of Social Work: Exact amounts available to each of Canada's seven schools of social work out of a \$50,000 grant voted by Parliament this year were announced August 26 by Hon. Paul Martin, Minister of National Health and Welfare.

Divided on the basis of a \$1,000 flat grant to each school and the remainder in proportion to enrolments of full-time students last year, the grants are: The Maritime School of Social Work, Halifax, \$3,180; School of Social Work, Laval University, Quebec, \$6,120; School of Social Work, University of Montreal, \$6,020; McGill University School of Social Work, Montreal, \$6,300; School of Social Work, University of Toronto, \$14,640; School of Social Work, University of Manitoba, Winnipeg, \$4,310; School of Social Work, University of British Columbia, Vancouver, \$9,430.

National Parks Record: A record number of visitors to the National Parks of Canada for the four-month period ended July 31 was announced August 26 by the Department of Mines and Resources. The total attendance of 694,344 represented a six per cent increase over the previous all-time high of 653,881 established during the same period a year ago.

The general upward trend in travel to the Parks since the end of the war has continued this year in spite of the fact that there were fewer visitors to the far western Parks. The drop at those Parks was caused by the spring floods which made roads impassable in the earlier part of the season.

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Butter Situation: Creamery butter production in July reached a total of almost 42,250,000 pounds, or approximately 250,000 pounds less than in the corresponding month last year. The estimated dairy butter make was about 4,750,000 pounds, while whey butter fell to 299,000 pounds. Dairy butter make advanced 3.5 per cent above that of July, 1947. The cumulative production of total butter -- creamery, dairy and whey -- for the seven months ended July amounted to 202,500 pounds, a decrease of almost 2,500,000 pounds from last year.

The total supply of butter, represented by stocks at the beginning plus July production, amounted to approximately 78,250,000 pounds. This was a decline of about 12,000,000 pounds in comparison with the total supply reported in July, 1947. Stock holdings continue to show an adverse relationship to those of a year ago. From this point of view the situation is rather less favourable than it was a month ago; the apparent stock reduction from the previous year of 12,000,000 pounds, as recorded on July 1, being increased to a deficit of 14,500,000 pounds on August 1.

Lucien Lamoureux Appointment: Promotion of Lucien Lamoureux, Secretary to the Honourable Lionel Chevrier, Minister of Transport, to the position of Executive Assistant to the Minister, and appointment of Miss Lorraine Gougeon to succeed Mr. Lamoureux as Secretary, is announced today by the Civil Service Commission. Miss Gougeon was formerly Associate Private Secretary to the Minister of Transport.

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Monday, August 30, 1948.

To Represent Canada: The Department of External Affairs announced August 27 the appointment of General H.D.G. Crerar, C.H., C.B., D.S.O., former General Officer Commanding-in-Chief of the First Canadian Army, and of Mr. Pierre Dupuy, C.M.G., who is Canadian Ambassador at The Hague, as a Special Mission to represent Canada at the enthronement of Princess Juliana, as Queen of The Netherlands, on September 6.

General Crerar will be accompanied by Mrs. Crerar, and by Major H. Tellier, D.S.O., as Aide-de-Camp.

It is expected that after the enthronement of Queen Juliana, General Crerar will visit the Canadian battlefields in The Netherlands, Belgium and France.

"Operation Polco": The award of the King's Commendation for Valuable Services in the Air to three members of the RCAF Canso aircraft that participated in "Operation Polco" in the summer of 1947, was announced August 27 by the Hon. Brooke Claxton, Minister of National Defence. Recipients of the awards are F/O G.W. Allen, Flin Flon, Man., F/O K.A. McCoy (6001 Hudson Road) Montreal and Saskatoon, Sask., and Sgt. A.B. Hillman, (56 Preston St.) Ottawa, and Belleville, Ont.

F/O Allen was co-pilot, F/O McCoy, wireless operator, and Sgt. Hillman crew chief of the aircraft that carried out the joint RCAF-Mines and Resources "Operation Polco", an expedition into uncharted Arctic areas to obtain data on the location of the North Magnetic Pole.

The flight, calling for "great ingenuity and daring", marked the first time in Canadian aviation history that a flying boat had been flown and based for an extended period amongst the treacherous and barren islands surrounding the Magnetic Pole.

Today's decorations follow the recently announced award of the Air Force Cross to F/L J.F. Drake and F/O J.E. Goldsmith, pilot and navigator of the Aircraft.

R.M.C. Reopens Sept. 9: After a tremendous job of renovating grounds and buildings and assembling a new staff, Canada's famous old Royal Military College is ready to receive its first class of cadets since the beginning of the war. They will report on September 9.

The old Point Frederick buildings, some of which have a history dating back to the War of 1812, will still be used, but the essentially modern College receiving the "Class of '52" will be vastly different from that to which the "Original 18" reported in 1876. Of these 18, the only survivor is ex-R.C.M.P. Commissioner A.B. Perry, of Ottawa, whose name is associated with early accounts of opening up the west.

Two years before the opening in 1876, the then prime minister, Alexander Mackenzie, had an act of parliament passed to establish the College. This was partly to overcome the military vacuum that was created in Canada by the withdrawal of many of the regular British military forces. The prime minister may have chosen Kingston as the site partly because he was familiar with the fortifications there. At one time during his career as a stone mason, he helped to build them.

Now the cadets - they will no longer be known as "gentlemen cadets" - will represent Navy, Army and Air Force.

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Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on August 19 totalled 33,836,000 bushels compared with 35,778,000 on August 12 and 49,367,000 on the corresponding date last year, according to the Bureau of Statistics. Deliveries of wheat from farms in the Prairie Provinces during the week were 2,120,000 bushels compared with 1,397,000 as week earlier.

Across Canada: Eastern Canada's severe heat wave broke at the week-end and a comparatively cool spell was forecast....A three minute wind storm caused \$500,000 damage at Smiths Falls Saturday afternoon..... The Central Canada Exhibition finished its week on Saturday with a record attendance for the week of 349,750...Earl Mountbatten of Burma was quoted in a Canadian Press dispatch from Toronto as telling a press conference, "The battle of Normandy was won on the beaches of Dieppe....For every life lost at Dieppe we saved 10 during the invasion."....Earl Mountbatten took the Warrior's Day salute as the Canadian National Exhibition opened at Toronto Saturday.



## AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

OF CANADA

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Vol. 6, No. 198, Tuesday, August 31, 1948.

**Crop Year Exports Of Wheat:** Exports of Canadian wheat during the crop year just ended amounted to 136,897,000 bushels, down 23,439,000 bushels from the preceding year's figure of 160,336,000 bushels, according to figures released by the Bureau of Statistics. Wheat flour exports also were lower, amounting to 13,906,000 barrels compared with 17,660,000 in 1946-47.

The United Kingdom took the bulk of the Canadian wheat exported during the 12 months at 123,974,000 bushels, followed by Belgium with 3,545,000, Netherlands 3,189,000, Malta 1,763,000, Egypt 1,745,000, Palestine 811,000, Switzerland 656,000, and Italy 519,000.

Crop year exports of wheat flour to the United Kingdom amounted to 8,553,000 barrels, India following with 928,000, Trinidad and Tobago 481,000, Italy 419,000, Newfoundland 386,000, Jamaica 376,000, Norway 317,000, Eire 243,000, and British Guiana 200,000. Large consignments of Canadian wheat flour were also sent to the Philippine Islands, France, Germany, Brazil and Venezuela.

**R.C.A.F. Appointment:** The appointment of Air Vice Marshal R. E. McBurney, CBE, of Saskatoon, former Senior Canadian Air Force Liaison Officer in the United Kingdom, as Air Officer Commanding the RCAF's Maintenance Command with headquarters in Ottawa, was announced August 30 by the Hon. Brooke Claxton, Minister of National Defence. He replaces Air Commodore R. F. Miller, CBE, Kamloops, B.C. and (243 1st Ave.) Ottawa, who has been attached to the Canadian Joint Staff in Washington, D.C. In his new position as head of Maintenance Command, A/V/M McBurney is responsible for the maintenance and supply of all aircraft and equipment in the RCAF.

**Edward Dunlop Appointment:** Dr. Wallace Graham, President of the newly-formed Canadian Arthritis and Rheumatism Society, has announced the appointment of Mr. Edward Dunlop, O.B.E., G.M., as the Society's first Executive Director. For the past three and a half years, Mr. Dunlop has been responsible for the development and direction of the Department of Veterans Affairs' programme for the vocational rehabilitation of seriously disabled veterans, and is Director of its Casualty Rehabilitation Division.

**Group Captain West Appointment:** The appointment of Group Captain F. R. West as Chief Inspector of Accidents for the RCAF, replacing G/C A. O. Adams, OBE, City View, Ont., was announced August 30 by the Hon. Brooke Claxton, Minister of National Defence. G/C Adams will take up a staff position with the Technical Services Division at Air Force Headquarters.

**Higher Fish Landings:** The volume of landings in the sea fisheries of Canada increased eight per cent in July to 139,006,000 pounds, while the value to fishermen at \$8,953,000 was 29 per cent higher, according to figures released by the Bureau of Statistics. During the seven months ended July, landings aggregated 682,018,000 pounds compared with 533,622,000 in the same period of 1947, and the value \$30,511,000 compared with \$24,059,000.

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Across Canada: Reporting a membership of over 4,000, the Canadian Bar Association opened its four-day convention in Montreal Monday....Twenty nine Baltic refugees, the first of four groups to cross the Atlantic in small boats this summer will be formally admitted to Canada....Students from 13 countries who have been working this summer at the United Nations commence a 14-day tour of Central Canada Wednesday....The Montreal Gazette quoted British Overseas Airways Corporation as announcing that Sir Stafford Cripps will arrive in Montreal September 15....On the basis of Bureau of Statistics estimates derived from current data, it is expected that Canada's population will exceed 13,000,000 in October, A. H. Leneveu, chief of the Bureau's social analysis branch, was quoted by The Canadian Press as saying Monday....Dr. Gustave Lanctot, K.C., who joined the Archives in 1912 and became Dominion Archivist in 1938, is retiring September 1 on superannuation, The Canadian Press announced today.

GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, September 1, 1948.

High Commissioner In Newfoundland: The Prime Minister, Mr. Mackenzie King, announced today the appointment of Mr. Charles J. Burchell, K.C., as High Commissioner for Canada in Newfoundland. A native of Nova Scotia and an eminent member of the Nova Scotia Bar, Mr. Burchell is well known in Newfoundland, where he served for three years as Canada's first High Commissioner. His new appointment will continue until Newfoundland becomes a part of Canada. The post was last held by Mr. J.S. Macdonald, now Canadian Ambassador to Brazil.

Mr. Burchell has also represented Canada in the same capacity in other Commonwealth countries. In November, 1939, he went to Australia as the first High Commissioner for Canada and served there for two years before going to Newfoundland. On leaving St. John's in 1944, he spent a year and a half as High Commissioner in South Africa. He resumed his private practice in Halifax in November, 1945.

Mr. Burchell has been a member of Canadian delegations at numerous international conferences. In 1931 he attended the Conference of the Institute of Pacific Relations at Shanghai, and in 1933 and 1938 he was in the Canadian delegation to the first and second British Commonwealth Relations Conferences. He was also a member of the Canadian delegation in 1929 to the Conference on the Operation of Dominion Legislation, which met to prepare the report that formed the basis of the Statute of Westminster.

The new High Commissioner to Newfoundland has a wide experience of official activities and is particularly familiar with the Canadian system of government and the working of its administration.

Hudson Bay Cruise: Names of nine observers, service and civilian, to accompany ships of the Royal Canadian Navy when they sail from Halifax September 1 for Hudson Bay waters, were announced August 31 by Naval Headquarters. They will be accommodated in the new aircraft carrier "Magnificent" and the destroyers "Nootka" and "Haida", components of the northern cruise.

The list is headed by the recently arrived Senior Naval Liaison Officer from the United Kingdom, Captain Sir Robert Stirling Hamilton, Bart, R.N., and Captain Benjamin Scott Custer, A.V.H., U.S.N., United States Naval Attache to Canada.

The Defence Research Board will be represented by Lieut. William Bailey, R.C.N. (R) and the Dominion Observatory will send one of its geophysicists, A.A. Onhausser.

Army representatives will be Major H.B. Gow, R.C.A.S.C. of the Quartermaster General's Branch, Ottawa, Captain R.G. Innes, R.C.S. of Royal Canadian Signals School, Barriefield, and Captain J.F. Griffin, R.C.A.C. of the Directorate of Weapons and Development, Ottawa.

The R.C.A.F. will send two officers to observe the carrier flying operations, Flight Lieutenant R.E. Kent, a pilot from the Joint Air School at Rivers, Man., and Flying Officer R.H. Green, a navigator from the R.C.A.F. station at Greenwood, N.S.

The three ships will proceed in company as far as Wakeham Bay, near the upper end of Hudson's Strait. "Magnificent" will then turn south again for flying exercises while the destroyers steam into the Bay for calls at Churchill and Coral Harbor, the first Canadian warships ever to penetrate those waters. The cruise will require a month.

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Agriculture Information Head: The promotion of S.R.N. Hodgins, O.B.E., to the position of Director of Information Service, Dominion Department of Agriculture, was announced August 30 by Dr. G.S.H. Barton, Deputy Minister.

A former Macdonald college professor, author, cheesemaker, editor and livestock judge, Mr. Hodgins has been general executive assistant to the Deputy Minister of Agriculture since 1943. Before that, he served from the start of the war as secretary of the Agricultural Supplies Board and has represented the Department on many inter-departmental committees.

Born May 1, 1895, on a dairy farm at Shawville, P.Q., the new Director has had practical farming experience from his earliest years. He served one year as acting secretary of the Shawville Fair and for three summers managed a cheese factory. His university training included both agriculture and arts, and he holds the following McGill degrees: B.S.A. 1920 (first class honours in animal husbandry); B.A. 1927, and M.A. 1929 (first class honours in English). While a fourth-year student at Macdonald College, he headed the college livestock judging team at the Chicago International Livestock Exposition.

For some years now he has been secretary of the executive of the National Advisory Committee on Agricultural Services which helps to coordinate the agricultural services provided by the Federal and provincial departments of agriculture, agricultural and veterinary colleges, the National Research Council and similar agencies.

Pearl Harbor Visit: The largest group of Canadian warships to put to sea in company since the end of the war will visit Pearl Harbor during October when the cruiser H.M.C.S. "Ontario" heads four Pacific coast units in a month-long training cruise, it was announced at Naval Headquarters August 31. Scheduled to leave Esquimalt on October 11, the training force -- in addition to "Ontario" -- will consist of the destroyers "Athabaskan", and "Crescent", and the frigate "Antigonish".

The visit to the famous United States Naval base will be the first made by R.C.N. ships since the cessation of hostilities. The cruiser "Uganda" stopped in at Pearl Harbor during her tour of duty in the South Pacific.

Under the command of Captain James C. Hibbard, D.S.C. and Bar, R.C.N., of Victoria, B.C. and Hemison, P. Q., commanding officer of the 9,000-ton cruiser and senior officer of the force, the ships will follow a direct 2,350-mile course between the Canadian west coast base and Hawaii, arriving at Pearl Harbor on October 19. The eight-day span at sea will afford opportunity for exercises and fleet manoeuvres. The Canadian vessels will remain in Hawaiian waters carrying out further training exercises until November 2, when they set sail for home base at Esquimalt.

Across Canada: Quebec's provincial rights and the padlock law were defended Tuesday by Premier Duplessis in a welcoming address to the Canadian Bar Association delegates at the 30th annual convention. The Canadian Press reported from Montreal....New uniforms for Canadian Army personnel may be expected early in 1949, an Army Headquarters spokesman was reported by The Canadian Press to have stated Tuesday. Tenders have been asked for 500,000 yards of drab serge, similar in quality to the uniforms worn by R.C.A.F. members, the spokesman was further quoted as saying....Almost all of the 170 industrial plants built by the Government during the war at a cost of more than \$200,000,000 have been disposed of either permanently or temporarily, The Canadian Press today quotes Reconstruction Minister Howe as saying.





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Thursday, September 2, 1948.

Canada's Exports Up: Boosted by large sales of ships and vessels, Canada's export trade rose \$14,300,000 in July to reach a total of \$250,900,000 as compared with \$236,600,000 in the corresponding month last year, according to the Bureau of Statistics. The aggregate for the first seven months of this year was \$1,651,000,000 compared with \$1,565,000,000 in the corresponding period of 1947, an increase of 5.5 per cent.

The month's figures show a further gain in exports to the United States, a continuation of the decline in the value of shipments to the United Kingdom, and augmented exports to Latin American countries as a whole. Outstanding among the commodity changes were declines in wheat, wheat flour, bacon and hams, and automobiles and parts, with marked advances in cattle, fish, eggs, wood pulp, newsprint, rolling mill products, and farm implements and machinery.

Continuing the high levels of exports to the United States, the July figure rose to \$118,930,000 from \$82,107,000 in the corresponding month last year, expanding the seven-month aggregate to \$764,980,000 from \$564,089,000 in the like period of 1947. Shipments to the United Kingdom declined for the third month in succession, amounting to \$56,340,000 as compared with \$69,442,000 a year ago, and in the seven-month period to \$415,709,000 as against \$422,083,000.

With substantial gains in exports to Brazil, Cuba and Mexico, exports in July to countries of Latin America rose in total from \$9,366,000 a year ago to \$11,152,000, but fell in the seven-month period from \$73,349,000 to \$70,348,000. Reversing the trend of recent months, shipments to Europe were moderately higher in July, the total rising from \$32,095,000 to \$33,418,000; for the seven-month period the figure was \$177,363,000 compared with \$210,214,000.

Current Manpower Picture: Employment in Canada during August was higher than the record level established last summer, Labour Minister Mitchell announced September 2 in his monthly statement on the manpower picture. Moreover, with a more adequate supply of workers and less labour turnover, no severe labour shortages have developed during this present period of high seasonal activity.

Unplaced applicants registered at National Employment Offices throughout Canada fell to 91,000 at August 19, 1948, from 110,000 at July 15. At the same time last year, there was a severe labour shortage with 95,000 applicants for work. Since then, however, selected immigration and training schemes have supplied the skilled men urgently needed for key jobs. These in turn have made jobs for additional unskilled workers. Consequently, this year workers have been fitted to take the jobs available and the labour supply has been used to its best advantage.

Both agriculture and construction continue to make the largest demands for workers. Except for spot shortages, however, the agricultural labour force is far more adequate than last year, largely because of the increasing number of immigrants who have entered Canada in the past year. On the other hand, a definite shortage of skilled tradesmen is noted in the construction industry. Mines also have less labour turnover than is usual for this time of year. Although manufacturing employment has levelled off somewhat because of curtailed production of consumer durables, with the removal of the austerity taxes, production and hiring is expected to increase in the coming months. Elsewhere in manufacturing, employment is steady, with less labour turnover than in previous years.

(over)

Employment and Payrolls: Employment and payrolls in leading establishments in the major industrial groups at the first of July showed continued increases in all provinces, according to advance figures released by the Bureau of Statistics. The reported gains ranged from two per cent in Nova Scotia to 5.3 per cent in New Brunswick and Alberta.

The general index number of employment in Canada, based on 1926 as 100, was 197.0 -- a new high for the beginning of July -- as compared with 192.3 at June 1, and 189.5 at July 1, 1947. The highest figure for July 1 during the war was 183.7 in 1943. Manufacturing, construction and other industries showed heightened activity at the beginning of July. For the most part, the industrial changes indicated were seasonal in character.

Across Canada: An Atlantic hurricane swept across northern Cape Breton on Wednesday at a maximum speed of 65 miles an hour leaving the city of Sydney and the coal centre of Glace Bay in total darkness, their power and telephone lines a mass of twisted wires. Scores of small craft were reported wrecked along the coastline. Damage is reported to be considerable, but as yet is unestimated. Today the hurricane had reached Newfoundland....The party of government scientists which left in mid-July to seek the North Magnetic Pole arrived back in Ottawa yesterday and reported that the Pole is at the north end of Prince of Wales Island....Premier John A. Costello, of Eire, addressed the Canadian Bar Association at luncheon in Montreal Wednesday, stating, in part, according to The Montreal Gazette, "To secure the peace that all desire, it would be essential to bring about a greater degree of cooperation between all nations sharing the same ideals."



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Friday, September 3, 1948.

Labour Day Message: In a Labour Day message issuing Saturday, the Minister of Labour, Mr. Mitchell, addresses labour and management in part as follows:

"....It seems to me that the leaders of our labour organizations, and those in the ranks as well, are coming more and more to realize that the road to social security does not lie in the direction of a continuous competition between wage rates and the price of commodities.

"What we need, of course, and what we must consciously strive to obtain, is greater stability in both wages and prices. With this condition, labour and management will find themselves much better off than when participating in a race in which there is no final goal.

"Generally, we have had a high order of industrial peace in Canada in the past year; we have an increased realization of the responsibilities of both parties in industrial good will. I am hopeful that the same condition will exist in the next year. I do not think I need to point out that, if there is industrial strife, both sides lose. The only way both sides can win is by way of cooperation and amicable settlement of differences between them.

"I want to assure both labour and management that the services of the Federal Department of Labour are always at their disposal.

"We have now a new 'Industrial Relations and Disputes Investigation Act'. It has been generally endorsed, but on the anvil of practical experience, defects may be revealed. What I do sincerely want is to have labour and management join in a real effort to make it work. I am sure they will. However, if after a fair trial it is found that changes seem desirable then I want to hear from both sides and also the provincial governments, and suggestions resulting will be most carefully considered...."

Tourist Trade Record: Canada is likely this year to experience an all-time record in the volume of tourist trade and the amount of money spent in Canada by tourists, D. Leo Dolan, Director of the Government Travel Bureau, is quoted by The Canadian Press as stating Thursday.

The announcement says that despite Ontario forest fires, British Columbia floods and a threatened railway strike, Canada likely will achieve its biggest tourist year in history.

Indications are that the number of tourists may exceed 25 million, and the amount of money spent in Canada about \$250 million, an increase of about 10 per cent over 1947.

Since a large part of Canada's tourists are Americans, the unprecedented boom year will have a favourable effect on the Government's dollar-saving program announced last November, Mr. Dolan said.

Latest figures compiled by the Bureau of Statistics showed the number of American tourists travelling to Canada in automobiles in July had increased 12.5 per cent over the same time a year ago.

The Bureau said the July figure of 470,884 persons also was an all-time record for that month. The total for July, 1947, was 362,668 and in 1946, was 363,000.

An increase of 10.8 per cent also was noted in the automobile border-crossing totals for the first seven months of the year. Some 911,844 persons crossed in 1948, compared with 823,306 in 1947.

(over)

While July figures reflect the trend, they do not indicate the peak, usually expected in August. These totals will not be available for some weeks.

Mr. Dolan said that of last year's 22 million tourists, about 3,500,000 were persons on extended holidays, while the remainder were casual or week-end visitors. A breakdown of this year's figures is not yet available.

As an indication of the interest tourists were displaying in Canada, Mr. Dolan said 2,679,000 pieces of tourist literature were mailed on request from this Bureau during the last seven months. This compared with 1,400,000 in 1947.

Bruges Celebration: Belgium's ancient city of Bruges will celebrate the fourth anniversary of its liberation on September 12, and 18 Canadians who took part in the fighting that ousted the Germans from the old Flemish town will be present to take part in the ceremonies. They will officially represent the Canadian Army, and Army Headquarters announced today that they will leave Dorval airport by RCAF "North Star" next Tuesday, September 7.

Heading the party will be Maj.-Gen. H. W. Foster, CBE, DSO, who commanded the 4 Canadian Armoured Division during the Canadian sweep through Belgium, and with him will go Col. R. W. Moncel, DSO, OBE, commander of the armoured brigade of the division at that time, and Brig. F.N. Cabeldu, DSO, ED, whose 4th Brigade of the 2 Canadian Infantry Division supported the armour in the Bruges attack.

Across Canada: The Atlantic tropical hurricane which swept across northern Cape Breton Wednesday leaving a still unestimated amount of damage, whistled across Newfoundland Thursday at a speed of 50 to 60 miles an hour with gusts of 80 mile an hour wind. While the airbase at Harmon near St. John's was reported badly shaken no great damage is reported....Veterans of the Second World War are becoming rehabilitated more quickly and effectively than those of the First World War, the Minister of Veterans' Affairs, Mr. Gregg, stated last night in a radio address.



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Tuesday, September 7, 1948.

Death Of Dr. Benes: Mr. St. Laurent, the Secretary of State for External Affairs, on September 3, issued the following statement on learning of the death of Dr. Benes, former President of Czechoslovakia.

"The name of Eduard Benes is written large in the history of Europe and takes honourable place among those who, during our lifetime, have been foremost in the fight for freedom.

"A disciple and friend of Thomas Masaryk, whose successor he was in the presidency of his country, Eduard Benes was one of the principal architects of that free, democratic Czechoslovak republic to which he dedicated his whole life of public service.

"From the day when, as a young man of 34, he became Minister of Foreign Affairs; through long years of careful and constructive statecraft as President after the retirement and death of his beloved master, Masaryk; in exile after the humiliation of Munich; as President-in-Exile, and as President again of a restored Czechoslovakia - Eduard Benes worked tirelessly and with infinite resource for the best interests of his country.

"Twice in his lifetime, in 1918 and again in 1945, he led his countryment out of the bondage of foreign oppression. Twice in his lifetime he was forced to witness the destruction of their freedom.

"Addressing both Houses of Parliament in Ottawa on June 3, 1943, Dr. Benes declared his allegiance, and that of his countrymen, to the democratic way of life, to the principles of spiritual and religious freedom, and to the ideals of peace and peaceful international collaboration. Those were the noble principles that guided until the very end, the life of the great man whose death all Canadians lament. He was a patriot and a statesman, a fervent believer in national and individual freedom, a great European and a good citizen of the world."

Mr. Howe's Address: In an address at the Canadian National Exhibition, Toronto, on Manufacturers' Day, September 4, the Minister of Trade and Commerce, Rt. Hon. C. D. Howe, spoke in part as follows;

"Nearly one year has elapsed since the Government announced its emergency exchange programme. What have we been able to achieve so far? The drain on our United States dollar reserves has been stopped. There has been a modest increase in those reserves. This is in spite of an unprecedented capital investment programme for industrial development, which involves a substantial U. S. dollar content.

"How has this been accomplished? Comparing the first seven months' trade this year with last year, total exports of merchandise advanced from 1,585 million dollars to 1,670 million dollars, an increase of about 6%. As far as our U.S. dollar reserves are concerned, the important matter is the shift in our exports to the U.S. During this period, Canada's exports to the U.S. increased by 200 million dollars, while our exports to other countries decreased by 115 million dollars.

(over)

"On the import side, during the first seven months of this year our total imports increased from 1,485 million dollars to 1,505 million dollars. However, imports from the U.S. fell from 1,150 million dollars to 1,045 million dollars, a drop of about 5%. At the same time, our imports from other countries increased from 335 million dollars to 460 million dollars, an increase of 38% showing the good results of our efforts to obtain supplies that do not have to be paid for in dollars. The figures speak for themselves. They reflect the immediate and successful response of industry to the challenge presented by our exchange problem."

Death Of Col. O.M. Biggar: Colonel Oliver Mowat Biggar, CMG, K.C., formerly Canadian Chairman, Permanent Joint Defence Board of the United States and Canada, died on Saturday at his home in Ottawa. The first Chief Electoral Officer of Canada, he was in his 72nd year. The Prime Minister, Mr. King issued the following statement on the death of Col. Biggar:

"The passing of Col. O. M. Biggar is a great loss to our country. I can think of few if any of Canada's foremost citizens who, throughout their lives, contributed more generously and helpfully to the public service and to the maintenance of high standards of citizenship than Col. Biggar."

Death Of Mrs. A.M. Plumptre: One of Canada's most outstanding women, Adelaide Mary Plumptre, former Chairman of the Toronto Board of Education, city alderman and Red Cross executive, died Saturday at the Queen Elizabeth hospital. She had been ill for some time. She was the wife of Rev. Canon H. P. Plumptre, retired Anglican clergyman and former rector of St. James Cathedral.

Mrs. Plumptre was known internationally, having represented Canada as official delegate to the Assembly of the League of Nations, meeting in Geneva in 1931. She was also the Canadian delegate to the international Red Cross Conference in Tokyo, Japan, in 1934.

Across Canada: Labor Day was warm and sunny across most of Canada and Canadians enjoyed the summer's last holiday week-end at trade union picnics, sports events and summer resorts. The Labor Day parade to the Canadian National Exhibition grounds at Toronto contained an estimated 25,000 marchers.... Ottawa welcomed Prime Minister Costello of Ireland Saturday afternoon. The Irish leader was met by the Prime Minister, Mr. King; the Secretary of State for External Affairs, Mr. St. Laurent; Acting Mayor Geldert and many citizens....The Secretary of State for External Affairs, Mr. St. Laurent, in a special broadcast on behalf of Canadian people, on September 6, paid tribute to the Netherlands on the occasion of the enthronement of Queen Juliana. His speech was beamed to Europe and relayed over the Dutch radio networks.

GOVERNMENT



OF CANADA

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Wednesday, September 8, 1948.

Mr. St. Laurent's Toronto Speech: Speaking at the directors' luncheon at the Canadian National Exhibition in Toronto, September 7, the Secretary of State for External Affairs, Mr. St. Laurent, urged organization of the forces of the free democracies to ensure collective resistance to aggression. He said such action, even if at the beginning only on a regional basis, was urgent and necessary.

The threat of aggressive and expansionist communism, harnessed to the ambitions of a great power, was too great, too direct, and too immediate for us to do nothing until all the freedom-loving nations reach agreement to act together, he said. This was why the Canadian Government had been urging at home and abroad, in public statements, and through diplomatic channels and discussions, the immediate establishment of a North Atlantic security system comprised of the United Kingdom, the United States, Canada and the free countries of Western Europe.

"We think," he said, "such a system could create and maintain the necessary preponderance of defensive force over any possible adversary or combination of aggressive adversaries."

Aboard H.M.C.S. "MAGNIFICENT": Realistic aerial exercises in which H.M.C.S. "Magnificent" and her escorting destroyers, H.M.C. Ships "Nootka" and "Haida", acted alternately as an attacking force and as the target for air strikes, marked the passage through the Gulf of St. Lawrence and along the coast of Labrador of this northward-bound Royal Canadian Navy task force.

"Magnificent's" aircraft took full advantage of the consistently good flying weather that prevailed in the gulf to carry out a series of strikes on Grindstone Island, one of the isolated Magdalen group. The first strike took off at 4:30 a.m. and the last shortly before noon.

Each strike, on returning, reversed the procedure and constituted itself as an attack upon the task force. Despite the ships' ability to track the incoming planes by radar and to anticipate the assault, the Sea Furies and Fireflies closed in with such dash and skill that gunners on the carrier and the destroyers were hard put to contain them within their sights.

One group of Sea Furies came in almost at wave crest level, so low that their slipstreams left wakes on the water.

Off the Labrador coast, an exercise was carried out with landbased planes of the R.C.A.F., with aircraft from "Magnificent" flying continuous cover for the ships. In the latter part of the day, both attackers and defenders had to retreat before the common enemy -- fog.

First Payments Of Health Plan: Initiating the far-reaching national health program approved by Parliament at its last session, Hon. Paul Martin, Minister of National Health and Welfare announced September 7 that the first payment from grants of more than \$30,000,000 voted to assist the Provinces in the field of health is being made to the Province of Ontario.

A cheque for \$29,485.50 is being forwarded to the Provincial Treasurer of Ontario. The payment constitutes fifteen per cent of a sum of \$196,570 allocated to Ontario under the health survey grants embraced in the over-all program.

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Ontario's application for an initial payment on the health survey grant was the first received from a province under the scheme, but requests are coming in from other provinces as they complete preparations to make the surveys, for which the funds have been provided.

Montgomery Monument: A monument erected in Prince Edward Island National Park in memory of the noted author Lucy Maud Montgomery will be unveiled with appropriate ceremony on the afternoon of Sunday, September 12. The monument was provided by the National Parks Service of the Department of Mines and Resources on the recommendation of the Historic Sites and Monuments Board of Canada.

Premier J. Walter Jones, of P. E. I., will accept the monument on behalf of his province. The Hon. Joseph A. Bernard, Lieutenant Governor, and the Hon. Thane A. Campbell, Chief Justice, will also take part in the ceremony. Professor D. C. Harvey, of Halifax, will represent the Department of Mines and Resources and the Historic Sites and Monuments Board.

A native of Prince Edward Island, Lucy Maud Montgomery is best known for her book, "Anne of Green Gables".

Cost-of-Living Index: Showing the narrowest change since January, 1947, the Bureau of Statistics cost-of-living index, on the base 1935-39=100, advanced 0.6 points from 156.9 to 157.5 between July 2 and August 2. At the beginning of August last year the index was 136.6. From August, 1939 to August 2, 1948, the increase in the index was 56.3 per cent.

Honour Queen Juliana: In celebration of the ascension to the throne of Queen Juliana, and in observance of the golden jubilee of ex-Queen Wilhelmina after 50 years of rule, a reception was given at Ottawa Tuesday night by His Excellency Dr. J. H. van Roijen, Ambassador of The Netherlands to Canada. Among the guests were Prime Minister John A. Costello of Ireland and Canadian Prime Minister, Mr. King.

Border Traffic: The volume of highway traffic crossing the Canada-U.S. border in July 1948 established a new record for that month, exceeding the flow of traffic in July 1947 by eight per cent, according to the Bureau of Statistics. American traffic entering Canada in July was 12 per cent higher in 1948 than in 1947, and Canadian traffic returning from the United States was seven per cent lower.

Across Canada: Discovered by radioactivity research specialists at McGill and Ottawa Universities, the "Autographic Method" might one day prove to be a powerful method of investigation which might lead to new clues in cancer research, Dr. Leonard Belanger, of Ottawa University, was reported in The Ottawa Journal this morning to have said Tuesday afternoon when he spoke at the 19th annual congress of the Association of French-Speaking Doctors of Canada at Ottawa.





## AIRMAIL BULLETIN

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Friday, September 10, 1948.

Mr. Mitchell In Netherlands: Hon. Humphrey Mitchell, Minister of Labour, is now in the Netherlands conferring with labour officials on matters of mutual interest to Canada and the Netherlands, his office in Ottawa announced September 9.

On Wednesday, Mr. Mitchell discussed labour conditions in the Netherlands with Dr. A. M. Joeke, Dutch Minister of Social Affairs at The Hague. Previous to this Mr. Mitchell visited Brussels for discussions with Leon Elie Troclet, Belgian Labour Minister.

Following his talks in the Netherlands, Mr. Mitchell will make a tour of the Displaced Persons Camps in Germany, where officials of his Department are assisting in the selection of immigrants to Canada.

Canada Savings Bonds: It was announced September 8 by the Hon. Douglas Abbott, Minister of Finance, that the Third Series of Canada Savings Bonds will be placed on sale on October 12th. The new savings instrument will be dated November 1st, 1948 and will bear interest at the rate of 2 $\frac{3}{4}$ % each year for ten years. The bonds may be redeemed at any time at any bank in Canada for full face value plus interest and will be registered in the owner's name - affording complete protection against loss. Because of these favourable terms not more than \$1,000 of this series may be registered in any one name. Bonds, however, may be bought in the name of each member of a family, whether adult or child, up to this limit.

Arrangements for the sale of the Third Series will be made by the Bank of Canada as in the past. It is estimated that the national sales force will include nearly 8,000 representatives of more than 300 investment firms.

31 Medical Fellowships: Medical Fellowships have been awarded by the National Research Council to 31 graduates in medicine to enable them to pursue post-graduate research during 1948-49. The grantees represent ten different universities, including one in Australia and one in England. The fellowship holders will carry on their research investigations at eight universities. Six of these research centres are located in Canada, one in England, and one in Zurich, Switzerland. Distribution of the awards by the universities at which they will be held is as follows: McGill, 8; Montreal, 1; Queen's, 4; Toronto, 7; Western Ontario, 8; Manitoba, 1; Oxford, England, 1; Zurich, Switzerland, 1.

Medical Fellowships vary in amount from \$1500 to \$2500, depending on the previous training and experience of the candidates.

Bread-Grain Crop Review: Almost without exception the wheat and rye producing countries in the Northern Hemisphere report favourably upon the current harvest, states the Bureau of Statistics in its monthly review of the wheat situation. The most reliable estimates available indicate the 1948 overall bread-grain crop in these areas may be about 10 per cent above the outturn in 1947 and should approach the pre-war, 1935-39 level.

(over)

In North America it is anticipated that the combined outturn of wheat and rye will come within two per cent of last year's record crop. Production in Continental Europe will be substantially above last year's poor crop but will still fall below average. The bread grain crop in the Soviet Union is also expected to be above 1947, but much below pre-war.

Better-than-average wheat crops are indicated for most of the principal producing countries of Asia, with China's crop placed at 25 per cent above average and Turkey expecting yields 20 per cent in excess of average. India's crop, although slightly below average should be 20 per cent larger than in 1947. In North Africa the wheat crop is expected to be below average but will exceed the 1947 outturn.

In the Southern Hemisphere where harvest will not begin until near the end of the year, reports from Australia indicate reduced wheat seedings but crop conditions to date have been quite good. Argentine farmers have apparently again seeded a relatively low acreage to wheat and late reports indicate that some of the more important wheat areas are in need of rain.

Farm Cash Income: Canadian farmers realized a cash return from the sale of farm products of approximately \$974,212,000 during the first six months of this year, according to a preliminary estimate by the Bureau of Statistics. This amount compares with \$732,704,000 in the similar period of 1947 and \$620,193,000 in 1946. With the inclusion of supplementary cash payments under the provisions of the Prairie Farm Assistance Act, the Wheat Acreage Reduction Act, and the Prairie Farm Income Act, cash receipts for the half year aggregated \$989,572,000 as against \$742,626,000 in the like period of 1947.

Commodore DeWolf Promoted: The promotion of Commodore Henry G. DeWolf, C.B.E., D.S.O., D.S.C., R.C.N., of Bedford, N.S., to the rank of Rear-Admiral was announced September 9 by the Hon. Brooke Claxton, Minister of National Defence. Commodore DeWolf's promotion is effective September 8, the date on which he became Flag Officer Pacific Coast, succeeding Rear-Admiral E. Rollo Mainguy, O.B.E., R.C.N., of Duncan, B.C. who will transfer to the R.C.N.'s eastern command on October 1, as previously announced, to become Flag Officer Atlantic Coast.

Across Canada: Plans for the movement of British industry to Ontario have been stepped up in the last month to a point where eight United Kingdom manufacturers have been granted permission to spend upward of two million dollars in Ontario on new construction and equipment. Hon. Dana Porter, Ontario Minister of Planning and Development stated yesterday as reported in The Globe and Mail...The Minister of National Health and Welfare, Hon. Paul Martin, announced last night at the closing banquet of the 19th Congress of the Association of French-Language Doctors in Canada that Quebec has agreed to participation in the federal Government's \$30,000,000-a-year national health plan, according to The Ottawa Journal's report of proceedings...Air Commodore Sir Frank Whittle, jet pioneer and technical adviser to British Overseas Airways Corporation, plans to visit Canada shortly, a B.O.A.C. spokesman in London, England, was quoted by The Canadian Press as saying Wednesday...The Minister of Mines and Resources, Mr. MacKinnon, and a large gathering of the staff, honoured Robert A. Hoey September 8 on the eve of his retirement as Director of the Indian Affairs Branch of the Department...L. B. Otto, of Lansing, Mich., on September 7 became the 1,000,000th person to visit the Parliament Buildings in Ottawa since a tabulation was started in 1940, The Canadian Press announces...Atlantic No. 3 oil well, which had erupted in flames and was consuming an estimated \$50,000 worth of crude oil daily and endangering the Leduc oil field, was reported from Edmonton today to have been finally tamed by water pumped down a nearby emergency relief hole, flooding the producing formation a mile under the surface.

(Note: No Bulletin was published Thursday, September 9, 1948)

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 205

Saturday, September 11, 1948.

Mr. Pearson Secretary Of State For External Affairs: Lester B. Pearson, for two years Under-Secretary of State for External Affairs, was appointed Secretary of State for External Affairs and sworn to that office at Government House on Friday afternoon, September 10.

In announcing Mr. Pearson's appointment to the Cabinet, the Prime Minister, Mr. King, said Mr. Pearson would seek election to the House of Commons in the riding of Algoma East, a seat held for 13 years by Thomas Farquhar, who was appointed Friday to the Senate.

Nominations in Algoma East have been set for October 12 and the voting, if voting takes place, will be on October 25.

It was also stated by Mr. King, according to Saturday morning press reports, that he expected to return to Canada early in November from his Paris and London engagements, and that he would then relinquish his post as Prime Minister to Mr. St. Laurent, now acting Prime Minister.

Mr. St. Laurent meanwhile, again takes over the portfolio of Minister of Justice which he will retain until he assumes the Prime Ministership later in the year.

Evacuation From Hyderabad: The Department of External Affairs made public details concerning the voluntary evacuation of European British subjects, Canadian citizens, and United States citizens from Hyderabad State which is now taking place according to a previously agreed plan. This movement has been made necessary by increasing tension between Indian and Hyderabad forces.

The plan, which had been worked out in advance by the United Kingdom, United States, Australian and Canadian Missions in New Delhi, covers the nationals who are the responsibility of these missions, said to number in the entire State of Hyderabad some 500 persons, of whom only a very small proportion are Canadians. Canadians in Hyderabad were requested some months ago to register with the Office of the High Commissioner for Canada in New Delhi.

The scheme calls for the evacuation by air to Madras from Kakimpet airfield of all those in the vicinity of Hyderabad City and Secunderabad, who can get to this field. A few Canadians will be included in the air operation. Those living near the boundaries of Hyderabad State are expected to proceed to India by rail or road. Others in more remote districts of the State may stay where they are for the time being.

The evacuation by air will be made in two commercial York aircraft of B.O.A.C. The movement will be directed from Hyderabad City by Mr. Fry, a United Kingdom diplomatic officer who was stationed in Hyderabad recently to look after the protection of European British subjects. Arrangements have been made in Madras for the reception of evacuees.

New Dominion Archivist: Dr. William Kaye Lamb, of Vancouver, B.C., librarian of the University of British Columbia, has been appointed Dominion Archivist, Prime Minister King announced Friday at a press conference.

Dr. Lamb, a former British Columbia provincial librarian and archivist, succeeds Dr. Gustave Lanctot, who retired September 1 after 11 years as Dominion Archivist.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, September 13, 1948.

Meeting Of Newfoundland And Canadian Delegations: The Prime Minister, Mr. Mackenzie King, announced on September 11 that the following Ministers have been appointed to meet with the delegation from Newfoundland to complete arrangements for union, in accordance with the statement issued on July 30, 1948:

The Minister of Justice, Mr. St. Laurent, who will be the Acting Prime Minister, will be Chairman. The other members will be the Minister of Trade and Commerce, Mr. Howe; the Minister of National Defence, Mr. Claxton; the Minister of Finance, Mr. Abbott; the Minister of National Revenue, Dr. McCann; the Minister of Fisheries, Mr. Mayhew; and the Secretary of State for External Affairs, Mr. Pearson.

It is planned that the first meeting of the two delegations will take place on Monday, October 4, 1948.

The seven-man Newfoundland delegation that will work out the final terms of union will leave St. John's on October 3 for Ottawa.

The Newfoundland delegation will be composed of; Commissioner Albert Walsh as chairman; Joseph R. Smallwood and F. Gordon Bradley, leaders of the Confederate Association, Chesley A. Crosbie, leader of the party that stood for economic union with the United States; J. B. McEvoy, one-time chairman of the National Convention of Newfoundland; Phillip Gruchy, manager of the Anglo-Newfoundland Development Company, and Gordon A. Winter, former president of the Newfoundland Board of Trade.

Condolences On Death Of Jinnah: The Prime Minister, Mr. Mackenzie King, sent the following message yesterday to Honourable Liaquat Ali Khan, Prime Minister of Pakistan:

"All parts of the British Commonwealth will be pained to learn of the sudden passing of His Excellency Mohammed Ali Jinnah, the first Governor General of Pakistan. On behalf of the Government of Canada, I should like to express our sincere sympathy to the Government and people of Pakistan in their national loss."

Atlantic Pact: Defence Minister Claxton expressed the hope on Saturday that Canada and the United States will join Europe's Western Union nations in an Atlantic security agreement, according to The Canadian Press.

At the annual dinner of the Governor-General's Foot Guards in Ottawa, he said that a "worsened" international situation has forced "changes in policy and conduct" throughout the world.

He said "refusal of the Russians to co-operate in the United Nations and everywhere else brought about Western Union last March 17."

Defensive in character, such a union would be "a stronghold of peace and a bulwark for the defence of our country."

In the 10 years before the Second World War, Canada's annual defence expenditures averaged less than \$20,000,000. They are now "12 times as great."

(over)

The strength of the reserve army is 35,000, he said "and we are calling for volunteers to bring it up to . . . as many as we can get." Reserve units "have tanks and guns and radar sets and all the other complicated and expensive paraphernalia of modern war."

Atomic Control Or Destruction: Gen. A. G. L. McNaughton, president of the United Nations Atomic Control Board, said Saturday that only complete international agreement on control of the atom bomb can save the world from destruction, The Canadian Press reported.

Interviewed before sailing with the Canadian delegation to the United Nations assembly meeting in Paris, Gen. McNaughton said;

"There will be no middle-of-the-road, no compromise and no alteration from our course.

"The proposals we have set out for atomic energy control must be accepted by all nations. There can be no backing down. Any alternative could only mean chaos. We must face it frankly. We are faced with either peace or chaos."

He said he is "not one of those who wants to condemn the Soviet for its stand on atomic energy control."

"We must blame it on the failure of the Russian officials and their people to understand fully the complete meaning of atomic control.

"I firmly believe we still have time with us and we must use this time to the fullest to educate the people of the Soviet that our plan for atomic control is the best for the world."

Army Survey Parties In North Returning: A number of Canadian Army personnel who have been engaged in a mapping survey of unmapped areas in the Yukon and Northwest Territories in the vicinity of Mayo, Watson Lake and Lower Post, will return to Ottawa late this month, Army Headquarters said this week.

Their work forms part of the military mapping programme of the country's unmapped areas started when aerial photographs of these regions were taken by the RCAF in 1946. Working with government surveyors from the Department of Mines and Resources, the soldiers are carrying out the "ground work" -- the grueling detailed phase of the mapping programme.

Ottawa authorities said that in addition to the seven survey parties which have been operating in the northwest this summer, two are working in New Brunswick and another is mapping an area near Suffield, Alta.

Bruges Commemoration: Mr. Victor Dore, Canadian Ambassador to Belgium, presided yesterday at ceremonies opening a new bridge across the canal in Bruges. Known as the Canadian Bridge, it will stand as a permanent tribute to the liberators of the town who fought there a bitter battle on September 12, 1944. The Canadian Press reported that cries of "Vive le Canada!" rang through the old-fashioned Flemish town as 18 Canadian officers and men, led by Maj.-Gen. Harry Foster, celebrated the fourth anniversary of the liberation. Crowds lining the flag-bedecked streets broke through police cordons and wept openly during the mile-long parade to the canal.

Across Canada: Defence Headquarters announced today a programme of large-scale cold-weather training which will be carried on at Fort Churchill, Rivers and Shilo, Man., and Petawawa, Ont., with thousands of troops taking part.... The National Gallery has added to its already famous collection of art treasures one of the most important Murillo works on this continent representing "Abraham and the Three Angels".... Total attendance at the Canadian National Exhibition, which closed its 14 day run on Saturday, was 2,612,000, the largest in the show's history.



## AIRMAIL BULLETIN

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Tuesday, September 14, 1948.

Meeting Of Commonwealth Prime Ministers: The Office of the Prime Minister made public yesterday afternoon the text of the following announcement, made public at the same time by the Prime Minister of Great Britain in London:

The Prime Minister, Mr. Clement Attlee, announced in the House of Commons on June 28 that it was hoped to hold a meeting of Commonwealth Prime Ministers to discuss broad general questions of common interest in October. Arrangements have now been made for a meeting to take place in London on October 11.

It is hoped that most Commonwealth Prime Ministers will be able to be present. Mr. Chifley, who visited this country as recently as July, will however be unable to leave Australia again after so short an interval and Australia will therefore be represented by Dr. Evatt. Dr. Malan owing to pressure of domestic matters and Parliamentary business in South Africa will also be unable to be present and South Africa will be represented by Mr. Eric Louw, Minister of Mines and Economic Affairs, who will attend meetings when his responsibilities as the leader of the South African Delegation to the General Assembly of the United Nations admit of his doing so.

As is customary on these occasions the meeting will be a private one at which there will be confidential discussions and exchanges of view on matters of common concern between Commonwealth Prime Ministers. It is not the practice on these occasions to take formal decisions.

Prime Minister's Departure: It feels good to be reaching a time when "one can live a little of one's life", Prime Minister King was reported by the Canadian Press to have said last night as he passed through Montreal on his way to Europe where he will attend the United Nations General Assembly in Paris and the conference of Commonwealth Prime Ministers in London.

The Prime Minister reiterated his intention of resigning as soon as he returns from his seven-week trip, adding, "of course it may be two or three days after that".

Gen. Crerar In Belgium: Gen. H. D. G. Crerar, former commander of the First Canadian Army, arrived in Belgium yesterday for a four-day inspection of Canadian war graves, the Ottawa Citizen reports.

Before leaving for France Friday, he will visit Canadian cemeteries at Bergen-Op-Zoom, Schoonselhof and Adegem and several monuments in the Ypres area, including the Menin Gate.

New Honour For Mr. King: The French Academy of Moral and Political Sciences yesterday fixed October 4, as the date for the installation of Prime Minister Mackenzie King, who has been elected a foreign associate of the academy in the place of the late Earl Baldwin, Reuters reported from Paris today.

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Appointment Of D. M. MacKay: The Honourable James A. MacKinnon, Minister of Mines and Resources, announced yesterday the appointment of D. M. MacKay to the position of Director of the Indian Affairs Branch, recently vacated by the retirement of Mr. R. A. Hoey. Mr. MacKay was formerly the Superintendent of the Welfare Division of the Branch and has been in the Service since 1936.

Mr. MacKay will be the Acting Director of the Branch until the expiration of Mr. Hoey's retiring leave.

Canadian Delegates To I.L.O. Conference: Arthur MacNamara, Deputy Minister of Labour, yesterday announced the names of Canada's delegates to the Technical Tripartite Conference of the International Labour Organization meeting at Geneva from September 27 to October 16.

Dr. Bertrand Bellemare, special adviser to the Quebec Department of Labour on industrial security and hygiene, has been named as the Government representative. R. B. Morely, General Manager of the Industrial Accident Prevention Association, of Toronto, will represent employers, while Chester Jordan, of the International Brotherhood of Paper Makers of Quebec City, is the Workers' Delegate.

The Conference will examine a Draft Model Code of Safety Regulations for Factories. The delegates will sail September 18 from Halifax on board the Aquitania.

Across Canada: Electric power restrictions that will create a "dim out" in Southern Ontario cities and towns until spring went into effect at midnight last night.... Jacques Greber, famous French town planner charged with the drafting of plans for the beautification of Ottawa, said yesterday according to the Canadian Press that his master plan will be completed before the end of the year.... Directors of the Bank of Canada yesterday held a meeting in Vancouver, the first to be held outside Ottawa.... The cost-of-living rose more rapidly in Edmonton during July than in any major Canadian city, but actually dropped a whole point in Montreal, the Bureau of Statistics reported yesterday. Indexes for eight regional cities showed Edmonton's separate cost-of-living index was 153.5 on August 1 compared with 151.2 the previous month. Montreal's index dropped during July from 161.6 to 160.6.



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Wednesday, September 15, 1948.

Estimated 1948 Grain Crop: Canada's 1948 wheat crop is now placed at 391,000,000 bushels, according to the second estimate by the Bureau of Statistics. This production is from an estimated seeded area of 24,100,000 acres yielding at the rate of 16.2 bushels per acre. Oat production is currently estimated at 361,700,000 bushels, barley at 157,100,000, rye at 26,600,000 and flaxseed at 17,700,000, with the outturn of hay and clover being placed at 15,700,000 tons, and alfalfa at 3,100,000 tons.

The second estimates of production of grain crops are, in general, higher than the estimates released on August 17. Exceptionally good maturing and harvesting weather prevailed quite generally throughout August and accounts largely for the enhanced production prospects. The wheat crop of 391,000,000 bushels exceeds the 1947 outturn by some 50,000,000 bushels but is about 16,000,000 below the 10-year, 1938-47 average production.

100,000 Refugees to Canada: Jean Desy, Canadian Ambassador to Italy, told an International Refugee Organization meeting in Geneva yesterday that Canada will accept a total of 100,000 refugees as immigrants during the "next few years." Under the current IRO budget, the Canadian Press despatch goes on, Canada is scheduled to accept 60,000 refugees during the next 12 months.

Seek Missing Aircraft: RCAF sources estimated last night for the Canadian Press that search planes have flown more than 22,000 miles over northern Manitoba during the last 48 hours in efforts to locate a missing United States navy plane carrying five men.

Today 28 planes continue the search over northern Manitoba's rugged hinterlands.

The plane disappeared Sunday on a 450-mile flight from the Hudson Bay port of Churchill to The Pas, Manitoba. Aboard were two high-ranking naval officers, Capt. Sir R. W. Stirling-Hamilton, Naval Advisor to the High Commissioner for the United Kingdom in Canada and Senior Liaison Officer in Canada, and Capt. B. S. Custer, United States Naval Attache to the United States Embassy in Ottawa.

North Atlantic Weather Stations: The ocean weather station network in the North Atlantic is expected to be completed by June of next year, it was announced at the International Civil Aviation Organization headquarters in Montreal yesterday.

At present eight such stations are in operation, providing meteorological services, serving as communications relay points and search and rescue bases for aircraft flying between Europe and North America. The remaining five stations will be put into operation within the next nine months.

The present eight stations are maintained by nations whose territories ring the North Atlantic. Canada and the United States operate station B between Greenland and Labrador.

The United States cutter Bibb, operating at the station, rescued the 69 passengers and crew members of the air liner, Bermuda Sky Queen, when it went down in the Atlantic last October on a flight between Eire and Newfoundland.

(over)



N.Z. Butter For Canada: Commenting on Canadian reports that Canada is likely to receive supplies of New Zealand and Australian butter this winter, G. Pottinger, chairman of the New Zealand Dairy Products Marketing Board, said yesterday in New Zealand Canada probably would receive limited quantities from his country.

As reported in a Canadian Press despatch, the amount would only be within the limits of the recently-completed New Zealand contract with the United Kingdom. He pointed out that this meant only three per cent or about 5,000 tons of New Zealand's exportable butter would go to countries other than Britain. This was intended to maintain contact with pre-war markets like Panama and India, and consequently the amount available for Canada would not be large.

Across Canada: R. Keith Jobson, senior United Kingdom Trade Commissioner to Canada, arrived in Ottawa yesterday to take up his new duties with the United Kingdom High Commissioner's office. He succeeds the late A. M. Wiseman, CMG....Special 30-day air excursion fares for trans-Atlantic travellers, representing maximum reductions of \$156.80 from regular round-trip fares, were announced yesterday by Trans-Canada Air Lines. The new excursion fares will go into effect October 1 and will remain in effect until March 31 of next year....Waterfowl survey work carried out in Canada this year was reviewed by Canadian and United States wildlife officials at a two-day meeting held at Waterton Lakes National Park, Alberta. The meeting made a rough assessment of the waterfowl population in the areas surveyed and discussed breeding conditions, brood sizes, brood losses and banding results. The different methods of survey, both aerial and ground, were compared, and the values peculiar to each were brought out.... External Affairs Minister L. B. Pearson will make his first trip to his prospective constituency of Algoma East tonight, The Canadian Press reports....As part of its officer recruitment plan, the Canadian Army had 1,835 university students training at its summer camps this year, The Globe and Mail reported today. The cadet officers each took three months' training at one of nine army camps or establishments. They comprised more than 97 per cent of the students who last fall enrolled with the Canadian Officers Training Corps at 25 universities. This fall the army has boosted its COTC quota and hopes to attract 2,293 students to the COTC.



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Thursday, September 16, 1948.

Butter Imports To Canada: The Rt. Hon. C. D. Howe, Minister of Trade and Commerce, is reported by the Canadian Press as saying last night in an interview that Canada has completed negotiations with Denmark and New Zealand for the importation of some 9,000,000 pounds of butter.

The Minister said other negotiations now are being undertaken with a third unidentified country for further importation. Prices involved were not disclosed.

Altogether, when the third contract is completed, imports will be sufficient, said Mr. Howe, to meet a shortage estimated at between 15,000,000, and 20,000,000 pounds.

The agreements call for the shipment from Denmark of 3,000 long tons and from New Zealand 1,000 long tons.

Canadian Construction Industry: The value of work performed by the Canadian construction industry moved up sharply in 1947, aggregating \$803,646,000 compared with \$523,187,000 in the previous year, according to preliminary figures released by the Bureau of Statistics. Final value of the work performed in 1946 was placed at \$775,452,000; final total for 1947 will thus be somewhat higher than that presently indicated.

The increase over 1946 was due entirely to the advance in new construction, totals for additions, alterations and repairs being somewhat lower. New construction work was valued at \$675,596,000 compared with \$367,705,000, and additions, alterations and repairs, \$128,050,000 compared with \$155,482,000. Completed reports were received by the Bureau from 19,688 concerns or contractors, an increase of 1,378 over the preceding year.

The value of building construction rose from \$326,081,000 in 1946 to \$496,817,000, residential construction increasing from \$133,645,000 to \$170,714,000, commercial from \$48,555,000 to \$101,303,000, industrial from \$106,252,000 to \$162,906,000, churches, institutions, etc., from \$33,926,000 to \$54,493,000 and other buildings from \$3,704,000 to \$7,401,000.

Value of engineering construction advanced from \$84,106,000 in 1946 to \$152,495,000, while the value of trade work performed increased from \$104,366,000 to \$138,989,000.

Evacuation From Hyderabad: The High Commissioner for Canada in New Delhi has advised the Department of External Affairs of the evacuation by air of twelve Canadians from Hyderabad, now being invaded by Indian troops.

Ten of the evacuees were at the Indian mission, Bhongir, Hyderabad. They included Stuart Carlisle Thomas, Mrs. Marjorie Islay Thomas, Miss Avid L. Thomas, and Mrs. Marjorie Joy Thomas, all of whom gave their next of kin as Edward S. Thomas, Southey, Saskatchewan.

Also at the mission were Miss Elizabeth Alberta Friebel and Miss Reinhold Friebel, whose next of kin was listed as P.O. Friebel, Consort, Alberta; Miss Helen Whitteman, whose next of kin is H. Whitteman, Three Hills, Alberta; Miss Vineta Baer, whose next of kin is E.E. Baer, New Hamburg, Ontario; and Mr. Dalton Clifford Crosby and Mrs. Marguerite Van Dora Crosby, whose next of kin is Mrs. Crosby, 31 Harvey avenue, Toronto.

At Chamshabad, Hyderabad, were Miss Emma Lepp and Miss Helen Harder, who gave their next of kin as H. P. Harder, Winkler, Manitoba.

(over)

"Battle Of Britain" Sunday: Church parades are to be held by the RCAF across Canada on Battle of Britain Sunday, which falls this year on September 19, the Royal Canadian Air Force Headquarters at Ottawa have announced. Special church services will be held, and a march past will take place at all large units. Taking part in the ceremonies, with officers and men of the Regular Air Force, will be members of the Auxiliary Squadrons and the Royal Canadian Air Cadets.

The Battle of Britain has special significance for the RCAF, for it was its baptism of fire. In August, 1940, a squadron of the RCAF for the first time flew into action against an enemy, won its first victories--and suffered its first casualties. Forty-seven Canadian officers and men--three of them with the RCAF and the others serving with the RAF--gave their lives in the Battle of Britain.

Displaced Persons Enter Canada: Three thousand eight hundred and sixty-nine Displaced Persons entered Canada during August, increasing to 34,654 the total of these people who have been absorbed by this country since April 1, 1947, it was announced yesterday by the Immigration Branch of the Department of Mines and Resources.

Possible Drop In High Prices: Top financiers and industrialists of Canada, in Vancouver this week for meetings of the board of directors of the Bank of Canada, are reported by the Canadian Press to be optimistic that current high prices will soon decline.

Graham F. Towers, Governor of the Bank of Canada, said that consumers might soon get a break, possibly before the end of the year. Favourable factors he listed as declining food prices in the United States and generally bountiful crops.

Mr. Towers, finds the European Recovery Programme a "prop" of "tremendous benefit" to Canada.

Other financiers and industrialists find that supply is catching up with demand. The market trend is changing to the buyers' side.

Removal of some of Canada's austerity restrictions as the dollar positions improves is foreseen by Mr. Towers.

Reports show, he said that imports from overseas countries have increased considerably and helped replace imports from the United States. Another favourable factor is that some goods, normally imported in volume from across the border, now are manufactured in Canada.

Across Canada: The East Algoma Progressive Conservative Association has announced, according to the Canadian Press, it will not oppose Lester B. Pearson, Minister of External Affairs, in a byelection in the constituency October 25....Norman Robertson, Canadian High Commissioner to the United Kingdom, returned to London by air last night following a visit here of nearly two weeks....United States Ambassador to Czechoslovakia, Laurence A. Steinhardt, will leave Prague next week-end for his new post as Ambassador to Canada, the British United Press report from Prague.... Sir Stafford Cripps, British Chancellor of the Exchequer, will arrive in Canada by air next Sunday to open talks on Anglo-Canadian financial and economic relations, the United Kingdom information office in Ottawa has announced. His party will include Sir John Woods, permanent secretary of the British Board of Trade, Sir Henry Wilson-Smith, second secretary of the treasury, and other treasury officials....Rose and Shane Alexander, children of Canada's Governor-General, last night boarded the liner Mauretania in New York to sail for England where they will attend school... A 60-year-old scheme, under which British orphans were brought to Canada and given homes here, may be resumed shortly, Col. E. Wyndman, chairman of the Church of England Children's Society, told the Canadian Press in Halifax yesterday....James Mollison, who was the first man to fly the Atlantic solo from east to west in 1932, took off from London by air last night as an assisted-passage emigrant to Canada....The Ford Hotel in Montreal became "Radio Canada Building" yesterday. The Canadian Broadcasting Corporation bought the hotel on behalf of the Government in order to house its international service which will occupy part of the building.



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Friday, September 17, 1948.

Immigration From France: The Minister of Mines and Resources, the Honourable J. A. MacKinnon, has announced that, following a recommendation of the Cabinet Committee on Immigration Policy that citizens of France should be admitted to Canada on the same basis as citizens of the United States and British subjects from the United Kingdom, Australia, Ireland, New Zealand and South Africa, the new policy has been brought into immediate effect by Order-in-Council.

As a result of this action French citizens who wish to enter Canada as immigrants from France will be granted admission if they are in good health, of good character, and satisfy the immigration authorities that they are not likely to become a public charge.

Freight Rates Hearings: The Acting Prime Minister, Mr. St. Laurent, announced today that the Governor in Council will hear on September 27 and 28 the petition of Nova Scotia, New Brunswick, Manitoba, British Columbia, Prince Edward Island, Saskatchewan and Alberta respecting the judgment of the Board of Transport Commissioners of March 30, 1948, authorizing a general increase in railway freight rates.

The Government has also decided that a recommendation would be submitted later to the Governor General for the appointment of a Royal Commission to examine and report upon economic policy within the jurisdiction of Parliament involved in the operation and maintenance of national transportation.

Canadian Chairman Of I.R.O.: Jean Desy, Canadian Ambassador to Italy, has been elected Chairman of the Executive Committee of the International Refugee Organization, now in session at Geneva, the United Nations announced today. Mr. Desy is the Canadian delegate at the meeting.

Fallen Canadians Honoured: A golden book containing the names of all Canadian soldiers buried in the cemetery of Adegem, near Ghent, Belgium, has been placed in the Public Archives of Canada.

Prime Minister Mackenzie King's office said yesterday in a statement that Mr. King received the book from Madame Le Clement de Saint-Marcq, of Ghent, shortly before his departure for Europe last week. He thanked her for it on behalf of the Canadian people.

A large volume measuring 11 by 17 inches, the book is bound in dark red morocco embossed with gold designs. The first page contains a dedication headed with the coats-of-arms of Canada and Belgium. The volume also contains the names of associations and groups, as well as the signatures of those residents of Ghent who adopted the graves and who have agreed to decorate them with flowers.

Iceland Air Navigation Agreement: Maintenance of vital air navigation services in Iceland, important to trans-Atlantic air travel, was assured yesterday with the signing of a 10-nation joint support agreement at the Montreal headquarters of the International Civil Aviation Organization.

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ICAO announces that by the terms of the agreement, the 10 countries, whose airlines fly the trans-Atlantic route, will contribute to the future operation of air traffic control, communications and meteorological services, situated in Iceland, which has maintained the services up to now.

The agreement calls upon nine nations to pay Iceland the sum of more than \$1,000,000 as partial payment of the expenses incurred by that country, in providing the services to the end of 1948. Canada's contribution, as one of the contracting nations, will be 9.3 per cent or just over \$100,000.

Other countries paying for the services are Belgium, Denmark, France, the Netherlands, Norway, Sweden, the United States and the United Kingdom.

Further to this, the joint support agreement provides that the 10 nations together, in 1949 and subsequent years, contribute jointly to maintain the services. Canada's share of the required \$650,000 yearly total will be 7.1 per cent. Contributions by the nations are determined on the basis of the use which each makes of the facilities.

The agreement was drafted at a joint support meeting of ICAO held in Geneva last June, under the chairmanship of Brig. C. S. Booth, Canadian representative.

Canadian Health Programme: Canada has embarked on the greatest health programme in its history, with the idea of making an all-out attack against disease, the Honourable Paul Martin, Minister of National Health and Welfare, said in a speech in Ottawa yesterday, reported in The Ottawa Citizen.

"This is a project which is at present costing \$30,000,000 per year, an expenditure greater than the total amount spent for this purpose during the past 27 years," he said. "Add to this the amount spent by the provinces, municipalities and civic agencies and you have an annual expenditure of more than \$100,000,000 a year on health."

Van Camp Appointment: The appointment of Wing Commander W. C. Van Camp, DFC, as commanding officer of the RCAF Flying Training School at Centralia, Ontario, replacing Group Captain M.D. Lister of Calgary, Alberta, was announced today by the Honourable Brooke Claxton, Minister of National Defence. G/C Lister, who has been the commanding officer of Centralia for the past year and a half, is leaving to attend the National Defence College at Kingston, Ontario. The change is effective September 28.

Naval Appointments: Two top-ranking officers of the Royal Canadian Navy's supply branch will exchange appointments early next month, Royal Canadian Naval Headquarters announced today.

Captain (S) Rupert A. Wright, O.B.E., R.C.N., of Victoria, British Columbia, and Ottawa, who at present is Director General of Fleet Accounting at Naval Headquarters, will become Command Supply Officer of the Pacific Command. Commander (S) Murray A. Davidson, R.C.N. of Vegreville, Alberta, and Halifax, presently in charge of the supply organization on the West Coast, will assume Captain Wright's duties at Ottawa.

Across Canada: Two Canadians were appointed yesterday as advisers to the Newfoundland delegation which will come to Ottawa soon to discuss terms of federal union with Canada; James C. Thompson, of Montreal, head of a firm of chartered accountants, and Dean Vincent C. MacDonald, of the Dalhousie University Law School, the Canadian Press reports.... A veteran bush pilot, R.C.A.F. Squadron Leader Jack Hone, of The Pas, yesterday joined the search for a United States' Navy plane missing in northern Manitoba bush country since Sunday with five persons.... A Montreal couple, Mr. and Mrs. E. P. Dufresne, will shortly have a home address closer to the North Pole than any other household in Canada except perhaps those of a few hardy Eskimos. Percy E. Moore, director of Indian Health Services for the Federal Government, yesterday told the Montreal Gazette that they would start North shortly to operate a new government health centre in the tiny community of Coppermine.



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Monday, September 20, 1948.

Army Week Address: The Acting Prime Minister, Right Hon. L. S. St. Laurent, delivered a radio address over a national network Sunday night as part of ceremonies marking the inauguration of Army Week. He stated that Canadians must recognize the need for defence forces because all nations were not working for peace and welfare, and expressed the view that "we are living in a world in which there is tension and insecurity."

He proceeded, in part:

"War, however, is not inevitable. We know that it is possible for men and nations to work and live together to gain a measure of security and prosperity never before attained.

"That is the goal toward which we wish all nations were working. But, unfortunately, all the nations are not working for peace and welfare.

"In the face of the present attitude of certain nations dominated by communism, every true Canadian must recognize the need of military forces to defend our country and to take their place in any arrangements for collective security that we may assume.

"We Canadians cannot, nor would we wish to maintain fighting services of a size large enough to threaten anyone. No Canadian ever dreams of threatening other nations. But it is only common prudence to see to it that we have defense forces which will make plain to our neighbours, as well as to those in more distant places, our determination to stand on guard for those things that we hold dear.

"We must leave no doubt that our resolve is not a matter of words alone."

The Minister of National Defence, Honourable Brooke Claxton, spoke on the same programme and appealed for recruits for the armed forces.

Count Bernadotte Tribute: The Acting Prime Minister, Right Honourable L. S. St. Laurent, issued to the press September 18 the following statement with regard to the assassination of Count Folke Bernadotte:

"The Canadian Government is shocked to learn that the United Nations Mediator in Palestine, Count Folke Bernadotte, has lost his life by assassination. It wishes to pay tribute to the selflessness and devotion with which the Mediator undertook and carried out his most difficult task. In endeavouring to bring about a peaceful settlement in Palestine under the conditions prevailing in that land, Count Bernadotte and his associates have not spared themselves in the cause of peace. By the sacrifice of his life as the climax of tireless efforts, Count Bernadotte has set an example of the highest public service to all nations. The Canadian Government hopes that the United Nations will continue the work of Count Bernadotte, inspired by his example and by his faith in human reason and moderation.

"The Canadian Legation in Stockholm has been asked to convey to the bereaved family of Count Bernadotte, through the Swedish Government, an expression of the sympathy of the Canadian Government and people."

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1949 Trade Fair: Next year's Canadian International Trade Fair will be held in Toronto from May 30 to June 10, 1949, Rt. Hon. C.D. Howe has announced. He stated that the inaugural Fair in 1948, attracting exhibitors and businessmen from more than seventy different countries, had gone far toward confirming the Government's expectation that a new world market-place in the tradition of the famous European "sample" fairs can be successfully established on this continent.

The plans authorized by the Government for next year are intended to utilize fully the benefit of the experience gained in 1948. The lessons learned are being applied to the improvements planned for 1949. The same three permanent exhibition buildings will be used again, providing space in excess of 750,000 square feet. Although official application forms have not yet been made available, replies have been received from 238 of last year's exhibitors who were questioned concerning their intention for 1949. Over 95 per cent indicated their intention to exhibit again, and all but one have requested as much or greater space in 1949 than they used in 1948, an over-all average increase of 16 per cent. Inquiries and applications for space have already been received from 144 firms who did not participate in 1948.

Emphasis is being laid upon attracting still greater attendance of visiting businessmen, particularly from the United States. A keen interest has been aroused in U.S. business circles by the success of the first Trade Fair, the Minister pointed out.

London Immigration Offices: The Honourable James A. MacKinnon, Minister of Mines and Resources, has announced the opening of new Immigration Branch offices in London, England.

Mr. MacKinnon said that a four-storey building had been obtained at 42-46 Weymouth Street West, and that it provides much more space than was available in Sackville House, the former location of the Immigration staff.

Quarters in the new building have been allotted to medical officers of the Department of National Health and Welfare, who co-operate closely with the Immigration Branch in the examination of prospective emigrants to Canada.

Space is also provided for officials of the Department of Labour, who assist the Immigration officers in dealing with British craftsmen and other persons interested in learning about labour conditions in Canada.

The offices will be under the direction of Guy G. Congdon, Superintendent of European Emigration.

Tourist Industry Conference: The third Dominion Provincial conference to discuss the Canadian tourist industry will be held in Ottawa, October 18, 19 and 20, Rt. Hon. C.D. Howe, Minister of Trade and Commerce, has announced.

Results of the 1948 tourist season will be reviewed, the problems facing the industry from coast to coast discussed and an attempt made to find practical solutions. Among the items on the agenda are accommodation and services, advertising, publicity, and the part the tourist trade can play in improving Canada's dollar position.

Participating in the conference will be ministers and deputy ministers of travel in the various provincial governments; officials of the transportation companies; representatives of the Bank of Canada, the National Film Board, and federal Government departments concerned with the Canadian travel industry.

Across Canada: Sir Stafford Cripps arrived in Ottawa by air at 1:30 Monday morning. Among those to meet Sir Stafford's aircraft was Hon. Douglas Abbott, Minister of Finance...The Canadian delegation to the United Nations General Assembly arrived in Paris Sunday by plane from London, England.





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Tuesday, September 21, 1948.

Re-opening of R.M.C.: The Minister of National Defence, Hon. Brooke Claxton, on Monday morning, September 20, addressed the first post-war class of the Royal Military College at Kingston as the College resumed activities as a training ground for future officers in Canada's armed forces.

Mr. Claxton said in part:--

"....This is a rebirth as well as the opening of a new educational institution. Until its work as a cadet college was suspended during the war, a total of 2,788 students were numbered on its rolls in these old historic buildings. More than 2,500 saw service on battlefields in every corner of the world. Many gave distinguished service to their country in other ways, in war and in peace.

"We renew here a great tradition marked by the resumption of the roll of numbers of the cadets. The last in 1942 was #2828; the first today at Royal Roads is #2829...."

"You are here to continue your education. Education means a good deal more than the acquisition of a skill. Any intelligent person can be taught law, or medicine or military science. This, however, represents but a small part of education. A high degree of specialized knowledge can be useless or even dangerous unless its owner is taught to apply it in the interests of the community. In other words, education must bring with it a sense of responsibility as a citizen. That is why we believe good officers must first of all be good citizens, useful and respected members of their community.

"Today the need for good officers is obvious. Every newspaper brings word of tension and uncertainty. To a greater degree than ever before in peacetime, we in Canada recognize the necessity of having armed forces. On that account, we are spending today more than ten times as much as the average in the ten years before the Second World War and our active forces are seven times as large. That victory has not brought peace is to be deplored, but it is perfectly evident that we cannot meet the situation merely by deploring it. War is not inevitable but neither is peace certain, and until it is, no self-respecting country, particularly one with the record as well as the resources of Canada, can afford to ignore her defences...."

Air Vice Marshal Morfee Retires: Hon. Brooke Claxton, Minister of National Defence, announced September 20 the retirement of Air Vice Marshal A.L. Morfee, CB, CBE, Air Member for Air Plans at Air Force Headquarters, Ottawa, who is to proceed on retirement October 1. The Division of Air Plans, which has been headed by A/V/M Morfee since September 1, 1947, is responsible for the organization and establishments within the RCAF, for planning, operation requirements, and for intelligence services.

The appointment of Air Commodore R.C. Dunlap, CBE, as Air Member for Air Plans, effective October 1, was announced simultaneously by the Minister. A/C Dunlap, who assumes the rank of Air Vice Marshal upon taking over his new duties, replaces Air Vice Marshal A.L. Morfee, CB, CBE, who is retiring. A/C Dunlap, a veteran of 20 years with the RCAF, has been attached to Air Force Headquarters since last August, after returning from the United States, where he was employed on special duties. He served with distinction during the war on operational duties in North Africa, the Continent, and United Kingdom, and in 1946 attended the Bikini atom bomb tests as an RCAF observer.

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Mr. Claxton also announced the appointment of Group Captain W.B. Bennett of Halifax and Ottawa as a Deputy Air Member for Air plans at Air Force Headquarters, Ottawa. G/C Bennett, now Director of Operational Requirements at AFHQ, takes over his new position October 1, with the rank of Air Commodore.

Sir Stafford Cripps' Visit: Sir Stafford Cripps, Britain's Chancellor of the Exchequer, was entertained at an official Government dinner Monday night at the Country Club. The Acting Prime Minister, Right Hon. L. S. St. Laurent; the Minister of Finance, Hon. Douglas Abbott, and other members of the Cabinet were present, The Ottawa Journal reported this morning. In the British party with Sir Stafford were Sir Alexander Clutterbuck, High Commissioner for the United Kingdom in Canada; Sir John Woods, permanent secretary of the Board of Trade; Sir Henry Wilson-Smith, second secretary of the British Treasury, and other Treasury officials who accompanied the party to Canada.

Across Canada: Premier George Drew of Ontario last evening announced himself a candidate for the National Leadership of the Progressive Conservative Party. The Party's National Convention is to be held September 30 to October 2 at Ottawa to name a successor to Mr. Bracken. Mr. John Diefenbaker, member of Parliament for Lake Centre, Sask., and Mr. Garfield Case, member for Grey North, are other declared candidates....The Canadian Press reported from The Pas, Manitoba, this morning that messages spelled out on the ground and visible to a passing search plane had raised hopes that search for a missing United States Navy plane carrying five persons might end happily.



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Wednesday, September 22, 1948.

Mr. Pearson's Kingston Speech: The Secretary of State for External Affairs, Hon. Lester B. Pearson, on September 21 delivered his first public address since his appointment last week. In a speech to the Ontario Municipal Association at Kingston, Ont., the Minister stressed the importance of the deliberations of the United Nations Assembly, just opened in Paris; re-stated the Canadian Government's willingness to join the other North Atlantic democracies in establishing a regional collective security pact for the North Atlantic, and concluded his address as follows;

"...The only course of realism today for the North Atlantic democracies is for each of them to consider problems of their relations with one another as relations between friends and associates. This does not mean that each of us should do everything that any other member of the group says is in the interests of the whole association. It does, however, mean that each of us, before taking actions in the political, economic or military field, must consider what the effect of its actions will be on the total strength of the group as a whole - its total military, economic and moral strength.

"Each of us must make these decisions, realizing that, though war is by no means inevitable, there is a risk that war may break out at any time. The extent of this risk is incalculable.

"Even if war does not break out, we may have to live for an indefinitely long period in an atmosphere of international tension punctuated by recurrent crises.

"That, gentlemen, is a depressing statement to make. It is, however, based, I think, on a sober appreciation of the facts and the trends of today. You would not wish me to preach a doctrine of sweetness and light when I do not feel that way. Nor, on the other hand, do I feel that we need fall into despair and assume that nothing can be done to save the situation. Not at all. There is nothing inevitable in the relations between states; nothing fixed or frozen.

"Living, however, as we will be in this atmosphere of international tension, we and our friends in the other Western democracies will need steady nerves and stout hearts. We will need to be unshaken in our determination to pursue a consistent, firm and unprovocative policy."

Foreign Trade Trend: Canada's total foreign trade showed a moderate increase in July, standing at \$478,600,000 as compared with \$466,500,000 in the corresponding month last year, according to the Bureau of Statistics. Domestic merchandise exports were higher, while imports and re-exports of foreign produce both were lower in value. Aggregate value of trade for the first seven months of this year was \$3,167,600,000 as compared with \$3,068,300,000 in the similar period of 1947, an increase of 3.2 per cent.

Exports of domestic merchandise in July were valued at \$250,900,000 as compared with \$233,500,000 in the preceding month and \$236,600,000 in the corresponding month last year. The month's figures show a further gain in exports to the United States, a continuation of the decline in the value of shipments to the United Kingdom, and augmented exports to Latin American countries. Cumulative value of merchandise exports in the seven months ended July was \$1,651,000,000 as compared with \$1,565,000,000 in the like period of 1947.

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Imports entered for consumption were valued at \$225,100,000 in July compared with \$233,000,000 in June and \$226,800,000 in the same month last year. There was a further decline from the high levels of a year ago in the value of imports from the United States, while purchases from the United Kingdom again were higher in value. During the first seven months of this year the aggregate value of imports was \$1,495,200,000 as against \$1,483,500,000 in the same period of 1947.

The value of re-exported commodities in July was \$2,606,000 compared with \$3,062,000 in the same month last year, and in the seven months, \$21,351,000 compared with \$19,838,000.

The favourable over-all balance of trade in July was \$28,400,000 as compared with \$3,000,000 in June and \$12,800,000 in July last year, bringing the seven-month favourable balance to \$177,200,000 as compared with \$101,300,000 a year ago.

Adverse balance of trade with the United States in July was reduced to \$28,600,000, comparing with \$43,500,000 in June and \$84,900,000 in July last year. In the seven-month period the debit balance fell from \$572,900,000 a year ago to \$256,800,000 this year.

In trade with the United Kingdom the favourable balance was \$27,100,000 as compared with \$28,300,000 in June and \$52,000,000 a year ago, and in the seven months, \$248,000,000 compared with \$321,000,000.

Merchandise Imports: Canada's merchandise imports were slightly lower in July, being valued at \$225,100,000 as compared with \$226,800,000 in the corresponding month last year, according to the Bureau of Statistics. During the first seven months of this year the total was \$1,495,200,000, moderately above last year's corresponding total of \$1,483,500,000.

Merchandise imports from the United States continued the decline of preceding months from the levels of a year ago, falling to \$149,499,000 from last year's corresponding figure of \$168,874,000. The further decrease reduced the total for the seven months ended July to \$1,033,966,000 from \$1,149,813,000 in the like period of 1947.

Purchases from the United Kingdom again were higher in July, rising to \$29,377,000 from the July 1947 total of \$17,711,000, and in the seven months to \$168,508,000 from \$102,346,000. Imports from Latin American countries in the month increased to \$21,318,000 from \$13,196,000, and in the seven months to \$128,388,000 from \$83,302,000.

Excellent Harvesting: Apart from northern areas in Alberta excellent harvesting weather has generally prevailed throughout the Prairie Provinces for the past month. Rapid progress in harvesting cereals has been made in Manitoba, Saskatchewan and southern Alberta where operations are nearing completion.

Across Canada: Rev. Willard E. Brewing, of St. George's United Church in Toronto, last night became the 14th Moderator of the United Church of Canada. Reporting the 13th Biennial Meeting of the Church's General Council at Vancouver, The Canadian Press stated that Dr. Brewing, 67, was the unanimous choice to succeed Rt. Rev. T. W. Jones, of Montreal... The Canadian Press reports that Sir Stafford Cripps met yesterday with the External Trade Committee of the Cabinet... Lt. Gen. Charles Foulkes, Chief of the General Staff, was reported by The Canadian Press from Hamilton as telling an Army Week citizens' gathering that peace apparently cannot be assured without a considerable display of armed might on the democratic side.



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Thursday, September 23, 1948.

Sir Stafford Cripps' Visit: Yesterday Sir Stafford delivered an address to the Canadian Club of Ottawa and gave a press conference. From his utterances on these two occasions The Globe and Mail of Toronto this morning published the following summary of his declarations;

"1. Canada cannot expect to sell to Britain on the level which she has enjoyed in the past few years. There is no relaxation in sight in the next four years in restrictions against imports from Canada and the United States.

"2. No marked improvement in the British standard of living can be expected during the European Recovery Program.

"3. Britain will still be plagued with currency problems until 1952, and perhaps longer. It will be at least four years until holders of sterling will be able to exchange it into hard currency.

"4. Production has increased notably in Britain's basic industries. Output of coal per man shift has risen from 1.03 to 1.11 tons. Steel production is up two million tons above the pre-war peak.

"5. Great Britain's increase in exports during the country's four-year economic program will be limited to a further seven to 11 per cent over the 1938. Exports will be boosted from the present 140 per cent of 1938 level to 150 and 160 per cent."

Additionally, Sir Stafford is quoted in The Ottawa Citizen and other newspapers this morning as expressing the opinion that the likelihood of another war is not very great.

"I don't view the likelihood (of war) as very great," he is quoted in The Citizen as saying, "but when there is a tense situation anywhere there is always a possibility of accidents happening."

Dominion-Provincial Conference: The fifth Dominion-Provincial conference on municipal statistics held its opening session September 22 at Ottawa, with the welcoming address by G. J. McIlraith, Parliamentary Assistant to the Rt. Hon. C. D. Howe, Minister of Trade and Commerce.

Herbert Marshall, Dominion Statistician was chosen chairman of the conference, L. Jacobs, Director, Municipal Auditing and Accounting for Saskatchewan, vice-chairman, and James H. Lowther, Chief, Public Finance Division of the Bureau of Statistics, secretary.

The main objective of the conference is the further development of the comparability of the statistical data of the several provinces in the field of municipal statistics. In this regard the principal work of the conference will centre around the report and recommendations of the continuing committee established at the conclusion of a similar conference held last fall.

The subjects to be covered by the conference include those dealing with the revision in revenue and expenditure classifications, the reporting of other municipal data such as area, population and assessments, and the standardization of reports.

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Port Authorities To Convene: Robert Knowlton Smith, LL.B., K.C., of Ottawa, Chairman of the National Harbours Board, and this year's president of the American Association of Port Authorities, will preside over the thirty-seventh annual convention of that body which opens in Montreal on September 28th next. This year's convention meetings will be held on the s.s. "Quebec" of the Canada Steamship Lines and visits will be made to the National Harbours of Montreal, Three Rivers and Quebec on the St. Lawrence River and Chicoutimi on the Saguenay.

Over two hundred delegates will attend the convention, representing the main port authorities of the United States, Central and South America, as well as Canada.

Across Canada: Senator Ian Mackenzie, former Minister of Veterans Affairs, returned to Ottawa last night from a three-month visit to the United Kingdom and was reported in The Ottawa Journal as having said in an interview that repeated failure on the part of the big powers to come to an understanding on major post-war problems had served only to harden the determination of the British people to win lasting peace....A warning that communism can never be accepted by the church was given last night at Vancouver by Rev. Gordon A. Sisco, of Toronto, General Secretary of the United Church of Canada, according to The Canadian Press report....Viscount Alexander was cheered by thousands on flag-decked streets in Arnprior yesterday as the Governor General toured the town in an open car.

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Friday, September 24, 1948.

Joint Statement On Cripps Talks: The Acting Prime Minister, Mr. St. Laurent, and the Chancellor of the United Kingdom Exchequer, Sir Stafford Cripps, today issued the following joint statement.

During the past three days discussions have taken place between the Chancellor of the Exchequer, accompanied by senior officials of the United Kingdom Government, and the Acting Prime Minister and the following members of the Canadian Government: The Ministers of Trade and Commerce, Agriculture, Finance, National Revenue and External Affairs. Canadian Ministers were assisted by senior officials.

The discussions ranged over the whole field of economic and financial relations between the United Kingdom and Canada and included an examination of their likely course during the continuance and on the completion of the European Recovery Plan.

Discussion centred on the difficulty of the dollar-sterling balance of payments problem and the efforts which would be required on both sides to help to narrow to manageable proportions the gap in the exchanges between the two countries.

The United Kingdom will make every effort to expand the volume of its exports to Canada so as to raise them materially above the present level.

It will no doubt be necessary to make some adjustments in United Kingdom import programmes of recent years, but both governments will do everything they can to avoid any sudden change in the pattern of trade between the two countries.

The two governments are satisfied that, in spite of present difficulties, there is a prospect of a large continuing trade between the two countries and that Canadian raw materials and foodstuffs will continue to play a vital part in the recovery of the United Kingdom.

With this object in view it has been agreed that recommendations will be made to each government for the establishment of a continuing committee of representatives of the two countries to meet regularly in Ottawa and in London. The members of this committee would review progress and consult together with a view to submitting recommendations for the adjustment of the imports and exports between the two countries in the light of changing circumstances. The appointment of this committee would facilitate the free and prompt exchange of the fullest information on commercial and economic matters of mutual concern.

Discover Two Islands: Addition of more than 5000 square miles to Canada's territory, the result of discovery of two previously unknown Arctic islands by an RCAF photo survey plane, is announced by Air Force Headquarters, Ottawa. The two islands, the larger of which is between two and three times the size of Prince Edward Island, lie close together in Foxe Basin off the west coast of Baffin Island, north of Hudson Bay, and were found by the crew of a Lancaster of 413 Photo Survey Squadron from Rockcliffe, engaged in the aerial photography of Baffin.

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Discovery of the islands came on July 14 when the Lancaster photo plane was returning to its base at Frobisher, on the southern end of Baffin Island, after a photo trip over Melville Peninsula. While flying over Foxe Basin Flying Officer A. E. Tomkinson, DFC, of (634 Admirals Rd.) Victoria, B.C., the navigator, sighted land through a break in the clouds. Thinking his navigation had gone amiss, for the aircraft should have been above water according to existing air charts, he revised his estimated time of arrival at Frobisher. The Lancaster was still 60 miles from base, however, at the revised and expected time of arrival, and it was decided that night after the aircraft had landed that an unknown land area, taken to be part of Baffin Island, had caused the error in navigation.

A reconnaissance was later made of Foxe Basin and the two islands were marked on the map and photographed from the air. It was thought at first that the islands were mud flats or shoals which appeared only at low tide, but further flights showed them to be definite land masses, covered by the usual northern vegetation of moss and lichen, with numerous small lakes. The larger of the two islands is approximately 85 miles long and 75 miles wide, the smaller being 20 miles long and 10 miles wide.

Mr. Fleming To Be Candidate: Donald M. Fleming, member of the House of Commons for Toronto Eglinton, announced Thursday that he would be a candidate for the Progressive Conservative leadership at the National Convention of the Party in Ottawa September 30 to October 2. Others who have announced their intention to allow their names to go before the Convention are Premier Drew of Ontario, John Diefenbaker, member of the Commons for Lake Centre in Saskatchewan, and Garfield Case, member of the Commons for Grey North in Ontario.

Across Canada: Sir Stafford Cripps continued throughout yesterday afternoon and evening his discussions with members of the Canadian Government and trade and financial experts....Major General E. G. Weeks, Adjutant General, said in an address here Thursday that while war may not be imminent, Canada must lose no time in building up the strength and efficiency of its defence forces....Montreal newspapers feature the slaying of two policemen yesterday afternoon in a hold up of the Banque Canadienne Nationale branch at 7785 Notre Dame Street East.

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Monday, September 27, 1948.

United Nations Day: The Department of External Affairs announced September 24 that plans for the celebration on a nation-wide scale of United Nations Day, October 24, are being prepared by the United Nations Association in Canada. This date, October 24, will mark the third anniversary of the coming into effect of the Charter of the United Nations.

Celebrations of this day in Canada are being arranged in accordance with a resolution passed by the General Assembly of the United Nations on October 31, 1947, which declared that October 24 should henceforth be devoted to the task of gaining support for the United Nations by making its aims and achievements known to the peoples of the world. Member States were invited to co-operate with the United Nations in observing this anniversary.

The United Nations Association, of which Dr. Sidney Smith is the National President, was asked in April of this year by the Secretary of State for External Affairs to take the lead in organizing public observances of United Nations Day. Since that time the Association has secured the co-operation of many other national organizations and plans are in progress for observing the day in towns and cities across Canada.

As it was felt that major emphasis should be placed on the observance of United Nations Day by the general public rather than on official formalities, it was decided that the most satisfactory results could be achieved if voluntary organizations sponsored the celebrations. Further details concerning the celebration in Canada of United Nations Day will be made public shortly by the United Nations Association in Canada.

Hungarian Interests: The Department of External Affairs has been informed by the Swedish Legation in Ottawa that on September 1, 1948, the Government of Sweden terminated the task of protecting Hungarian interests in Canada. The Swedish Government had agreed to take over the protection of the interests of several foreign countries, including Hungary, during the war, and these activities have been terminated gradually since the respective treaties of peace were signed.

The Department has been advised by the Legation of Poland that the Government of Poland has agreed to undertake the protection of Hungarian interests in Canada in the absence of direct Hungarian representation in this country.

All enquiries concerning Hungarian interests in Canada should be directed to the Minister of Poland, 183 Carling Avenue, Ottawa.

Naval Conference: Commanding officers of the twenty naval divisions across Canada will attend a conference at Naval Headquarters in Ottawa from September 27 to October 2, it was announced September 25.

The conference will be the first of its kind to be held by the Navy and will bring together senior Reserve officers from every province in the Dominion.

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During the week-long meeting every phase of the naval reserve picture will come under discussion. Items on the agenda have been placed generally under the headings of plans and organization; training equipment and training generally; complement; drafting; advancement; recruiting; pay and allowances; clothing; maintenance and discipline. One of the more important tasks before the conference will be an analysis of the 1948 summer training program, in which 2500 Reservists took part, and the planning of the 1949 program.

Besides providing an opportunity for commanding officers to place suggestions and problems before authorities at Naval Headquarters, the conference will allow those attending to exchange ideas with their colleagues.

National Accounts Report: The fluctuations in Canada's annual output of goods and services over the 22 years from 1926 to 1947 are strikingly illustrated in figures contained in the annual report "National Accounts, Income and Expenditure" released by the Bureau of Statistics. The report contains for the first time balancing tables of the nation's income and expenditure back to 1926; previously published totals covered only the years back to 1938.

Between 1928 and 1933 Canadian production, measured at market prices, dropped 42 per cent, from \$5,985 million to a depression low of \$3,468 million, the report shows. Apart from a slight recession in 1938, the gross national product moved steadily upward after 1933; but by 1939, the last pre-war year, it was still six per cent below the 1928 level.

Departmental Joint Council: Formation of the first Departmental Joint Council in the Public Service of Canada was announced September 25 in Ottawa by the Department of Mines and Resources, the Civil Service Association of Ottawa, the Civil Service Federation of Canada and the Professional Institute of the Civil Service of Canada.

Commenting on the objectives of the Council, Deputy Minister of Mines and Resources, H.L. Keenleyside, said, "The purpose of the Council is to give all members of the staff the opportunity for direct representation in the discussion of matters affecting their welfare and conditions of work. It is expected that the work of the Council will make available to this Department the ideas and experience of all members of the staff. In initiating the first of these Councils in the Canadian Public Service, we have received valuable guidance from the various Civil Service organizations."

Missing Air Group Rescued: All five persons aboard a missing United States Navy aircraft are safe after 12 days in the bleak North country surrounding Hudson Bay, The Canadian Press announced from Winnipeg September 24. The five, who include two high United States and British naval officials, had lived on game and berries after what they reported to have been a perfect crash landing into knee-deep muskeg 225 miles north of The Pas, Man. Their plane was finally spotted after the most intensive aerial search in Canadian history. Four of them arrived in Ottawa Sunday night aboard an R.C.A.F. Lancaster plane. They are Capt. Ben S. Custer, Naval Attache at the U.S. Embassy in Ottawa; Capt. Sir Robert Stirling-Hamilton, Naval Adviser to the United Kingdom High Commissioner in Canada; Lieut. Charles Wilcox of Oskaloos, Iowa, Custer's aide, and U.S. Army Master Sergeant J. Scalise of the U.S. Army. The pilot, Chief Petty Officer Jack Kastner of Tucson, Ariz., had gone back to the crashed plane to help in salvage.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 217

Tuesday, September 28, 1948.

Mr. King's Paris Statement: The following are extracts from the statement by the Prime Minister, the Rt. Hon. W. L. Mackenzie King, at the United Nations General Assembly, September 28:

"...The representative of the U.S.S.R., in denying that substantial progress has been made toward the working out of arrangements for the international control of atomic energy, stands almost alone in this view. Every other country which has participated in the work of the Atomic Energy Commission established by this Assembly at its first session in London, which has been free to express its conclusions, has joined in full acceptance of the majority report of the Commission....

"In international relations, as, indeed, in all human relations, attitude and will are of first importance. A solution of most problems is not difficult to find where men or nations are really anxious to discover common ground, and bring their wills to that task. Where, however, there is no will to peace, and an attitude of antagonism rather than of co-operation is deliberately fostered, the appeal soon becomes one to force, rather than to reason. Wherever the appeal is to force, security, which is essential to the preservation of freedom, demands a preponderance of strength on the side of freedom. This is necessary, not from any thought of aggression, but to save from destruction the very nations and peoples who have at heart the aim of creating better conditions for others as well as for themselves.

"The problems of today are not going to be solved by any formula. They will be solved only to the degree that each individual does his part, and each nation does its part to further the common good, by an attitude of good-will towards all. In this particular, example is all powerful. Patience and forbearance are not signs of weakness. They are the hall-marks of strength.

"If this world of ours is to escape destruction, international relationships, characterized by antagonism and coercion must make way for a world community which recognizes that 'over all nations is humanity'. The habit of mind which resolves problems in terms of class, or race or of national prestige must be abandoned, and its place taken by a world outlook.

"Let us not be deceived. The terrible truth is that the nations have yet to decide which is to prevail; the law of blood and of death, ever imagining new means of destruction, and forcing nations to be constantly ready for the battlefield; or the law of peace, work and health, ever evolving new means of delivering man from the scourges which beset him. Mankind has still to discover whether violent conquest or the relief of humanity is to triumph in the end...."

Freight Rates Appeal: Before 11 members of the federal Cabinet, sitting as the Privy Council, seven provinces, on Monday presented their appeal from the award last March of a 21 per cent general increase in freight rates to the railways.

Counsel for the carriers late in the day opened their case against the appeal and will conclude it today, final day of the hearing, The Canadian Press reported.

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Spokesmen for the provinces -- all except Ontario and Quebec -- presented a joint submission against the Board of Transport Commissioners' rate increase award, attacking it on general principle and on several specific points.

Wheat Marketings: Reflecting the swelling volume of deliveries of wheat from farms in the Prairie Provinces, stocks in store or in transit in North America at midnight on September 16 totalled 126,121,000 bushels, an increase of 32,628,000 bushels over the September 9 figure and 22,425,000 bushels higher than on the same date last year, according to figures released by the Bureau of Statistics.

Overseas export clearances of wheat during the week ended September 16 amounted to 1,724,000 bushels as compared with 2,226,000 in the corresponding week last year.

Algoma East Contested: A three - way contest in the October 25 Algoma East federal by-election was assured Monday night with the nomination of Lorne D. Callahan, of Sault Ste. Marie as the CCF candidate.

He will oppose External Affairs Minister Pearson and John J. Fitzgerald, president of the Social Credit League of Ontario.

Rockcliffe C.O.: The appointment of G/C M.G. Doyle, as commanding officer of RCAF Station, Rockcliffe, Ont., replacing W/C R.C. Davis, O.B.E., of Medicine Hat, Alta., who has become the Director of Operational Requirements at Air Force Headquarters, Ottawa, was announced by the Hon. Brooke Claxton, Minister of National Defence.

Across Canada: The vanguard of delegates to the National Progressive Conservative Convention, September 30 to October 2, began arriving in Ottawa Monday...A Canadian Press dispatch from Washington this morning quotes the Minister of Finance, Hon. Douglas Abbott, as telling a press conference there that Canada's austerity program, to conserve her U.S. dollar balance, would be relaxed this winter. Mr. Abbott and Sir Stafford Cripps flew to Washington Sunday...Basil Wright, British film producer, was quoted by The Montreal Gazette of September 24 as praising Canadian motion pictures shown at the International Documentary Film Festival staged in conjunction with the Edinburgh Drama and Music Festival. He was quoted as saying, "Canadian films were highlights of the Festival."



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Wednesday, September 29, 1948.

Newfoundland Delegation: The seven-man delegation that will seal Newfoundland's Confederation with Canada on Tuesday completed its briefing before leaving by air for Ottawa Sunday. The Canadian Press reported in a dispatch from St. John's this morning.

The delegation, headed by Commissioner A. J. Walsh, Vice-Chairman of Commission Government, heard representations from the Board of Trade as well as from individuals most deeply interested in Confederation's impact on the island's trade and commerce, according to the dispatch.

Advisors accompanying the delegation will be Walter Marshall, Secretary of Finance, and H. G. Puddester, Justice Secretary.

Main topics discussed by the group, the report proceeded, were:

1. Minimum amount required to run Newfoundland as a province.
2. Maximum amount of revenue without increasing present taxation.
3. What new form of taxation could be imposed if necessary.

However, no statement on the program to be followed at Ottawa was released.

Arctic Supply Voyage: It was announced in Ottawa and Washington on June 4 that three U.S. Navy and Coast Guard vessels, with Canadian representatives aboard, would shortly be sailing to Canadian Arctic waters in support of the joint weather station program which is being carried out by the Governments of Canada and the United States.

These three ships -- the U.S.S. "Edisto", icebreaker, the U.S.C.G. "Eastwind", icebreaker, and the U.S.S. "Wyandot", cargo vessel, have now returned to Boston.

During the summer they resupplied the joint weather stations established in 1947 at Eureka Sound, Ellesmere Island and at Resolute Bay, Cornwallis Island. They also made a preliminary investigation of the possibility of establishing a further joint station in the vicinity of Winter Harbour, Melville Island. In the course of reconnoitering a site for an additional joint station on Ellesmere Island, the U.S.S. "Edisto" and the U.S.C.G. "Eastwind" managed to reach, via Robeson Channel, the Cape Sheridan area at the north of that island. This area in the extreme north of Canada was the scene of the activities of the British explorer, Sir George Nares, in 1875-6, and of the subsequent activities of the United States explorer, Admiral Peary, in 1905-6. The supply mission came across Nares' and Peary's cairn and, as is usual on northern expeditions, Peary's notes found in the cairn were replaced by appropriate documents. The U.S.S. "Edisto" and the U.S.C.G. "Eastwind" returned to the Atlantic coast through Fury and Hecla Strait, between the Melville Peninsula and Baffin Island.

The ships which participated in the supply mission were under the command of Captain George J. Dufek, U.S. Navy, embarked in the U.S.S. "Edisto". The "Edisto" was commanded by Commander E. C. Folger, U.S. Navy; the "Wyandot" by Captain J. D. Dickey, U.S. Navy; and the "Eastwind" by Captain J. A. Flynn, U.S.C.G. Among the principal Canadian representatives who participated in the supply mission were Mr. J. Ivor Griffiths of the Meteorological Division, Department of Transport, and Captain Albani Chouinard, Master of the Department of Transport icebreaker "Saurel".

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Bread Prices: Bakers who have not increased their bread prices since the beginning of last November may now apply to the Wartime Prices and Trade Board for consideration, according to a Board announcement on September 28.

When the subsidy on flour was discontinued a year ago bread was released from price control and there was an immediate upward adjustment of prices.

In some sections of the country an additional increase of one cent a loaf occurred in January, and in others during subsequent months. On the other hand, many bakers had not increased their bread prices since September-October, 1947.

In August of this year bakers' costs were increased by reason of the removal of the remaining subsidies on shortening, and those bakers who had not increased their prices since November 1st were placed in a disadvantageous position.

It is to meet this inequality that the Board is now prepared, on application and on demonstration of financial need, to authorize an increase of not more than one cent a loaf above the prices in effect on November 1, 1947.

Sea Fisheries: Landings in the sea fisheries of Canada in August were only slightly greater than in the same month a year ago, but the value was 65 per cent higher, according to the Bureau of Statistics. Landings in the month totalled 137,000,000 pounds valued at \$9,800,000 compared with 134,700,000 pounds valued at \$5,900,000 a year ago.

This result, in the main, is based on the increased prices being obtained by fishermen for salmon on the Pacific Coast. Contrary to earlier expectations, however, the catch of these species in August fell behind that of the previous year. An expanded tuna fishery also contributed to the success of the British Columbia fisheries this month. Landings of all species on the Pacific Coast in August amounted to 45,000,000 pounds valued at \$6,200,000 compared with 50,000,000 pounds valued at \$3,400,000 a year ago.

On the Atlantic Coast an increase in volume, as well as in value of landings is reported -- affecting all the important seasonal fisheries except that of cod in which the downward trend, which set in about two months ago, and which is being attributed to scarcity of fish, continues.

Old Age Pensions Board: Hon. John H. Sturdy of Regina, Minister of Social Welfare for Saskatchewan, and Hon. A. W. Matheson of Charlottetown, Minister of Health and Welfare for Prince Edward Island, have been appointed to the interprovincial old age pensions board, according to an announcement made September 29 by Hon. Paul Martin, Minister of National Health and Welfare.

Across Canada: The United Church took a combined stand against shipping arms to nations engaging in civil war and urged the Canadian Government to seek world government and disarmament through the United Nations. The Canadian Press reported from the 13th General Council at Vancouver.... Canada will do its full part in supporting the European Recovery Plan as soon as its financial position permits, Right Hon. C. D. Howe, Minister of Trade and Commerce, was quoted by The Montreal Gazette this morning as telling delegates to the American Association of Port Authorities convention in Montreal.



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Thursday, September 30, 1948.

McKee Trans-Canada Trophy: The Honourable Brooke Claxton, Minister of National Defence, announced today that presentation of the McKee Trans-Canada Trophy for 1947 will be made on Saturday, October 2, in Winnipeg to Captain B.A. Rawson, director of Flight Development Trans-Canada Airlines. Presentation will be made by Air Vice Marshal K. M. Guthrie, CB, CBE, Air Officer Commanding, North West Air Command, on behalf of the Minister. Announcement of the award to Capt. Rawson was made last May "in recognition of his outstanding contribution to advancement in the field of aviation during 1947, backed by an excellent record of achievement during a 22-year period of association with aviation development in general".

The McKee trophy has been awarded annually since 1927 for meritorious service in advancement of aviation in Canada. The award to Capt. Rawson marked the first time the trophy had been made to a member of TCA.

New Quarters For RCAF Married Personnel: Five jubilant RCAF airmen and their families moved into new permanent married quarters at RCAF Station near Ottawa today, to be followed by some 20 more by the end of the week. The move marks the first occupancy of 100 houses built at this Unit under the Air Force's 1948 Housing Programme. The Honourable Brooke Claxton, Minister of National Defence and Air Marshal W. A. Curtis, Chief of the Air Staff, were among those present for the ceremonies accompanying the opening of the project.

The RCAF's 1948 Programme includes 985 permanent houses as well as 721 suites prepared by converting existing wartime barrack buildings. In addition to this, temporary emergency shelter has been made available for a further 900 families. Present plans anticipate an increase of approximately 1,000 permanent housing units in 1949.

Autumn Training Cruise Of H.M.C.S. "Magnificent": The 17,700-ton aircraft carrier, H.M.C.S. "Magnificent", will visit Quebec City, Seven Islands, P.Q., Charlottetown and Sydney during the course of an October training cruise in the Gulf of St. Lawrence, it was announced yesterday at Naval Headquarters.

The carrier will complete her semi-annual docking at Saint John, N.B., October 1 and will proceed from there to Halifax. After a stop-over for fuel and stores, she will sail on the morning of October 4 for the Gulf.

Sales And Purchases Of Securities: International transactions in securities between Canada and other countries in July resulted in a sales balance for the first time in 12 months, according to the Bureau of Statistics. The balance, amounting to \$1,700,000, was due principally to net sales of common and preference stocks and to sales of new Canadian bond issues floated in Canada. Transactions with all countries in the first seven months of 1948 resulted in a purchase balance of \$14,100,000. Total volume of transactions, which had increased each month from a low of \$28,500,000 in February to a high of \$60,000,000 in June, dropped to \$34,900,000 in July.

(over)

Increasing Employment And Payrolls: Employment and payrolls in leading establishments in the principal industrial groups on August 1, 1948, show a further upward movement in all provinces except Ontario, according to an advance tabulation by the Bureau of Statistics. The increases in the reported staffs varied from one per cent in Saskatchewan to 3.7 per cent in Quebec, while the decline in Ontario amounted to 0.6 per cent.

The advance index number of payrolls at August 1 showed a gain of 1.8 per cent as compared with July 1. The advance figure of per capita weekly earnings of persons employed by leading firms in the eight major industrial divisions stood at \$40.66, a new high in the record dating from June 1, 1941. The figure at July 1 this year was \$40.48, and that at August 1, 1947, \$36.53.

In manufacturing, the advance index of employment declined from 207.2 at July 1 to 206.2 at the beginning of August, and compares with 202.5 at August 1 last year. On the other hand, the latest index number of payrolls in these industries rose by 0.2 per cent from July 1, and was higher by 14.3 per cent than at August 1, 1947. The advance figure of per capita weekly earnings of persons employed in leading factories was \$41.46 compared with \$41.17 at July 1, and \$36.97 at August 1, 1947.

Statistical Survey: How much does it cost you to live, and what are the items that make up that total? That's the question 15,000 Canadians from coast to coast will be asked when 250 Bureau of Statistics interviewers embark next week on a new venture, a survey of family expenditures.

It's all part of a plan to bring up to date the Bureau's information on what the average Canadian family spends. As Herbert Marshall, the Dominion Statistician, puts it, "The survey is being made to find out more about the budgets of Canadian families of all types, both the not-so-wealthy and the wealthy."

When completed, the survey will be used to overhaul the cost of living index, which at present is based on the 1938 family budget.

Across Canada: Called to choose a successor to Hon. John Bracken and to review party program and policy, the Progressive Conservative National Convention opened today at the Lansdowne Park Coliseum in Ottawa.... The fifth annual meeting of the executive of the National Unemployment Insurance Commission Association opened Wednesday morning at the Chateau Laurier. The Association announced it would consider every possible angle of aid to the Civil Service Federation of Canada, of which it is an affiliate, in the present drive of that body to secure for all civil servants adequate cost-of-living bonus to bring CS salaries in line with the increased cost of living....Ottawa valley farms, drying out rapidly under what Central Experimental Farm officials here term "drought conditions", are badly in need of prolonged rain. There has been practically no rain since September 7, and in many areas the soil has become completely dried out to depths between one foot and three.



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Friday, October 1, 1948.

Text Of Arctic Notes: Announcement was made on September 28 by the Department of Transport of the recent return to Boston of the ships which participated in the resupply of the Canada-United States weather stations in the Canadian Arctic. (See Airmail Bulletin of September 29)

When at Cape Sheridan, the recent supply mission opened a cairn, containing notes left by the British explorer, Sir George Nares in 1876, and by the United States explorer, Admiral Robert E. Peary in 1905. The mission removed the notes and left copies of them together with a note on the 1948 visit.

The following are texts of the notes brought back this summer, as released September 30 by the Department of Transport.

## ARCTIC EXPEDITION

25 July - 1876

H.M.S. "Alert", at Floe-berg Beach  
(Lat. 82° 27' North Long. 61° 22' West)

H.M.S. "Alert" wintered off this coast inside the grounded ice 1875-1876. H.M.S. "Discovery", her consort, passed the same winter in a well sheltered harbour in Lat. 81° 44' north, Long. 66° 5' west.

The sledge crews after a very severe journey over the ice succeeded in attaining Lat. 83° 20' 30" N. No land has been sighted to the north'd. Another division explored the coast line to the northward and westward to Lat. 82° 23' N. Long. 84° 56' W. Cape Columbia the northermost Cape being in Lat. 83° 7' N. Long. 70° 30' W. Sledge parties from the "Discovery" have explored the Greenland Shore for some distance to the Northward and Eastward, but the result of the examination is not yet known to me. Scurvy attacked nearly all the men employed in sledge travelling. Two deaths have occurred: Neils C. Peterson from the effects of a severe frost-bite (which necessitated a part of each foot being amputated) followed by exhaustion and scorbutic taint;- and George Porter, Gunner R.M.A. who died from scurvy and general debility when absent on a sledge journey; and was buried on floe in Lat. 82° 41' N.

The ice in the Polar Sea broke up on the 20th July - when it permits us to move, the "Alert" will proceed south and join company with "Discovery", both ships will then sail for Port Foulke, and most probably thence to England.

G.S. Nares  
Captain R.N.  
Commanding Arctic Expedition

-----  
Cape Sheridan, September 5th, 1905.

The Peary Arctic Club's "Roosevelt" arrived here from New York at 7 A.M. and made fast to the ice foot under the point of the cape awaiting the turn of the tide to proceed to Cape Hecla.

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The Roosevelt left New York July 16th, Sydney, Cape Breton, July 26th, arrived Cape York August 7th, and left Etah August 17th. Her last stopping place was the ice foot south of Cape Union which left at 3.30 this morning.

Personally visited the Alert's Cairn at Floberg Beach and took there from Alert's Record, copy of which accompanies this. Roster of the Roosevelt's Company is also enclosed.

(Signed)

"R.E. Peary, U.S.N."  
Commanding the Expedition.

Exports To U.S. Up Sharply: Adding to the gains of previous months this year, Canada's merchandise exports to the United States showed an increase of 39 per cent in August, being valued at \$113,953,000 as compared with \$81,408,000 in the same month last year, according to the Bureau of Statistics. Cumulative value of exports to that country during the eight months ended August was \$878,933,000 compared with \$645,498,000 in the similar period of 1947, a rise of 36 per cent.

Continuing the trend of preceding months, exports to the United Kingdom fell from \$66,044,000 in August last year to \$52,519,000, and in the eight-month period from \$488,127,000 to \$468,228,000. Lower figures were also recorded for exports to Latin American countries and to most other principal markets.

Total exports to all countries in August amounted to \$224,100,000, slightly above last year's corresponding total of \$221,300,000, but down \$26,800,000 from the July figure of \$250,900,000. Aggregate value for the eight months ending August was \$1,875,100,000 compared with \$1,786,300,000 in the similar period of 1947, an advance of almost five per cent.

Displaced Persons' Certificates: Almost 100 per cent of the initial group of immigrants brought to Canada about a year ago under the Displaced Persons movement, have faithfully fulfilled their agreement with the Canadian Government to remain in the field of employment for which they were selected, for periods of 10 months to a year, Arthur MacNamara, Deputy Minister of Labour, stated October 1.

Mr. MacNamara made this fact known in announcing that, in recognition of fulfilment of their obligations, certificates are being issued to all Displaced Persons upon completion of their periods of agreed employment.

Possession of this certificate will leave the owner free to engage in any occupation he may wish. However, a large percentage of these workers have found conditions so much to their liking in the industries in which they have been employed that they have signified their intentions of continuing in the same lines of endeavour.

Across Canada: The National Convention of the Progressive Conservative Party is under way at Ottawa. Yesterday the convention gave the retiring leader, John Bracken, a warm ovation as he addressed the assemblage. The new leader will be chosen Saturday....The Canadian Press reports from Washington that the Minister of Finance, Hon. Douglas Abbott, on Thursday held a long lunch-time conference with Paul G. Hoffman, head of the E.C.A....Dr. Brock Chisholm, Director-General of the United Nations World Health Organization, left Geneva Thursday for New Delhi to plan a regional health office in Southeast Asia, Reuters reported from Geneva.... General McNaughton, and Warren R. Austin of the United States yesterday sought U.N. General Assembly approval of the atomic energy proposals submitted in the majority report of the Atomic Energy Commission, The Canadian Press reported from Paris.



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Monday, October 4, 1948.

Week's Navy Conference: A week-long conference, at which every phase of Canada's naval reserve set-up came in for thorough discussion and which indicated the important place held by the R.C.N. (Reserve) in Canada's over-all naval picture, concluded at Ottawa Saturday.

Attending the conference, which henceforth is to be an annual affair, were the commanding officers of the 20 naval divisions across Canada. Chairman was Captain K.F. Adams, R.C.N., Deputy Chief of Naval Personnel and Director of Naval Reserves; vice-chairman was Commander D.G. King, R.C.N., Deputy Director of Naval Reserves.

The conference was addressed by the Hon. Brooke Claxton, Minister of National Defence, Vice-Admiral Harold T.W. Grant, C.B.E., D.S.O., R.C.N., Chief of the Naval Staff, Rear-Admiral F.L. Houghton, C.B.E., R.C.N., Vice-Chief of the Naval Staff, members of the Naval Board, and by the heads of directorates at Naval Headquarters.

No aspect of the Navy's reserve situation was overlooked in the subsequent discussions, states the Navy's press release.

Mr. Drew New Leader: Premier George Drew of Ontario was elected National Leader of the Progressive Conservative Party on the first ballot of the National Convention of the Party in Ottawa Saturday afternoon. Premier Drew received 827 votes, John Diefenbaker, member of the House of Commons for Lake Center, Sask., 311, and Donald Fleming, member of the House of Commons for Toronto-Eglinton, 104.

The following is The Canadian Press summary of the 30-plank platform passed by the Convention in its three day session, which ended after the selection of Mr. Drew as new National Leader, succeeding Hon. John Bracken, who retired because of age and ill-health:

- "1. 'Unswerving loyalty' to the King.
- "2. Ever-stronger ties with other British Commonwealth nations, closer relations with the United States and France, continued strong support of Europe's Western Europe union and the United Nations, 'friendly firmness' toward Russia.
- "3. Free enterprise, with restraints against monopoly and unfair competition.
- "4. Outlawing of 'Communist activities' in Canada.
- "5. No infringement of provincial rights.
- "6. Opposition to socialism, coupled with maintenance of sound national policy through encouragement and development of natural resources.
- "7. Modification of international monetary fund regulations to eliminate 'injury' done by Foreign Exchange Control rules.
- "8. Lessening of the taxation 'burden'.
- "9. Reduction of the cost of government.
- "10. Expanded international trade and elimination of 'abnormal trade barriers'.
- "11. Compensation for municipalities for taxes lost as a result of Crown-ownership of property.
- "12. Maximum income-stability for the farmer.
- "13. A contributory social-security program available to every Canadian regardless of occupation.

(over)

- "14. Adequate low-cost housing.
- "15. Maximum production to reduce the cost of living.
- "16. Better labour-management relationship, with fair and adequate wages, standard hours, holidays with pay, certification after majority votes, dispute-conciliation machinery, equal pay for men and women doing equal work.
- "17. A defence policy ensuring 'the safety of the Canadian people'.
- "18. A standing House of Commons committee on veterans affairs; retention of veterans legislation and, where necessary, improvement of such laws.
- "19. Equality of women with men in all government responsibilities.
- "20. Conservation and development of natural resources and maximum industrial production.
- "21. A long-range immigration policy aimed at bringing selected immigrants to Canada.
- "22. A free market for gold.
- "23. A freight-rates investigation with emphasis on 'discrimination between the several geographical areas'.
- "24. Immediate completion of a hard-surface Trans-Canada Highway.
- "25. Radio-broadcasting regulations handled by a body independent of the government; abolition of the \$2.50 radio licence fee.
- "26. The Crown should be just as liable as an individual in the courts; the Archambault report on penal reform should be implemented.
- "27. A 'Canadian national flag'.
- "28. A 'fixed policy, limited only by the rules of sound economics', giving the Maritime Provinces more electric power, better markets for their products, legislation guaranteeing shipment of Canadian goods through Canadian seaports.
- "29. Supremacy of Parliament; opposition to any increase in the use of ministerial proclamation and government by order-in-council.
- "30. Establishment of a national library in Ottawa."

Mr. Lukin's Statement: The press of Canada today carried the following Canadian Press dispatch from Ottawa:

"Ottawa, October 3, -- (CP) -- Pavle Lukin, Yugoslav legation counsellor, said tonight in a signed statement that he and six other employees of the legation have resigned because of the split between the forces of Marshal Tito and Premier Stalin.

"Lukin's statement said:

'I consider that the policies pursued by the present Yugoslav Government represent a betrayal of the fundamental interests of our country.'

"He said that he had entered the government service sharing 'the proud resolve to build socialism in Yugoslavia in unbreakable unity . . . with the other New Democracies in Europe and the great Soviet Union.'"

Bravery Award: Air Marshal W. A. Curtis, CB, CBE, DSC, ED, Chief of the Air Staff, has announced the first presentation of the newly instituted Award for Bravery Medal (Air Cadets) bestowed by the RCAF on 14 year old LAC John Lowe (7506 Champagneur St.) Montreal, for outstanding heroism.

The award was won by LAC Lowe, a member of #21 Mount Royal Squadron of the Royal Canadian Air Cadets, for his gallant action in saving the lives of 7 of the 8 occupants of a boat that was swamped in a storm on Brome Lake, P.Q., during the past summer. LAC Lowe spotted the occupants of the boat from the shore and single-handedly rescued all but one of the occupants.

Across Canada: With the selection of Premier George Drew of Ontario as the new National Leader of the Progressive Conservative Party, the Province's Minister of Agriculture, Thomas L. Kennedy is reported to be likely to succeed Mr. Drew as head of the Provincial Government....A Canadian Press news cable from Paris published this morning says the Prime Minister, Mr. King, on Sunday paid a quiet visit to the tomb of Louis Pasteur, French scientist, at the Pasteur Institute.

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Tuesday, October 5, 1948.

Educationalists In Ottawa: A three-day meeting of the Canadian Vocational Training Advisory Council attended by educationalists from all parts of Canada, opened in Ottawa October 4 under the chairmanship of Dr. G. Fred McNally, Chancellor of the University of Alberta, Edmonton, Alberta.

In welcoming the delegates to the meeting, Arthur MacNamara, Deputy Minister of Labour, indicated that one of the most important items on the Agenda was the formation of plans for the training of apprentices due to the need of industry for well-trained tradesmen.

Mr. MacNamara pointed out that the most acute shortage of tradesmen was in the trowel trades and that there seemed a reluctance on the part of young men to enter these trades.

He went on to say that the shortage of tradesmen in the trowel trades evidently applied in the United States as well as in Canada because contractors from the United States were advertising in Canadian papers for bricklayers and offering to pay much higher wages than those prevailing in Canada. This was causing grave concern because many Canadian contractors were afraid of losing their men just when they needed them most to close up buildings under way.

Mr. MacNamara mentioned the fact that organizers of Vocational Training classes were experiencing difficulty in getting Canadian boys and girls to train for trades.

According to the report of the Dominion Director of Training, R.F. Thompson, the decline in Veterans Training activities has been marked. During the period January 1 to March 31, 1948, there were approximately 1900 new enrolments, but in the period April 1 to August 31, about 300. All veterans under Training-on-the-Job, in Correspondence courses, and in Private Schools, have now been transferred to the Department of Veterans Affairs for the closing phases of their supervision. All Pre-matriculation classes terminated in August.

The Director stated that from the beginning of Veterans Training up to September 1, 1948, the total enrolment of veterans in all types of training has been about 134,200. On September 1, 1948, there were still 652 veterans in training in Canadian Vocational Training schools.

Butter Imports: The Wartime Prices and Trade Board on October 4 announced that wholesale buyers of butter, wholesale distributors and manufacturers in areas where butter produced is not sufficient to meet needs, may now apply to the Board for supplies of imported butter.

Quantities being allocated at this time are to meet requirements up to December 31, 1948, the Board said. First arrivals are expected during the latter half of October in Montreal, with subsequent arrivals during November and December at Atlantic and Pacific coast ports.

Cost-Of-Living: The Bureau of Statistics cost-of-living index, on the base 1935-39=100, increased 1.4 points between August 2 and September 1 to reach 158.9. Foods, clothing and homefurnishings accounted for the major part of this advance, but all budget groups moved upward.

The advance during August compares with a rise of 0.6 points during July and 2.6 points during June. On September 1 last year the index stood at 139.4. From August, 1939 to September, 1948, the increase in the cost-of-living index was 57.6 per cent.

(over)

43,600 Dwelling Units: The number of dwelling units completed in Canada in the first eight months of 1948 is estimated at 43,600 according to the Bureau of Statistics. An increasing number of the completions are those which were commenced in 1948, and completions over the next few months should reflect the large numbers of dwellings started in April, May and June. Of the almost 7,000 dwelling units completed during August, 65 per cent were started within the last six months. The high rate of starts is continuing with construction commencing during August on more than 11,000 units.

Free Treatment For Blind: Hon. Paul Martin, Minister of National Health and Welfare, has announced that blind pensioners in the province of Quebec whose eyesight might be restored or improved by medical treatment will receive this aid free of charge under an agreement just reached between Quebec's ministry of Social Welfare and of Youth and the Department of National Health and Welfare.

The federal Government pays 75 per cent of the cost, with the province paying the remainder. Similar agreements are already in effect with New Brunswick and Nova Scotia. Treatment costs are split on the same basis as pension payments.

In making the announcement Mr. Martin said that the scheme is a temporary one being conducted to show the value of treatment and preventive services in controlling blindness.

Across Canada: Robert H. Saunders, Chairman of the Ontario Hydro Electric Power Commission, told the Federal Power Commission at Washington that Ontario has the money and plans, and desires to proceed at once with development of power in the international rapids of the St. Lawrence river, a Canadian Press dispatch from Washington reports....A \$500,000,000 annual expenditure for defence was recommended in an address by Col. Wallace Goforth, former Deputy Director-General of Defence Research, The Canadian Press reported from Toronto....The Supreme Court of Canada today will commence hearings on the legality of existing legislation prohibiting the manufacture, importation and sale of margarine.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, October 6, 1948.

Newfoundland Delegation: In his address of welcome to the Official Delegation from Newfoundland, in the Senate Chamber, Ottawa, today, the Acting Prime Minister, the Rt. Hon. Louis St. Laurent, announced that the following members of the Government had been delegated, together with himself, to meet with the Newfoundland Delegation:

The Minister of Trade and Commerce, Mr. Howe; The Minister of National Defence, Mr. Claxton; The Minister of Finance, Mr. Abbott; The Minister of National Revenue, Dr. McCann; The Minister of Veterans Affairs, Mr. Gregg; The Minister of Fisheries, Mr. Mayhew; and the Secretary of State for External Affairs, Mr. Pearson.

Mr. St. Laurent concluded his address of welcome with the following words:

"....It is true that much of our discussion will relate to matters of detail; and that the representatives of Canada and Newfoundland alike have a duty to safeguard the interests of those whom they represent. But I like to think that we shall not lose sight of the fact that we are seeking to complete a union which will be one nation with an over-riding common interest and common loyalty for all its citizens. I dare to hope that the result of our labours will commend itself to the vast majority of the people of Newfoundland as well as to most of those who are already Canadians.

"I prefer to believe that many, if not most, of those who, in Newfoundland, voted for Responsible Government were not thereby necessarily voting against union with Canada, but were rather expressing a preference for a different method of approach.

"We in Canada believe we know something of responsible government; the very phrase itself originated here; and this very year is the centenary of the achievement of responsible government in Canada. One thing is sure, the objective itself is more important than the approach, and when union is achieved it will give to the people of Newfoundland the fullest measure of responsible government, both as an autonomous province, and as a full partner in a free and self-governing nation."

Labour Organization At Peak: Trade union membership in Canada at the end of 1947 reached the highest figure recorded by the Department since annual surveys of labour organization in Canada were first carried out in 1911, it was announced October 5 by Arthur MacNamara, Deputy Minister of Labour.

According to figures appearing in the Department of Labour's "Thirty-Seventh Annual Report on Labour Organization in Canada", which contains information on trade unions for the calendar year 1947 and which will be issued shortly, the total membership at the end of the year was 912,124 as compared to 831,697 at the end of 1946, representing an increase of almost ten per cent for the year.

12,000 Mile Aerial Tour: A party of five senior government officials and three RCAF officers from Ottawa, have left Rockcliffe air station, near Ottawa, on a 12,000-mile aerial tour of RCAF establishments across the country, it was announced October 5 by Hon. Brooke Claxton, Minister of National Defence.

(over)

Purpose of the tour, which will extend until the end of the month, is to enable inspection and assessment of progress of post-war reconstruction, and planning for future requirements. It will also help to familiarize members of other government departments, with whom the Department of National Defence is closely associated in its activities, with field conditions and local problems.

The party will be headed by B.B. Campbell, Assistant Deputy Minister, Department of National Defence.

Penitentiary Training Plan: The Canadian Vocational Training Advisory Council, now meeting in Ottawa, was asked October 5 to assist in the furthering of a vocational training plan in Canadian penitentiaries.

The plan now being carried out was outlined by J. A. McLaughlin, Assistant Commissioner of Penitentiaries, in an address to the Council at the opening of the second day of the three-day conference.

Across Canada: The question of the validity of the 62-year old ban on margarine went before the Supreme Court of Canada yesterday....On his departure from Paris for London to attend the Conference of Commonwealth Prime Ministers, the Prime Minister, Mr. King, was quoted by The Canadian Press as stating, "Despite all appearances to the contrary, I feel much happier about things than when I arrived here"....Attorney General Leslie Blackwell of Ontario yesterday announced his candidature for the Ontario Progressive Conservative Party leadership.



# AIRMAIL BULLETIN

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Thursday, October 7, 1948.

**Newfoundland Discussions:** Representatives of Canada and Newfoundland met in the Senate Chamber yesterday to discuss final arrangements for Newfoundland's entry into Confederation as the tenth Province. The inaugural meeting was confined to preliminary speeches by the Acting Prime Minister, Mr. St. Laurent, and Mr. A. J. Walsh, K.C., on behalf of Newfoundland. Discussions are to continue today.

Following the address of welcome by Canada's Acting Prime Minister, Mr. St. Laurent, which was reported in part in yesterday's Bulletin, Mr. Walsh expressed the appreciation of the Newfoundland Representatives of the warm and cordial welcome which had been extended to them, reviewed the history of events leading up to the present conferences, and concluded his address as follows:

"....The members of the Newfoundland delegation are deeply conscious of the changes involved for their country. When it is considered that a complete change for our people, constitutionally, administratively, and economically, will be involved in adjusting themselves to a new system, it will be realized how properly the words of the Prime Minister (Mr. King) apply in the case of Newfoundland. A considerable change in the traditional outlook of the people will also be involved. Since 1867 great developments have taken place in both of our countries, and more complex problems arise for adjustment in the arrangements for a union which will involve such fundamental alterations in the case of Newfoundland. With understanding on both sides, however, these problems should present little difficulty.

"On October, 1864, there was held at Quebec one of the most important conferences in history. There the great federation was approved by representatives of the colonies, including Newfoundland, and the majority proceeded to form the Union. Again in October representatives of Newfoundland have come to carry on discussions and to settle terms which will, we hope, be mutually acceptable and prove to be mutually advantageous to both countries.

"It appears that the great vision of the Fathers of Confederation of a unified Canada extending from the United States of America far into the north and from the Pacific Ocean far into the waters of the Atlantic is about to be fully realized. I am sure that these considerations will be present in our minds and I feel confident that as a result of these discussions Newfoundland and her people will find a happy place in this Federation...."

**Arctic Winters Warmer:** Winter seasons in the Arctic and sub-Arctic regions of the earth have warmed up five degrees Fahrenheit in the past 50 years, according to observations submitted at the Meteorological Association of the International Union of Geodesy and Geophysics, which met in Oslo, Norway, last month. So stated Andrew Thomson, Controller of the Meteorological Service of the Department of Transport, who has returned from attending this meteorological gathering and also a meeting of the Executive Committee on the International Meteorological Organization. Mr. Thomson stated that Northwest Canada and Northern Europe had shown a more marked increase in temperature than other northern sections of the earth. On the other hand, there had been a slight decrease over the past 50 years in the temperatures at stations in the Eastern Mediterranean and in Southern California.

(over)



As Canada's top weatherman, Mr. Thomson was called upon to take an active part in the deliberations of this meeting of senior meteorologists from many nations. He stated that there was a "great recognition of the importance of the meteorological stations established in the Canadian Arctic in the past two years. The importance of the daily reports from these stations in throwing further light on the general circulation of the atmosphere was fully recognized."

Among the important subjects under consideration at the meetings of this Association of Meteorology was the coordinating of research in the further investigation of the upper atmosphere. It was now possible to make meteorological observations at a height of 25 miles by means of a rocket known as an "Arrowbee" and to fly sounding balloons at a steady level of 100,000 feet.

Across Canada: J. P. H. Carrere, a war hero elected to the Ontario Legislature last June as Progressive Conservative member for Cochrane North, died last night at Cochrane of injuries suffered Tuesday in an automobile accident, the Canadian Press reported....H. J. Carmichael, Chairman of the Industrial Defence Board, told a press conference in Montreal last night that "this board is eliminating critical points that might arise in the event of a national emergency so that industry can become instantly operative," according to the Canadian Press report. The Board met in Montreal yesterday, the report states, to discuss plans for stock-piling of short, strategic materials.



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Friday, October 8, 1948.

**Special Ambassador:** The Secretary of State for External Affairs announced October 8 the appointment of Charles Pierre Hebert, Canadian Minister in Cuba, as Special Ambassador at the inauguration of Dr. Carlos Prío Socarrás as President of Cuba on October 10.

Mr. Hebert is the Head of the Special Canadian Mission to the inauguration. This Mission was appointed by Canada on the invitation of the Cuban Government.

The Mission includes Mr. T. B. B. Wainman-Wood, and Miss B. McGregor of the Staff of the Canadian Legation at Havana, Brigadier H. E. Taber, C.B.E., Military Attaché at the Canadian Embassy in Washington and Air Commodore R. C. Gordon, C.B.E., Air Attaché at the Canadian Embassy in Washington.

**Mr. Claxton's Address:** In an address at the annual banquet of the Canadian Ordnance Association, in Montreal, on Thursday, October 7, the Minister of National Defence, Hon. Brooke Claxton, reviewed at length Canada's plans for defence.

The Minister's address was 6,000 words in length and touched upon every phase of defence. The following excerpts constitute the answers he gave to only two of the 16 vital questions dealt with:

"Will there be war?"

"Since the war, the Soviet's manifest intention to carry on the aggressive promotion of communism everywhere by all means short of immediate war has challenged every sensible people who want to stay free to look to their defences. Canada, like the United States, is vitally interested that like-minded nations pool their strengths as the best way to prevent and if necessary to stop aggression.

"Obviously, as Western Union becomes stronger, any chance that there might be of the Soviet Union winning an aggressive war will become less. The Soviet Union has pressed her efforts to drive the United States, Britain and France out of Berlin. It is this effort and the willingness to run the risks which it involves that has added tension to the present situation. I don't believe that the Russian people or even the Soviet leaders want war today; but their intransigent attitude has increased its possibility. Even if the situation in Berlin should improve, there will be other points of tension and difficulty until the Russians begin to seek the welfare of their people rather than the extension of their power. War is not inevitable - of course it isn't - but neither is peace inevitable, and until the chances of peace improve we have got to prepare to defend ourselves."

"What progress is being made in the standardization of weapons and equipment types?"

"Because of our close relations with Britain and the United States, Canada is vitally interested in standardization of design. There is no obstacle in Canada. But as you know, this is not easy to bring about.

(over)

Much as one would like to do it, no one is going to scrap serviceable rifles in order to adopt the .300 calibre and the rimless cartridge. In the Canadian Army we have a complete schedule of the weapons in respect of which we are prepared to adopt American designs.

"When and how this can be done is being worked at; while it can't be done easily, it can't be done too quickly.

"One field for standardization of great and urgent importance is the standardization of types and parts of motor vehicles. At the present time we have something like 25,000 motor vehicles in the armed forces and they are of 350 different series requiring a number of different sets of spare parts...."

"Standardization of design is being carried on directly between each service. It has sometimes been possible for a service of one country to make greater progress with its opposite number than two services of the same country are able to make together.

"As Canada would only be fighting in close association with either British or American forces, we are therefore taking steps to familiarize our men with the techniques of both. This is not as difficult as it sounds. I am told that a good gunner accustomed to British design equipment can become proficient with American equipment in under a week. More than half our planes and some of our artillery are of American design.

"Moreover, we have adopted much the same communication systems, battle procedure and battle orders. We have had so much exchange of personnel and information that there would be little organizational difficulty in working together in tactical co-operation.

"A good deal of general equipment such as clothing and shoes and some vehicles and weapons and practically all equipment for use in the Arctic is of Canadian design. If large scale production were needed this would be no doubt accepted by the other co-operating countries, for we make available to them the results of our work there."

British Drawing Exhibition: An unusual exhibition of contemporary British drawing, which will remain in Ottawa for a month, was opened Thursday afternoon at the National Art Gallery by Sir Eric Maclagen, KCVO, CBE, former director of the Victoria and Albert Museum of London.

Sir Eric, who flew from England for the occasion, is chairman of the Fine Arts Committee of the British Council which sponsored the exhibition, and was a member of the selection committee.

Across Canada: Opponents of the margarine ban argued before the Supreme Court of Canada Thursday that the provinces should have the say on whether sale of the butter substitute should be prohibited....Pelham Edgar, aged 78, Canadian author and Professor Emeritus of Victoria College, died Thursday at his home near Port Hope, Ont....Deliveries of power from Quebec Province sources to Ontario consumers will be reduced in the near future by another 2,000,000 to 3,000,000 kilowatt hours a week, Chairman Robert Saunders of the Ontario Hydro Electric Power Commission, is reported by the Canadian Press as announcing in Toronto. Ontario is in the midst of a serious power shortage....The Second Annual Conference of the Canadian Museums Association opens in Ottawa today.



# BIOGRAPHIES

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

October, 1948

The Honourable George Alexander Drew, K.C., LL.D.

National Leader of the Progressive Conservative Party.

Mr. Drew was born in Guelph, Ontario, in 1894, son of the late John J. Drew, K.C., and grandson of the late George A. Drew, Q.C., M.P., who was a member of the first parliament of Confederation, and later a senior County Court judge.

He was educated at public school, Guelph Collegiate Institute, Upper Canada College and at the University of Toronto. He took his law training at Osgoode Hall, Toronto, and was called to the Bar of Ontario in 1920. He practised law in Guelph until the end of 1925. He took a keen interest in civic affairs and was mayor of Guelph in 1925.

Appointed Assistant Master, Supreme Court of Ontario, in 1926, Mr. Drew was later appointed Master, in 1929. He was made a King's Counsel in 1933. Mr. Drew served during 1931-34 as Chairman of the Ontario Securities Commission.

Mr. Drew began his political career in 1936 when he was appointed chairman of the Liberal-Conservative Campaign Committee for Ontario, which position he relinquished in the following year. Made leader of the Conservative party in Ontario in 1938, Mr. Drew in 1939 was elected by acclamation to the Ontario legislature. He was re-elected in 1943 and sworn in as Prime Minister of Ontario and Minister of Education in August of that year. After losing a vote of confidence early in 1945, another general election was called and Mr. Drew's government was returned to power in June 1945 with a substantial majority. This majority was increased in the general election of June 1948.

On October 2, 1948, Mr. Drew was chosen national leader of the Progressive Conservative Party on the first ballot of the convention held at Ottawa, which gave him 827 votes. John G. Diefenbaker, M.P. (Lake Centre, Sask.,) polled 311 votes and Donald M. Fleming, M.P. (Toronto, Eglinton) polled 104 votes.

During the First World War Mr. Drew joined the 16th Battery C.E.F., in 1914 and served overseas from 1915 to 1917 when he was returned to Canada because of wounds. He commanded the 16th Battery, Canadian Artillery, from 1920 until 1929 when he took command of the 11th Field Brigade with headquarters at Guelph.

Mr. Drew is the author of several books, including "Canada's Fighting Airmen", "The Truth About the War", "Salesmen of Death", and of numerous magazine articles on military and political problems.

He was married in 1936 to Fiorenza, daughter of Edward Johnson, C.B.E., General Manager of the Metropolitan Opera Company. They have one son and one daughter.

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Tuesday, October 12, 1948.

Mr. King Ordered To Rest: From London, England, on Sunday, it was announced in a Canadian Press cable that the Prime Minister, Right Hon. W. L. Mackenzie King, had been ordered to take a complete rest.

An official announcement in London concerning Mr. King's condition, issued at 10.15 p.m. Sunday night, read:

"Mr. Mackenzie King's health has suffered from the long strain of affairs.

"This has been aggravated by an attack of influenza during the voyage and since his arrival in London the condition of his circulation is causing concern.

"On Lord Moran's advice he will take a complete rest and will not be able to attend the Prime Ministers' meetings."

Lord Moran is President of the Royal College of Physicians and private doctor to Winston Churchill, Britain's Conservative leader.

This (Monday) morning, the Canadian Press carried the information that Mr. King spent a quiet day in bed yesterday. The Canadian Press cable also announced that Mr. King had sent a message to the Commonwealth Premiers' meeting in which he said that, although confined to his bed, he hoped to see some of the representatives of the other Dominions.

The Prime Minister's office in Ottawa, on Sunday, made public the following statement:

"After consultation with his colleagues, the Acting Prime Minister, Mr. St. Laurent, has decided that he himself will attend the meetings of the Commonwealth Prime Ministers, and that he expects to leave by air for London on Wednesday, October 13.

During Mr. St. Laurent's absence, the Right Hon. C. D. Howe will be Acting Prime Minister."

Until Mr. St. Laurent's arrival in London, Canada will be represented by Norman Robertson, Canadian High Commissioner to the United Kingdom.

On Saturday, October 9, the Acting Prime Minister, Right Hon. Louis St. Laurent, issued a statement which read in part as follows:

"I am sure everyone in Canada will share the regret of his colleagues in the Government at the distressing news of the Prime Minister's illness. All of us, too, will join in the hope and expectation which Mr. King's physicians have given us, that, after a few weeks complete rest, his health will be restored...."

Credit Arrangement Terminated: The Hon. Douglas Abbott, Minister of Finance, announced October 8, that the Government had now advised the Export-Import Bank of Washington that it would not be making any further drawings on the line of credit arranged with that bank.

The agreement arranged last Autumn provided for a line of credit to Canada of \$300,000,000 to be drawn down at any time during the year 1948. Actual drawings started in March and by June 1st amounted to a total of \$140,000,000. On August 16th the Government of Canada repaid the amount so drawn down out of the proceeds of a \$150,000,000 issue of fifteen-year 3% bonds sold to three United States insurance companies.

The Minister stated that as no further drawings appear to be necessary, the arrangement giving the right to draw up to the end of the year has been terminated as of October 8.

(over)

Ankara Appointment: Appointment of G.F.G. Hughes as Acting Commercial Secretary, attached to the Canadian Embassy in Ankara, was announced October 8 by Rt. Hon. C.D. Howe, Minister of Trade and Commerce.

This new post in Turkey brings to 36 the number of countries in which Canadian trade commissioners are located.

Formerly assistant trade commissioner in Glasgow, Mr. Hughes will reach Ankara in the latter part of October.

Canadian trade with Turkey, valued at \$5,000,000 last year, has increased to eight times its pre-war average. With the reduction in business with continental Europe, Turkey has indicated interest in expanding its trade with Canada. Mr. Howe pointed out that in view of this trend, and the desirability of strengthening Canadian business connections with countries participating in the European Recovery Program, it has become advisable for Canadian business and industry to be represented in Turkey.

Born in Sayabec, Quebec, G.F.G. Hughes graduated from the University of New Brunswick with a B.Sc. (Elec. Eng.) degree. He served for five years in the R.C.N.V.R., and was appointed to the Trade Commissioner Service in 1945.

Trades And Labour Congress: The Canadian Press today reported, in part, as follows from the Trades and Labour Congress of Canada Convention at Victoria, B.C.:

"VICTORIA -- A knockout battle over Communism in the Trades and Labour Congress of Canada was stalled off temporarily yesterday (Monday) after the TLC Convention had indicated support of its executive in the internal wrangle over Reds.

"With a roaring 6-1 vote, the Convention backed up President Percy Bengough in a preliminary skirmish over the question of reinstating a union the executive had thrown out for defying congress policy in an anti-Communist maneuver.

"First Convention test on the explosive issue, the vote indicated Bengough and his executive would be supported in their action in suspending Frank Hall and his Brotherhood of Railway and Steamship Clerks. A specific vote on that question was expected today."

Canadian Congress Of Labour: The Canadian Press today reported, in part, as follows, from the Canadian Congress of Labour Convention in Toronto:

"TORONTO.-- The powerful rank and file of the Canadian Congress of Labour over-rode a noisy minority yesterday and upheld the suspension of the Communist-tinged Smelters Union.

"The vote -- a show of hands by the 755 delegates to the eighth annual Congress Convention -- was an impressive endorsement of the stand the CCL executive council has taken against Communism."

World Series Baseball: The Cleveland "Indians" won the sixth deciding game of the World Series Sunday at Boston when they defeated Boston "Braves" by a score of 4 to 3.

Across Canada: Hon. Jonathan Robinson, 53, Minister of Mines in the Quebec Government, died Sunday in Montreal....Four Assistant Trade Commissioners have set out on a six-week tour of industries in Central and Western Canada to obtain first hand knowledge which later will aid them in serving abroad the interests of Canadian businessmen....Employment in Canada's major industrial divisions at August 1 was 1.3 per cent greater than a month earlier, the Bureau of Statistics announced....Canada's Olympic skating champion, Barbara Ann Scott, will make her professional debut at New York's Roxy Theatre December 22, a Canadian Press dispatch from New York announced today.

(NOTE: No Bulletin was issued Monday, October 11, Thanksgiving Day.)



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Mr. King's Condition: The Prime Minister, Right Hon. W. L. Mackenzie King, was reported from London, England yesterday as resting well, and, while observing the order of his physician, Lord Moran, to remain in bed, was hoping to pursue chats with Commonwealth Prime Ministers or their deputies. He was following the progress of the conference from his bed and already had seen some representatives of other Dominions. On Monday Mr. King was reported to have chatted with his old friend, Prime Minister Peter Fraser of New Zealand, and Wednesday's visitors included Lord Addison, former Dominions Secretary, and Philip Noel-Baker, Secretary for Commonwealth Relations.

Labour Conventions: The Canadian Press reported this morning in part as follows from yesterday's proceedings at the Canadian Congress of Labour Convention in Toronto and the Trades and Labour Congress of Canada Convention in Victoria:

"Toronto -- The Canadian Congress of Labour took a verbal swing at Russian aggression today, voting decisively for a strongly worded foreign-policy resolution.

"In the bargain, the 838 delegates at the eighth annual C.C.L. convention landed a powerful wallop on the Congress' Communist-minded minority.

"Eleven men and women contributed to the see-saw debate but, despite bitter denunciation of the Marshall plan and Canada's role in world affairs, the issue never really was in doubt. The minority remained a minority.

"When it came to the vote, the resolution was upheld by a margin of about 7 to 1. Biggest single group opposed to the anti-Russian statement was the 54-member United Electrical Workers delegation.

"This is what the majority decided is the general feeling of the Congress, which claims 360,000 membership:

- '1. We condemn the totalitarian activities in Soviet Russia and its satellite nations. We protest most vigorously the incarceration in Buchenwald and other concentration camps of leading European trade unionists and democrats because they will not submit to communist destruction of the free labour movement.
- '2. We condemn most vigorously the inhuman and aggressive blockade of Berlin, the only purpose of which can be the systematic starvation of its citizens in the interests of Russian military expansion.
- '3. We greet the formation of the Western Europe democratic defence alliance, and we urge that Canada should indicate its readiness to participate in an Atlantic defence conference against spreading totalitarianism.
- '4. We re-affirm our formerly-expressed policy on the matter and, again, in strong and urgent language, call upon the United Nations to put its house in order, and become an effective and militant enforcement agency for the peace of the world, as against those whose activities constitute a menace to it."

(over)

"Victoria -- Frank Hall's anti-Communist forces in the Trades and Labour Congress of Canada wrung a partial victory out of the TLC's annual convention yesterday.

"After a day-long battle over Communism in the Congress, Hall won assurance that his suspended union--the Brotherhood of Railway and Steamship Clerks--would be re-admitted to the TLC.

"The Brotherhood had been suspended for not repudiating a move by Hall aimed at crushing the Canadian Seamen's Union, a Congress affiliate reputed to be dominated by Reds.

"Last night, after a tangled and sometimes uproarious 5½-hour debate over Hall's action, the Congress voted strongly in favour of endorsing the TLC executive's suspension of the Brotherhood.

"While announcement of the vote result was left over until today, an unofficial tabulation showed the Congress leadership upheld by a majority of about 528 to 197.

"But before the balloting started, the executive had assured the convention that it later would support a motion to lift the suspension immediately, once it got a vote of confidence."

Atomic Scientists Meet: Meetings are being held in Ottawa this week by representatives of the United Kingdom, the United States and Canada for the discussion of scientific and technical matters relating to the location and treatment of radioactive ores. Institutions represented at the meetings include, beside the Atomic Energy organizations of the three countries, the United Kingdom Geological Survey, Chemical Research Laboratory and Telecommunications Research Establishment; the United States Geological Survey, Massachusetts Institute of Technology, Batelle Memorial Institute and National Bureau of Standards; and the Canadian Department of Mines and Resources (Geological Survey and Bureau of Mines), Eldorado Mining and Refining (1944) Limited and National Research Council.

Indian Health Services: The Department of National Health and Welfare is looking for people to man its growing chain of medical aid posts being built to serve Canada's Indians and Eskimos all the way from Coppermine on the rim of the Arctic Ocean to Lac Seul in remote northwestern Ontario. More than a dozen nursing stations have just been completed or are in process of building.

Across Canada: Progressive Conservative members of the Ontario Legislature are to meet in caucus in Toronto today to discuss the method of electing a successor to Premier George Drew, recently chosen National Leader, the Canadian Press reports from Toronto.





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Thursday, October 14, 1948.

Labour Conventions: Following are Canadian Press reports, in part, of yesterday's proceedings of the Canadian Congress of Labour Convention at Toronto and the Trades and Labour Congress Convention at Victoria, at both of which Communism was a major issue:

Toronto -- At Toronto the following three decisions were reached:

"1. To reaffirm the Canadian Congress of Labour call to member unions to keep the trade-union movement free from 'any totalitarian philosophy, whether it be Communist, Fascist or a reflection of either one'. The preamble to this resolution scores Communists for 'the tactic of labelling all who disagree with them as 'Red-baiters' or of indulging in divisive practices'.

"2. To support the organizing campaign of the Textile Workers' Union of America. In this three-year-old union, another resolution said, 'Communist factions or cells have been set up . . . to disrupt, ridicule and sabotage the accomplishments of the TWUA'.

"3. To demand 'price controls and subsidies where necessary on all essential commodities'.

"Victoria -- Split over the issue of union communism, the Trades and Labour Congress of Canada today (Wednesday) offered to take back a union it has suspended for anti-Red actions of its leader.

"But up until tonight the Congress' overtures apparently were being ignored by delegates from the union--the 13,000-man Brotherhood of Railway and Steamship Clerks led by Frank Hall of Montreal.

"Hall and the rest of his 25 brotherhood delegates did not show up at the Convention today, though they were the chief figures in a hot battle that culminated this morning with the reinstatement of the brotherhood."

Call War Loan Bonds: The next block of First War Loan Bonds to be called for redemption will bear the call letter "A". The letter "A" was drawn by the Minister of Finance, Hon. Douglas Abbott, October 13, at Ottawa according to the terms of the issue. All bonds bearing this letter are called for redemption on the 1st of February, 1949 and will not bear interest after that date.

First War Loan Bonds were issued on February 1st, 1940 and terms of the issue provided that twenty per cent of the loan would be redeemed on February 1st in each year from 1948 to 1952. The drawing for the first twenty per cent of the issue to be redeemed took place in October 1947 and established that all bonds of the issue bearing the letter "E" would be redeemed on February 1st of this year. The drawing which took place October 13 thus makes a total of forty per cent of the bonds subject to redemption.

(over)

Approve Towers' Reappointment: The Hon. Douglas Abbott, Minister of Finance, announced October 13 that an Order-in-Council had been passed approving the action of the Board of Directors of the Bank of Canada in appointing Mr. Graham F. Towers to a third term of office as Governor of the Bank of Canada. Mr. Towers has served as Governor from the time organization of the Bank was commenced in 1934. The present appointment, which is for a further period of seven years from October 23rd, is made by the Board of Directors of the Bank. Under the provisions of the Bank of Canada Act, the appointment by the Directors requires the approval of the Governor-in-Council and this has been given in the Order-in-Council announced by the Minister.

Pearl Harbour Voyage: The number of ships comprising the Royal Canadian Navy training force that sailed October 11, on a one-month cruise to Pearl Harbour, was increased to five with the addition of the Tribal class destroyer H.M.C.S. "Cayuga," it was announced October 12 at Naval Headquarters.

Leader of the 2nd Canadian Destroyer Division "Cayuga" is commanded by Commander Owen C. S. Robertson, G.M., R.D., R.C.N., of Victoria and Montreal.

The largest group of Canadian warships to put to sea in company since the end of the war is headed by the cruiser "Ontario", under the command of Captain James C. Hibbard, D.S.C. and Bar, R.C.N., of Victoria and Hemison, P.Q. Other ships in the force are the destroyers "Athabaskan" and "Crescent" and the frigate "Antigonish."

The group will arrive at Pearl Harbour October 19 and will commence the return voyage November 5. While in the Hawaiian area, the Canadian ships will exercise with units of the United States Pacific fleet.

Army Appointments: Three appointments of senior officers to important commands in the Canadian Army Reserve Force were announced October 13 by the Hon. Brooke Claxton, Minister of National Defence.

Brig. F. D. Lace, DSO, OBE, ED, 36, of Toronto, is appointed to command Headquarters 1 AGRA (Army Group Royal Artillery) (AA), in Central Command. He relinquishes the appointment of CRA (Commander Royal Artillery) 2 Armoured Division, Reserve Force.

Succeeding him as CRA 2 Armoured Division is Lt.-Col. McGregor Young, DSO, 37, of Toronto, who is promoted to the rank of brigadier.

A further senior appointment is that of Lt.-Col. E. D. Walsh, ED, 43, of Saint John, N.B., who is promoted to the rank of brigadier and assumes command of Headquarters 3 AGRA (AA), in Eastern Command.

Cost Of Living: The Bureau of Statistics has released cost-of-living indexes for eight regional cities for September 1, together with those for August 2 and September 2, 1947. Increases between August 2 and September 1 were registered by seven of the eight cities, ranging from 0.2 points for Toronto and Halifax to 1.8 points for Saskatoon.

Across Canada: The Bureau of Statistics reported Wednesday that Canada's birth rate in 1947 continued the general upward trend of war-time and post-war years by rising to 28.6 per 1,000 population, highest figure since an average of 27.4 was reached following World War I....William John Sykes, Librarian of the Ottawa Public Library for a quarter of a century, and one of Ottawa's most revered scholars and teachers, died here Wednesday....Hon. Thomas L. Kennedy, Minister of Agriculture in the Ontario Government, was named yesterday by party caucus at Toronto to succeed Premier George Drew in the Premiership. The caucus recommended that a convention be held at the earliest practical date to choose a party leader in succession to Premier Drew, who was chosen National Progressive Conservative Leader at the recent Convention at Ottawa.... Jawaharlal Nehru, Prime Minister of the Dominion of India, called on the Prime Minister, Mr. King, in London, yesterday.



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DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, October 18, 1948.

Limit Imports Of U.S. Steel: The Canadian Government has agreed to limit its imports of iron and steel from the United States to 200,000 tons during the fourth quarter of 1948, Rt. Hon. C.D. Howe, Minister of Trade and Commerce, announced October 18.

For some time the United States has been compelled to limit the amount of iron and steel exported to other countries. No control, however, has been exercised over shipments to Canada.

In view of the general stringency of the steel situation Canada has undertaken to limit imports of iron and steel from the United States to 200,000 tons for the fourth quarter of 1948. This is a reduction of 22 per cent from the average quarterly level in 1947 and 18 per cent from the average quarterly level of the first half of 1948.

To facilitate the program, the following import levels have been agreed upon for the fourth quarter for certain categories of iron and steel products.

(a) Structural	--35,000 tons --	34% below 1947 38% below the first half of 1948
(b) Plates	--17,000 tons --	26% below 1947 1% below the first half of 1948
(c) Galvanized sheets	-- 2,500 tons --	24% below 1947 34% below the first half of 1948
(d) Pipe, tubes & skelp	--30,000 tons --	11% below 1947 10% below the first half of 1948
(3) Wire	-- 8,000 tons --	3% below 1947 23% below the first half of 1948

Canada has also agreed to co-operate with the United States in maintaining and exchanging data on steel; and if necessary to apply promptly whatever further controls may be required to implement the program upon which agreement has been reached.

It is understood that in view of seasonal fluctuations, the existence of certain contracts already on the books and the desire of both countries to avoid any unnecessary development of controls, the import levels will be subject to reasonable margins of tolerance.

Steel needed for any special projects that may be agreed upon between the two Governments will be added to the quantities indicated above.

Appropriate adjustments will be made for Newfoundland requirements when they have to be met out of Canada's total program.

In cases where steel is sent to Canada for processing and is then reshipped to the United States as semi-finished or finished steel corresponding deductions will be made from the recorded date of Canadian imports.

(over)

Butter Imports: Three million pounds of Danish butter landed in Montreal Saturday, the first shipment of the fifteen million pounds imported by the Canadian Government from Denmark, Australia, and New Zealand, Rt. Hon. C. D. Howe, Minister of Trade and Commerce, has announced.

The Canadian Government is paying an average price of 70.1 cents per pound, f.o.b. country of origin, for the butter which will be imported during the next four months to carry consumers over the period of seasonal shortage.

Mr. Howe emphasized that the Canadian Government is making no profit whatsoever on this transaction and, in fact, is absorbing a small loss so that the imported butter may sell at Canadian retail price ceilings.

R. C. MacInnes Appointment: The Hon. Brooke Claxton, Minister of National Defence, has announced the appointment of R. C. MacInnes as Acting Director of Public Relations for the Department of National Defence to coordinate the public relations activities of the three armed forces.

Mr. MacInnes will be on loan from the Public Relations Department of Canadian National Railways and Trans-Canada Air Lines. His appointment, Mr. Claxton said, would be temporary pending appointment of a permanent Director of Public Relations (National Defence), and he would return to C.N.R. when the work of reorganization had been completed.

During the war Mr. MacInnes was Director of Overseas Public Relations for the Royal Canadian Air Force, and following his discharge from the service was chief information officer for the Canadian Information Service at New York City. He joined the public relations staff of the Canadian National Railways in February 1946.

Shipping Conference: Canada's shipping and shipbuilding industry is being spotlighted in Ottawa this week, according to an announcement by J. V. Clyne, Chairman of the Canadian Maritime Commission. At its first meeting since its formation the National Advisory Committee to the Commission is in session for three days, October 18, 19 and 20.

This National Advisory Committee is made up of representatives from Canadian shipowners and shipbuilders, the seafaring and shipyard personnel employed by these industries, and representatives of Canadian manufacturers, primary producers, exporters and importers who use shipping services.

"It will be a historic meeting for Canada's shipping and shipbuilding industry", said Mr. Clyne, "because it will be the first time Canada has had every phase of these industries assembled around the conference table".

Navy Week "Open House": Naval Divisions across Canada will demonstrate on Saturday, October 23 -- the final day of Navy Week -- where they fit and what they are doing in the preparedness program being undertaken by Canada's defence forces.

As the climax to a week of activities sponsored by the Navy League of Canada and accorded the full co-operation of the Royal Canadian Navy, the divisions will "open house" to the citizens of their respective communities.

Eighteen of the shorebound "ships" will be opened to the public. The other two -- at Halifax and Esquimalt -- have alternative events planned.

Across Canada: Graduates of the University of Ottawa from many parts of Canada and the United States and as far away as France and Haiti gathered in Ottawa over the week-end to participate in ceremonies held in conjunction with the 100th anniversary of the University....The third Federal-Provincial Tourist Conference was opened in Ottawa today by Rt. Hon. C.D. Howe....Day to day reports on the health of the Prime Minister, Mr. King, from London, England, say that he is resting comfortably in bed.



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Wednesday, October 20, 1948.

Fruits, Vegetables Imports: The Hon. Douglas Abbott, Minister of Finance, on October 19, announced a number of relaxations in the emergency exchange restrictions on imports of fresh fruits and vegetables during the coming winter.

Effective November 1 open general permits will be authorized for imports of lettuce and tomatoes from any country. Later in the winter similar general permits will be authorized for cabbage, carrots, celery and spinach. In accordance with the statements made by the Minister in Parliament in February and June, these relaxations will be timed so as not to prejudice the normal marketing of Canadian produce. Imports of each of these commodities will be authorized only when advancing prices or short supplies indicate depleted domestic stocks.

Effective for the fourth quarter of 1948 quotas for imports of citrus fruits and fruit juices and other items in the same quota group are being increased from the present fifty per cent to seventy per cent of imports during the base year, July 1, 1946 to June 30, 1947.

Also commencing with the last quarter of 1948 permits will be issued for the importation of grapes on a basis of seventy per cent of the dollar value of each importer's base year imports. Applications for such permits should be made on E.C. 1 application forms, obtainable from any Collector of Customs, and should be mailed to the Emergency Import Control Division, 490 Sussex Street, Ottawa.

All produce imported under these arrangements will be subject to maximum mark-up controls under the Wartime Prices and Trade Regulations.

In commenting on these relaxations Mr. Abbott said they were made possible by the continued improvement in the Canadian dollar reserve position.

Statements Issued By French Embassy and Acting Prime Minister: The following statements were issued yesterday by the French Embassy and the Acting Prime Minister, Rt. Hon. C. D. Howe:

Text of press statement issued by the French Embassy, October 19.

"The Ambassador of France called this morning, on Rt. Hon. C. D. Howe, Acting Prime Minister, and discussed with him the question, recently raised by the press, of French persons accused of collaboration with the enemy and now in Canada as refugees.

"The Ambassador pointed out that the persons in question, who have been condemned in absentia, were tried by French Courts according to correct legal procedures and found guilty of major crimes. He further stressed that their concern for their honour should prompt these Frenchmen to go and appear before the courts of their country, where every opportunity of defending themselves would be given to them.

"The French Ambassador recalled that since the end of the war the French Government has not presented to the Canadian Government any request for extradition."

At the same time, the Acting Prime Minister, Rt. Hon. C. D. Howe, issued the following statement:

"I have seen the communique of His Excellency the Ambassador of France. I am able to confirm that at no time since the end of hostilities has the French Government presented any request for extradition to the Canadian Government, nor would I wish to question the Ambassador's assurance that the trials in absentia were conducted according to correct legal procedure."

(over)

Mr. Kennedy Ontario Premier: Hon. Thomas Laird Kennedy yesterday was sworn in, along with his Cabinet, as Premier of Ontario, succeeding Hon. George Drew, who was elected Leader of the National Progressive Conservative Party. Dana Porter, former Planning Minister, became Minister of Education and Provincial Secretary; Arthur Welsh, former Minister of Travel and Publicity, became Minister of Planning and Development; and Louis P. Cecile, former Minister Without Portfolio, became Minister of Travel and Publicity.

Labour Standards: The Department of Labour announced October 19 that a statement had been prepared comparing Provincial Labour Standards concerning child labour, holidays, hours of work, minimum wages, and other matters pertaining to labour laws and regulations for all provinces. This statement of comparisons is available to all who wish to apply to the Deputy Minister of Labour.

Comparisons of a similar nature have been prepared in previous years to fill the requirements of industrialists, labour organizations, and others concerned.

This year a new section has been added regarding weekly rest-day legislation in seven provinces. The bulletin sets out in tabular form the legislative standards governing child labour, holidays, hours of work, minimum wages, weekly rest-day and workmen's compensation benefits.

Manufacturing Inventories: A further slight rise is indicated in the values of inventories held by manufacturing industries in August, according to the Bureau of Statistics. Consumers' goods inventories appear to have remained at approximately the same level, while the values of inventories of capital goods and producers' materials are above the July levels. Construction materials inventories appear to be higher than in July.

Across Canada: A suggestion that Canada's tourist season be lengthened by postponing the celebration of Labour Day from the first to the third Monday in September was made Monday at the third annual federal-provincial tourist conference by D. Leo Dolan, Director of the Canadian Travel Bureau. Although still confined to bed, the Prime Minister, Mr. King, yesterday, consulted with Rt. Hon. Louis St. Laurent and High Commissioner Norman Robertson. He also saw Lord Tweedsmuir, son of the former Governor-General of Canada, the Canadian Press reported from London, England.

GOVERNMENT



OF CANADA

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Thursday, October 21, 1948.

**RCAF Training Plan:** Announcement of a one-year training programme for selected aircrew members of the RCAF's Auxiliary Squadrons was made October 20 from Air Force Headquarters, Ottawa, following a two-day conference of Auxiliary Squadron Officers from across Canada. The meeting was the first such gathering of senior Auxiliary officers since the peacetime re-organization of the Air Force, and was attended by officers representing squadrons in Montreal, Toronto, London, Hamilton, Winnipeg, Saskatoon, Calgary, Edmonton, and Vancouver.

Under the new training plan selected Auxiliary Squadron members will be given a year's instruction at the RCAF's Flying Training School, Centralia, Ont., and will receive pilot's wings and commissions as flying officers upon completion of the course. They will then return to civilian life, but in the capacity of Auxiliary Squadron aircrew they will proceed with further training on the operational aircraft available at each squadron.

Seventeen Auxiliary members will commence training shortly and have been chosen from airmen now members of the Auxiliary Squadrons and from civilians joining the Auxiliary. The embryo pilots will first be posted to the RCAF's School of Aviation Medicine in Toronto for medical tests and for a course in Service procedure. They will then continue to Centralia to begin actual flying training. While attending flying school the trainees will rank as flight cadets, and will draw officer rates of pay.

A similar plan for groundcrew members to receive a complete Service course in ground training is being explored.

**Income Tax Ruling:** The Minister of Finance and the Minister of National Revenue jointly issued a statement October 20 regarding the income tax status of clergymen. For the past year or two, clergymen have not been required to pay tax on the value of a manse or parsonage provided for them by the church. It is doubtful, the Ministers said, if the present law will bear this interpretation. However, in view of the extent to which the manse or parsonage in a community is used for the general benefit of the congregation for meetings, gatherings of various kinds, consultations and other parish activities, the Ministers accept the view that clergymen should not be required to include the rental value of this property in income for tax purposes. It was stated that pending the introduction of an appropriate amendment to the law and consideration thereof by Parliament at the time of the next Budget, the exemption would continue to apply.

**Shipping Conference:** "A much better perspective of the needs of Canada's merchant marine is the result of the frank and open discussions which took place during the past three-day meeting of the National Advisory Committee." So stated John V. Clyne, Chairman of the Canadian Maritime Commission at whose call the committee gathered in Ottawa.

After the concluding session Wednesday, Mr. Clyne said that "delegates had expressed satisfaction at the opportunity of attending the meetings. There was a general feeling that the conference had enabled them to clear up a number of problems. The delegates also expressed the view that they now have a better appreciation of the overall needs of the dual industries of shipping and shipbuilding."

(over)



Mr. Clyne further stated that the gathering marked the first time that representatives of the ship owners, shipbuilders, and the shipyard personnel, besides the producers, exporters and importers met in one group and were able to discuss their respective problems together.

"As a result of this historic gathering," he continued, "the need of the closest co-operation to maintain Canada's standing among the trading nations of the world is more apparent. From the frank discussions the Canadian Maritime Commission is now in a position to qualify submissions which have already been made and which are contemplated by the regional advisory sub-committees."

"The task which now befalls the Canadian Maritime Commission is to study the views expressed during the three day conference and, where feasible, make recommendations to the Government."

Mr. Menzies' Press Conference: Rt. Hon. R. G. Menzies, now opposition leader and former Prime Minister of Australia, told a press conference in Ottawa Wednesday that he believed in closer ties among countries of the British Commonwealth, that he saw no reason why a Canadian shouldn't be Governor General of Australia and vice versa, and that he was an advocate of continuation of Australian appeals to the Privy Council in London. His party also favoured outlawing of Communists, according to the Ottawa Journal report this morning.

Mr. Menzies arrived by train for a three-day visit as guest of Australian High Commissioner Rt. Hon. Francis M. Forde, a former Labour Prime Minister and an old political foe. They greeted one another by first names.

The visitor is rounding off a trip to Britain, Europe and the United States that began in June to re-establish contacts after seven years at home.

Across Canada: The Canadian Press reports from London, England, that the Prime Minister, Mr. King, maintains close touch with the Prime Ministers' Conference, although he continues to rest in bed....The leader of the Progressive Conservative Party of Canada, Mr. George Drew, was one of nine speakers at the closing session of the New York Herald Tribune Forum....The validity of government rental orders and controls will be tested for the first time in County Court proceedings at Milton, Ont., on November 16, the Canadian Press reports this morning. An appeal is being launched there against a conviction for charging a rent higher than that fixed by the Rental Branch of the Wartime Prices and Trade Board.





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Friday, October 22, 1948.

His Majesty Visits Mr. King: The Canadian Press reported, in part, as follows from London, England, on the visit by His Majesty, the King, to the bedside of the Prime Minister, Mr. King:

"London, October 21 (CP)-- Although still confined to bed, Prime Minister King had a busy day of interviews, the most important being a visit from the King.

The King remained 45 minutes and had tea with the Prime Minister in his hotel suite.

Mackenzie King said later he had 'a most pleasant chat' with the King who came to the hotel without ceremony and was unrecognized by guests in hotel corridors as he entered.

The Prime Minister was also visited during the day by Sir John Anderson, former Conservative Cabinet Minister, Lord Bessborough, former Governor-General of Canada, and a number of other callers.

Mr. King is still dealing with heavy correspondence and despite the number of visitors and other work is continuing to make good progress toward recovery.

Immediately after leaving the Prime Minister, the King went to Buckingham Palace where he received Rt. Hon. L.S. St. Laurent, Acting Justice Minister, who attended the Commonwealth Prime Ministers' meeting. Later Mr. St. Laurent dined with Prime Minister Attlee along with other Prime Ministers...."

Import Permits For Steel: All importations from the United States of certain types of structural iron and steel will require import permits under the provisions of the Export and Import Permits Act, Rt. Hon. C. D. Howe, Minister of Trade and Commerce, announced October 21. The new regulation comes into effect on October 25.

The Minister explained that this step is taken by the Canadian Government in connection with the agreement reached with the United States to limit imports of iron and steel to a maximum of 200,000 tons for the last quarter of this year.

The new import control regulation applies to types of structural iron and steel classified for entry into Canada under Tariff Items 388, 388a, 388b, 388c, and 388d. These include various iron and steel angles, beams, channels, columns, girders, joists, tees, zees, used chiefly in the construction of large buildings and in heavy manufacturing.

Arrangements are being made to issue import permits which provide for the importation, during the balance of 1948, of specific tonnages of steel where a manufacturer or importer has a standard pattern of importations, while specific or spot importations will be the subject of individual permits.

According to Mr. Howe, import permits issued, or which may be issued, under the Emergency Exchange Conservation Act, will be honored in connection with the importation of the items covered by the new regulation. All structural steel or iron covered by the regulation which was in continuous transit to Canada on or before October 24, as well as steel from countries other than the United States, will not require an import permit.

(over)

Applications for new permits will be handled by the Import Permit Branch of the Department of Trade and Commerce. Importers who require specific or spot supplies of structural steel will be able to obtain the necessary forms from a local Customs office.

General McNaughton Broadcast: The voice of General A. G. L. McNaughton, Canada's Permanent Delegate to the United Nations Security Council, recorded earlier in Paris, spoke from loud speakers around Rockefeller Centre in New York City at noon yesterday as part of New York's advance celebration of the third birthday of the United Nations, the Canadian Press reported from New York this morning. General McNaughton reviewed Canada's stand on international atomic control.

Geneva Textile Conference: Hon. Humphrey Mitchell, Minister of Labour, announced October 22 the names of Canada's delegates to the second session of the Committee on the Textiles Industry of the International Labour Organization, which meets at Geneva from October 27 to November 6.

G. E. Nixon, Member of Parliament for Algoma West and V. C. Phelan, Director of Information of the Department of Labour, who is at present in Europe, have been named as Government representatives. John Robinson, Director of the Greater Hamilton Joint Board of the Textile Workers' Union and Gaston Ledoux of Granby, Quebec, President of the National and Catholic Textile Federation, are the Workers' Delegates, while Harold G. Smith of Hamilton, President of Mohawk Mills Limited, and J. T. Irwin of Toronto, Industrial Relations Adviser of the Primary Textiles Institute will represent employers.

The Committee will discuss problems of employment and industrial relations in the textile industry. Also on the agenda are discussions of recent developments in the industry, and of the action taken in the various countries to give effect to the resolutions passed at the last session.

Mr. Mitchell stated that the Canadian delegation sailed October 16 from Montreal on board the Empress of Canada.

Across Canada: Francisque Gay, Ambassador of France, gave a press conference in Montreal yesterday. The Canadian Press reported His Excellency as saying that Frenchmen facing collaboration charges should voluntarily return to their own country to clear themselves of accusations, if they are innocent....Unheralded, according to the press report, the new United States Ambassador, Laurence Steinhardt, arrived in Ottawa yesterday, having driven here from New York....During the year which ends next June Britain will spend more than \$400,000,000 of her Marshall Plan funds to buy Canadian grain, meat, bacon, cheese, minerals and timber, it was announced by the Canadian Press from London, England last night.



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Monday, October 25, 1948.

**Relax Rental Control:** The Minister of Finance, Hon. Douglas Abbott, announced October 22 that it is the intention of the Government to ask Parliament for power to continue the rental control of housing accommodation for a further 12-month period after March 31, 1949, and that at any time after March 31, 1949, it would relinquish the field to any province which might decide to undertake rental control.

The following changes are being made now in the rental regulations:

- " (i) As and from November 1, 1948, all accommodation (other than rooms or so-called shared accommodation) which may from time to time become legally vacant will thenceforth be decontrolled.
- " (ii) On and after November 1, 1948, any landlord who has become the owner of housing accommodation prior to November 1, 1947, may give to his tenant a notice to vacate of six months' duration, provided the landlord declares in the notice that he needs the accommodation for himself and his family and undertakes not to rent or sell it before April 1, 1950. In each case the landlord will be given an order of the Wartime Prices and Trade Board forbidding him to rent or sell the accommodation prior to April 1, 1950.
- " (iii) Any landlord who acquired a house at any time and who wishes to occupy it himself may apply to a commissioner for power to give a valid notice to vacate on the grounds that he is suffering a greater hardship than his tenant.
- " (iv) An overall increase in the rental ceiling of 10 per cent for housing accommodation (not including rooms and so-called shared accommodation and certain accommodations whose rentals have been fixed on a 'fair rental' basis). This means a permissible increase of up to 10 per cent for all landlords who have not availed themselves of the two-year lease but will not affect tenants of premises whose landlords have granted such leases.
- " (v) An additional overall increase in the rental ceiling of 5 per cent for all housing accommodation (other than rooms and so-called shared accommodation) where heat is supplied.

**United Nations Day:** The Acting Prime Minister, Mr. Howe, on October 22, issued a statement in connection with the observance of United Nations Day, October 24. The statement reads in part:

"...United Nations Day is an occasion on which we might appropriately recall the ideals and purposes to which the United Nations is dedicated. The Members of the United Nations, which now number fifty-eight, have pledged themselves to conduct their international relations under the high principles of the Charter. They also pledged themselves to co-operate in collective measures to maintain international peace and security and to promote the welfare of all peoples.

(over)

"On this day it is also appropriate to recall that the United Nations came into existence amid the turmoil of the most destructive of wars, and that it has had to operate under the handicap of disagreements between Great Powers which has hampered the development of a system of international security and the constructive efforts of co-operation which this organization was intended to pursue. Nonetheless, the United Nations, through the opportunities which it still offers of international co-operation for peace and welfare, remains the centre of man's hopes and efforts for peace and justice."

Redemption Of Securities: The Minister of Finance, Hon. Douglas Abbott, announced October 22 that arrangements have been completed for the redemption or refunding of three issues of securities of the Government of Canada which are maturing or have been called for payment in the next few weeks.

The aggregate principal amount of these issues is \$680,954,600. Of this total, an amount of \$180,945,600 will be paid off in cash. The remainder will be retired out of the proceeds of a new issue of \$500 million Government of Canada bonds which have been sold to the Bank of Canada and the chartered banks. This new issue will be dated November 1, 1948, and will mature November 1, 1951. It will bear interest at the rate of  $1\frac{3}{4}\%$  per annum and has been sold at a price of par.

Dr. Locke Monument: A bronze tablet commemorating the life and achievements of the late Dr. George Herbert Locke, educator and author, will be unveiled at the Municipal Building, Beamsville, Ontario, on Tuesday October 26. The tablet has been erected by the Department of Mines and Resources, Ottawa, on the recommendation of the Historic Sites and Monuments Board of Canada.

79,336 Immigrants: During the eight months ended August 31, a total of 79,336 immigrants entered Canada as compared to 32,808 during the corresponding period in 1947, it was announced by the Department of Mines and Resources.

Across Canada: Voting takes place today in two federal by-elections, Algoma East in Ontario and Rosthern, in Saskatchewan. In Algoma East the Secretary of State for External Affairs, Hon. Lester B. Pearson is seeking election to the House of Commons....Senator Gerald Verner White, 70, died in his home town of Pembroke Sunday....Federal investigators, checking on published reports, say they found very unsatisfactory conditions in the displaced persons camp at Emerson, Man. The Minister of Labour, Hon. Humphrey Mitchell, said Saturday that the situation has been improved....The Acting Prime Minister, Right Hon. Louis St. Laurent, arrived in Ottawa by train Sunday night after flying back to Montreal from the Prime Ministers' Conference in London.



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Tuesday, October 26, 1948.

Mr. Pearson To Paris: The Acting Prime Minister, Right Hon. Louis St. Laurent, announced last night that the Secretary of State for External Affairs, Hon. Lester B. Pearson, will leave for Paris Friday to take over the leadership of the Canadian delegation to the United Nations meeting of the General Assembly.

Assistance For Pilots: It was announced October 25 by the Right Hon. C.D. Howe, Acting Minister of Transport, that next year the Government will participate in a programme for the training of air pilots by financially assisting approved flying clubs or schools for pupils receiving training from these organizations.

The proposal will be submitted to Parliament for approval at the next session. In general the programme to be administered by the Department of Transport will provide for a grant of one hundred dollars to each approved flying club or school for each qualified pilot turned out, and one hundred dollars to each trainee when he qualifies for Department of Transport private pilot's licence. In addition each trainee, meeting R.C.A.F. service qualifications and joining either the R.C.A.F. reserve or the R.C.A.F. auxiliary, will receive an additional grant of one hundred dollars.

"Training of a large number of pilots will do more to foster and develop interest in civil aviation in Canada than any other comparable measure," said Mr. Howe. The programme would, in his opinion, result in greater use by the public of Government airports and aerodromes, development of airports and aerodromes by private enterprise, the growth of a healthy light aircraft industry and of an aircraft service, repair and accessory business.

It is anticipated that some fifteen hundred persons will take advantage of this new scheme during 1949.

Coast Artillery Training: As part of the normal development of the defence forces programme, coastal artillery units of the Reserve Force are to be expanded and more emphasis is to be placed on coast artillery training in the future, it was announced at Army Headquarters here October 25.

Reserve Force coast artillery units are to be formed on both the Pacific and Atlantic coasts. At the same time training will be stepped up, using the facilities of the new Anti-Aircraft and Coast Artillery School at Esquimalt, B.C., and by retaining at the east coast an Active Force coast artillery unit for the continued training of both Active and Reserve Force personnel.

The training requirement and operation of coast artillery units is of a highly specialized nature. It is therefore hoped that present training plans and the formation of new Reserve Force units will serve to meet the deficiency in this field.

Active Force artillery personnel are also to be available as a highly trained nucleus to assist in the maintenance and operations of the coast batteries.

(over)

Displaced Persons Camps: The Minister of Labour, Hon. Humphrey Mitchell, issued a statement on October 23 in regard to the camps in which Displaced Persons have been housed in the Province of Manitoba. He said the worst feature of the whole affair, in his opinion, was the fact that a most unwarranted letter implying that men who failed to carry out instructions might be sent back to Germany. Not only was the letter unwarranted but it was contrary to the well publicized instructions of the Labour Department that threats of such a nature were not to be even hinted at. The Minister condemned this act most emphatically and said that were it not for the fact that the work was about finished and the temporary services of the author of the letter would automatically cease it is probable that the man would have been dismissed.

Indeed, the Minister said, "so anxious are we to make these new arrivals feel that they are welcome in Canada, we give them a letter signed by my Deputy and myself and written in three different languages at the time they leave Germany stating that they are welcome and encouraging them to report difficulties to the National Employment Service...."

By-Election Results: The Canadian Press this morning reported the following returns from yesterday's two federal by-elections:

ALGOMA EAST

L. B. Pearson, Lib.....	4,493
Lorne Callahan, CCF.....	2,107
John J. Fitzgerald, SC.....	1,061

(87 out of 105 Polls)

ROSTHERN

W. A. Boucher, Lib.....	6,117
P. G. Makaroff, C.C.F.....	3,193
G. W. Beilhartz, SC.....	2,313

(111 out of 113 Polls)

Results in the last election in 1945 were:

Algoma East--Farquhar (L) 4,855; Austin (PC) 3,610; Strain (CCF) 1,468.  
Rosthern--Tucker (L) 6,898; Mycroft (CCF) 4,678; Currie (PC) 1,299;  
Kurtenbach (SC) 792.

United Kingdom Branch Plants: The Canadian Press this morning reported as follows on the establishment of branch plants in Canada by United Kingdom firms:

"Ottawa, October 25 (CP)--More United Kingdom firms are establishing branch plants in Canada to help ease the United Kingdom's dollar shortage and to improve Britain's industrial security.

"G. D. Mallory, Director of the Industrial Development Division of the Trade Department, said today about 50 firms have set up branch plants here since the end of the war. In all, about 450 establishments now are operating branches in Canada.

"Mr. Mallory said before British firms obtain permission to move to Canada, they had to convince the British Treasury they would be able to obtain more United States dollars through the sale of Canadian-made goods in the United States.

"They also had to show that security reasons made it advisable for them to have pilot plants away from their main plants in the United Kingdom. The firms had to undertake to pay dividends in Canadian dollars and they had to show that establishment of a Canadian branch would not interfere with the British export programme...."

Across Canada: The University of London yesterday conferred upon the Prime Minister, Right Hon. W. L. Mackenzie King, the honorary degree of Doctor of Laws. The ceremony took place in the Prime Minister's suite, with Mr. King sitting in an arm chair, the Canadian Press reports....The Ottawa Winter Fair Horse Show opened at the Coliseum last night before 2,000 persons



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Wednesday, October 27, 1948.

The Prime Minister Is Improved: The Prime Minister, Right Hon. W. I. Mackenzie King, was visited in London, England, yesterday by Don Senanyala, Prime Minister of Ceylon. Their 20-minute chat, the Canadian Press reports from London, meant that Mr. King now has met and consulted with the representatives of all the other dominions during his present stay in London. His condition was reported to be much improved.

Other guests were reported to include the Begum Ali Khan, wife of the Prime Minister of Pakistan, and G. M. Weir, Liberal Whip in the Canadian House of Commons, who is attending the Commonwealth Parliamentary Association Conference.

In the House of Commons, Prime Minister Attlee wished Mr. King a speedy recovery.

Mr. Claxton's Toronto Speech: The following is an excerpt from the speech, entitled, "Vigilance - The Price of Freedom," prepared by the Minister of National Defence and Acting Secretary of State for External Affairs, Hon. Brooke Claxton, for delivery at the Annual Meeting of the United Nations Association of Canada, in Toronto, on October 25:

"....With regard to defence, we are building up the defence forces necessary to defend Canada against immediate attack and to serve as the nucleus for large forces should an emergency arise. We have close working arrangements with the United States under the Joint Declaration of February 12, 1947, which extended the life and the usefulness of the Permanent Joint Board on Defence; and we are working out with other free nations plans for joint defence based on self help and mutual aid as part of a combined effort to preserve peace and to restrain aggression.

"We know what we want. Some of this work has been done, more is being done and more will be got underway. Our representatives have been in close consultation with the representatives of other nations as to what the role of each would be. Any arrangement such as a North Atlantic Security Pact will be submitted to Parliament for its approval. We are making no commitments without the approval of Parliament. On the other hand we are planning our defences after consultation with others so that what we do will fit into any subsequent plan that may be arrived at after Parliament has given its approval to Atlantic Security.

"We all hope that these anxious days will pass. But there will only be peace when the nations agree that their highest aim is not the power of the state but the welfare of the citizen...."

Miss Smellie Appointment: One of the best known persons in Canadian public health, Miss Elizabeth L. Smellie, C.B.E., R.R.C., LL.D., of Toronto, former Chief Superintendent of the Victorian Order of Nurses, has been appointed to the Dominion Council of Health, Hon. Paul Martin, Minister of National Health and Welfare, announced October 27.

The Dominion Council of Health, set up in 1919, consists of the Deputy Ministers of Health of the nine provinces and the federal Government, along with representatives from labour, agriculture, scientific research, and women's organizations. It meets twice yearly to advise the federal Government on health policy. Only other woman on the Council is Mme Pierre Casgrain of Montreal. The Council's 55th meeting will be held in Ottawa late next week.

(over)

Miss Smellie served as Chief Superintendent of the V.O.N. for Canada from 1924 to 1947, except for four years' service during World War II as Matron in Chief (Canada) of the Royal Canadian Army Medical Corps' nursing service from which she retired with the rank of colonel.

Canada Savings Bonds: Sales of Series Three Canada Savings Bonds on the Payroll Savings Plan show 275,956 individual orders for \$57,176,900. This compares with 246,911 orders for \$48,319,550 as of the same date in last year's offering. The average employee purchase is running at \$207.20 as compared to \$195.70.

It now seems reasonably certain that when all internal canvasses are complete total sales through the Payroll Savings Plan will surpass last year's total of \$109 million. Reports show many instances where incomplete canvasses have already produced sales exceeding last year's results.

Purchases of railway employees now amount to \$10,948,600 as compared to \$6,058,500 for the comparable period last October. Combined purchases of Armed Forces and Civil Service have risen to \$4,278,000 as compared to \$3,949,700 last year.

Sales to the general public through banks, investment dealers and other savings institutions show that at present 62,694 orders have been placed for \$32,987,400 of Series Three Canada Savings Bonds. This compares with 94,621 orders for \$52,243,150 of Series Two for a comparable period.

Across Canada: Chairman Robert H. Saunders of the Ontario Hydro Electric Power Commission said last night that the Commission had been notified of another 3,000,000 kilowatt-hours-a-week power cut in deliveries from Quebec Province, which would further accentuate Ontario's power shortage, the Canadian Press reported....The Canadian Press reported from London, Ont., that changes in the patriotic song, "O Canada," to incorporate "recognition of God and the King," was urged by the London Council of Churches.





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Thursday, October 28, 1948.

New Trade Discussions: Canada will participate in a new series of multilateral tariff negotiations with eleven countries which have indicated their desire to become parties to the General Agreement on Tariffs and Trade, Rt. Hon. C.D. Howe, Minister of Trade and Commerce, announced October 27. The countries with which Canada will negotiate include Denmark, Dominican Republic, El Salvador, Finland, Greece, Haiti, Italy, Nicaragua, Sweden, Peru, and Uruguay. The tariff negotiations will take place in Geneva, Switzerland, commencing April 11, 1949.

Canadian Government Departments concerned are now making preparations for these negotiations. In order to aid these preparations Canadian business firms and organizations interested in trade with the countries listed above, are invited to submit written representations.

Representations dealing with foreign tariffs are to be addressed to the Commercial Relations and Foreign Tariffs Division of the Department of Trade and Commerce. Representations dealing with the Canadian tariff are to be addressed to the International Economic Relations Division of the Department of Finance. In view of the fact that request lists for tariff and other concessions must be exchanged between Canada and the listed countries before January 15, 1949, representations are to be submitted as soon as possible but in any case not later than December 20, 1948.

There will generally be no negotiations among the countries which participated in the Geneva negotiations last year. Further negotiations between Canada and the United States, United Kingdom or any other country which participated in the Geneva negotiations in 1947 are not scheduled on this occasion. Canada and the other countries which negotiated in Geneva last year will be expected to negotiate only with the 11 countries listed above. Generally speaking, contracting parties will not be required to negotiate on products already in the schedules, except in individual cases where one of the acceding governments has a special interest. In these negotiations the concessions already contained in the existing schedules will, of course, be taken fully into account.

Newfoundland Discussions: Representatives of Canada and Newfoundland, busy drafting the terms under which the Island will join confederation as a tenth province, announced at the conclusion of a closed meeting Wednesday that they probably will begin top level discussions on financial matters next week, the Canadian Press reported this morning.

The meeting was another in the series of plenary meetings held weekly by the two delegations since the union negotiations started October 6. The meetings bring together representatives of the Cabinet and members of the seven-man Newfoundland delegation.

When the meeting broke up, Acting Prime Minister St. Laurent and A. J. Walsh, Chairman of the Newfoundland delegation, said in a prepared press release that "satisfactory progress" is being made in the discussions.

(over)

Newfoundland Rail Strike: The Canadian Press reported, in part, as follows this morning on the Newfoundland rail strike:

"St. John's, Nfld., October 27--(CP)-- The public bore the brunt of the Newfoundland rail strike today as 2,500 striking workers showed no sign of weakening in their 16-day walkout.

"Both sides in the dispute on the 550-mile long Government-operated line remained silent and there appeared to be no hope of an early settlement.

"W. H. Phillips, spokesman for the workers, said any move to take the dispute before a conciliation board would have to be initiated by the Government.

"The Government, meanwhile, stuck to its offer of a seven-cent-an-hour increase. The railway men, walking out October 11, asked 15 cents....

"Supplies at many stores in isolated areas were running low and traffic in some sections was at a standstill because of lack of gasoline."

Defence College Reopening: Canada's National Defence College will reopen on November 1, National Defence Headquarters announced October 28. The course, lengthened from seven to nine months, will be the second of its nature in Canadian history. As he did last January, Hon. Brooke Claxton, Minister of National Defence, will deliver the opening address.

Eleven officers of the three armed services, eight civilians, one naval officer from the United Kingdom and one officer from the United States Army will attend the course. The college is located at history-shrouded Fort Frontenac in Kingston.

Butter Shortage: Domestic disappearance of butter in Canada during September amounted to an estimated 34 million pounds, second highest quantity for any month this year, according to the Dairy Review of Canada issued by the Bureau of Statistics. This total compares with 35 $\frac{1}{4}$  million pounds in August, the peak month so far this year, and with 32 $\frac{1}{2}$  million pounds in September last year.

Across Canada: Still another serious reduction in the delivery of power from Quebec Province to Ontario was announced Wednesday by Ontario Hydro Electric Power Commission Chairman, Robert H. Saunders.... Mayor Garnet Coulter won his fourth successive two year term as Mayor of Winnipeg in yesterday's election.



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Friday, October 29, 1948.

**North Atlantic Treaty:** The following statement was given by Hon. L.B. Pearson, Secretary of State for External Affairs, at his press conference, October 28:

The Canadian Government, he said, noted with great interest the statement of October 26 in Paris of the Foreign Ministers of Western Union that they are 'in complete agreement on the principles of a defensive pact for the North Atlantic and on the next steps to be taken in this direction.' The Canadian Government has been giving careful study to the question of North Atlantic security. Canada's representatives have been participating from the beginning in conversations which have been taking place in Washington since July 6 between representatives of the Western Union countries, United States and Canada. These conversations were informal, non-committal and exploratory and had reached the point where they were referred back to the respective governments for observations and comments. As a result of its study of the question, the Canadian Government has informed other participants in the Washington discussions that Canada is now ready to enter into negotiations for a regional treaty for collective security with them and with other North Atlantic states.

The general lines of such a North Atlantic treaty desired by the Canadian Government and of the implications to Canada have been made clear by public statements during the past six months.

Mr. Pearson said the informal conversations in Washington had reached the end of the first stage of discussions. Any treaty would be submitted to Parliament for approval. All of the implications involved in such a treaty would be clearly understood before Parliament was asked to consider it.

**First Hospital Grant:** The first cheque to be issued by the federal Government to assist hospital building in Canada is being forwarded this week for the Killarney and District General Hospital at Killarney, Manitoba, Hon. Paul Martin, Minister of National Health and Welfare, announced October 29.

This cheque, for slightly more than \$5,000, marks the beginning of federal grants for hospital construction under the new National Health Program announced by the Prime Minister in May. The federal appropriation for hospital construction throughout Canada this year is \$13,000,000 out of a grand total of \$30,020,300 set aside for the entire program.

Approximately 40 other projects totalling more than \$1,225,000 have already been approved and an additional 60 are expected to be passed within a few days. These include grants for health surveys, professional training, and control of cancer, venereal diseases and tuberculosis.

**Inventor Of New Steel Process:** The Canadian Press reported in part as follows today on the inventor of a new process of making steel:

"St. Johns, Quebec, October 28 (CP) -- Inventor of a new process for making steel in a small fraction of the time required by present methods is Walter E. Dudley, 72-year-old experimenter and prospector of nearby St. Jean-Sur-Richelieu, it was learned today.

(over)

"Promoters of the process, disclosed last week-end by Premier Duplessis, had previously kept the details and the inventor's name secret. Alexandre E. Gregoire, one of the backers, said today, however, that Dudley had originated it after 30 years of experiments.

"The process first came to light when the Premier said he had seen steel made in half an hour at a St. Johns pilot plant. The Premier said steel-making normally takes 24 hours.

"Although metallurgists elsewhere were guarded in their comment on the process, a Government official in Montreal said it would be revolutionary if it should become workable on a large scale...."

Across Canada: Six companies yesterday asked the CBC Board of Governors for permission to establish television broadcasting stations in Canada, but decisions on all applications were reserved....The newly elected 23rd Legislature of the Province of Quebec will meet for its first session January 19....The Minister of Agriculture, Right Hon. J. G. Gardiner, was quoted by the Canadian Press from Regina this morning as saying that chances were the next federal election would be held before 1950....G. Russell Boucher, sitting Progressive Conservative member for the federal riding of Carleton, announced yesterday that he will resign to provide a seat for Progressive Conservative Leader George Drew.



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Monday, November 1, 1948.

Record Export Trade: Boosted by heavy shipments of beef cattle and fresh beef to the United States and by substantial gains in base metals, non-metallic minerals, newsprint, woodpulp and other wood products, Canada's total domestic exports climbed sharply to a new postwar monthly peak in September, while shipments to the United States reached an all-time record value.

Total exports for the month amounted to \$283,000,000, the Bureau of Statistics reports, as compared with \$224,100,000 in August and \$218,600,000 in the corresponding month last year. Shipments to the United States were valued at \$162,000,000, showing an increase of \$48,000,000 over the August total and a rise of \$74,000,000 over that for September last year.

Swelled by the high total for September, exports to the United States during the first nine months of this year rose to \$1,040,925,000 as compared with \$732,956,000 in the like period of last year. Grand aggregate to all countries in the period advanced to \$2,158,200,000 as compared with \$2,004,900,000 in the corresponding period of 1947.

Import Permit System: Canadian businessmen who imported parts or goods during 1948 under the allotment import permit system will be able to plan their 1949 programs on the same basis as this year, Rt. Hon. C. D. Howe, Minister of Trade and Commerce, announced October 29.

Manufacturers of such things as automobiles, washing machines and other consumer goods will be able to import U. S. made parts, chiefly of steel and other metals, to the same value as this year, as there will be no change in the method of calculating basic allotment permits for goods included in Schedule III of the Emergency Exchange Conservation Act.

To earn an export bonus in 1949, manufacturers have only to show an increase in their sales abroad during that year over and above their exports during the basic period (November, 1946 to October, 1947).

Provision is being made for holders of allotment permits to claim as an addition to their 1949 allotment, any reasonable balance unspent during 1948. Any unclaimed export bonus earned up to and including December 31, 1948, may also be included in the carry-over to next year. Alternatively, consideration will be given to charging excess imports during 1948 to the 1949 allotment permits, but cases of this kind will be studied individually.

Plans are now being completed by the Import Control Branch for the issuance of 1949 allotments during December, so that everyone entitled to a 1949 permit will receive it without making further application before his present one has expired. Accompanying the new permits will be a claim form for the unspent balance of 1948 permits, for which claim may be made at any time during 1949.

Mr. King Returning: Prime Minister King sailed October 31 for home aboard the liner Queen Elizabeth, the Canadian Press reports from London, England. The report adds, in part:

"The Prime Minister, who motored from London to Southampton Saturday, spent a good night and was in good spirits, his staff reported.

"The two hour trip from London was the first time that he had been out since ordered to bed three weeks ago by doctors because of an ailment of the blood circulation.

"The Queen Elizabeth will dock at New York Thursday and from there the Prime Minister will proceed to Ottawa by train...."

(over)

School Children's Gifts: The dimes and nickels of thousands of Canadian school children - contributed to help less fortunate youngsters in other lands - have resulted in 1,500 cases of basic schoolroom supplies being presented to the school children of The Netherlands. The supplies are part of 20,000 cases to be given to school children in a total of 10 countries under a project arranged by the Canadian Council for Reconstruction through UNESCO from the contributions of Canadians, including children in 16,000 classrooms.

At a recent ceremony in The Hague, the 1,500 cases of supplies were presented to the Minister of Education for The Netherlands, Professor F. J. Th. Rutten, by Mr. Pierre Dupuy, the Canadian Ambassador to The Netherlands.

The gift to The Netherlands represented the first shipment to be formally handed over. The nine other countries which will benefit from the contributions are Belgium, Luxembourg, France, Germany, Italy, Greece, Malta, Ethiopia and Austria.

ICAO Training Plan: The second of a series of training programs to familiarize young men from over all the world with the work of the International Civil Aviation Organization was announced at Montreal November 1 by Dr. Albert Roper, Secretary General. Each of the Organization's 51 member nations has been asked to submit nominations from which up to six persons will be selected for a half-year training course at ICAO headquarters in Montreal beginning January 17, 1949.

Prime purpose of the course is to acquaint the trainees with ICAO and its operations. Upon completion of the six-months period in Montreal, they will normally return to the service of their home governments or of international airlines, and there will help in maintaining liaison with ICAO. The training program is also intended to give an opportunity to aviation specialists for advanced study and participation in the work of the Organization in their own particular fields of interest.

Canada Savings Bonds: Purchases of Canada Savings Bonds, Series Three, on the Payroll Savings Plan totalled \$72,892,750 as organizers across Canada gathered their forces for the final drive in the campaign which opened October 12. Purchases are running nearly \$24 million ahead of the total reported at the same stage a year ago. Part of this increase is credited to a faster moving campaign but the figures give conclusive evidence that payroll savings purchases are running at a higher volume than in 1947.

Across Canada: The 15-week-old wages strike, involving 2,650 employes at McKinnon Industries, Limited, St. Catharines, Ont., ended today, the workers voting to accept a compromise wage increase....A new Ontario Progressive Conservative leader will be named at a provincial convention in Toronto, April 25-27 next, the Ontario Progressive Conservative Association decided at the week-end.



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Tuesday, November 2, 1948.

Presents Credentials: The Department of External Affairs announced that Mr. Laurence A. Steinhardt on November 1 presented to His Excellency The Governor General, at Government House, his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of the United States of America in Canada. Colonel the Honourable Colin Gibson, M.C., V.D., K.C., M.P., Secretary of State of Canada, was present.

Mr. Steinhardt was presented to His Excellency the Governor General by Mr. Howard Measures, Chief of Protocol, Department of External Affairs. Mr. Julian F. Harrington, Minister Plenipotentiary, Mr. Homer S. Fox, Counsellor of Embassy (Economic) and Mr. Richard W. Byrd, First Secretary, accompanied the Ambassador.

Since 1933 Mr. Steinhardt has headed many diplomatic missions. He was Minister to Sweden until 1937, Ambassador to Peru from 1937 to 1939, when he was appointed Ambassador to the Union of Soviet Socialist Republics. In 1942 he held the post of Ambassador to Turkey and in 1944 that of Ambassador to Czechoslovakia. He was the United States of America's delegate to the Eighth International Conference of American States at Lima in 1938. He was awarded the United States Medal of Merit in July 1946.

UNESCO General Conference: The Secretary of State for External Affairs announced November 2 the composition of the Canadian Delegation to the Third Session of the General Conference of the United Nations Educational, Scientific and Cultural Organization which is to open at Beirut, Lebanon, on November 17, and is expected to end on December 11, 1948. The Delegation will be led by Mr. Victor Dore, Canadian Ambassador to Belgium, and will consist of the following persons:

Mr. A. W. Crawford, Director of Counselling and Training,  
Department of Veterans Affairs;

Mr. Felix Desrochers, General Librarian of Parliament;

Mr. Charles Jennings, General Supervisor of Programmes,  
Canadian Broadcasting Corporation;

Dr. John E. Robbins, Director, Education Branch,  
Bureau of Statistics.

The Conference will study the proposed programme and budget of UNESCO for 1949 and will deal with other questions including the election of a successor to Dr. Julian Huxley as Director-General.

New Peak in Prosperity: According to reports submitted to the National Employment Committee, which concluded a two-day meeting in Ottawa October 29, Canada reached a new peak in prosperity in 1948.

Chairman of the Committee, which operates in an advisory capacity to the Unemployment Insurance Commission and the National Employment Service, Judge W. J. Lindal of Winnipeg, presided at the meeting. E. N. Mitchell, Unemployment Insurance Commission, acted as secretary.

(over)

In a report on the employment situation, W. K. Rutherford, Director of Employment Service, stated that the records of the National Employment Service bore out the results of a sample survey made by the Bureau of Statistics which showed that the working force in Canada reached an all-time record level at the end of August and that unemployment neared a minimum.

Study Parasitic Diseases: The federal health department's Laboratory of Hygiene is beginning studies of parasitic diseases affecting humans, Hon. Paul Martin, Minister of National Health and Welfare, announced November 2. This is the first time the federal health service has undertaken research in this specific field of medicine, he stated.

The studies at the Laboratory of Hygiene here will be in co-operation with provincial health departments and Canadian universities. Exact areas of study have not yet been determined, but the general aim will be to discover the nature and extent of human parasitic diseases in Canada and to work out control measures.

Appointed to carry out the research under the direction of J. Gibbard, laboratory chief, is J. B. Poole, for the past year and a half parasitologist at the Queen Mary Veterans' Hospital, Montreal.

Board Of Enquiry: Appointment of a Board of Enquiry into the accident of a commercial United States aircraft, # N.C. 88785, near Alcomdale, Alberta, on October 27 last which resulted in the death of the pilot and flight engineer and injury to two other crew members, was announced October 30 by the Right Honourable C. D. Howe, Acting Minister of Transport.

R. S. Keetley, Inspector of Air Regulations of the Department of Transport at Edmonton, has been appointed Chairman of the Board with J. J. Currie, Aircraft Inspector of the Department at Edmonton, as adviser.

In keeping with the policy of international co-operation as laid down by the International Civil Aviation Organization (I.C.A.O.), E. C. Hodson of the Civil Aeronautics Board at Washington, has been appointed accredited observer from the United States, in view of the fact that the aircraft was of United States registry.

Honour Capt. Cook: ON BOARD H.M.C.S. "ONTARIO" -- One of Britain's great naval officers and explorers received tribute Saturday, October 31, when Lieut. Commander J. A. Charles, R.C.N., Rouleau, Sask. and men from his destroyer, H.M.C.S. "Crescent" held a brief ceremony at the monument to Captain James Cook at Kealakekua Bay on the Island of Hawaii. It was in January, 1778, that Captain Cook first arrived at the Bay on the name Island of The Hawaiian Group. Assisting in the ceremony was Chaplain Lea Gillard, R.C.N., Victoria, B.C., Protestant Padre with the Canadian Squadron. H.M.C.S. "Crescent" detached from the R.C.N. Squadron at noon Friday for the 120 mile run to Kealakekua Bay. Following the ceremony she proceeded to Hilo, Hawaii for an overnight stay at the port before rejoining the squadron.

Across Canada: Ottawa had its first power cut-offs yesterday. The business district was blacked out from 9 to 9:30 a.m.....Newfoundland's railway strike continued in its third week and, according to the Canadian Press report this morning, throughout the island people are short of food and supplies....The Secretary of State for External Affairs, Mr. Pearson, arrives in Paris today to head the Canadian Delegation at the United Nations General Assembly.





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Wednesday, November 3, 1948.

Employment Sets Record: Industrial employment in Canada reached a new all-time high level in 1947, the general index for the eight major divisions increasing 8.5 per cent over the preceding year. At the same time the annual index of weekly payrolls rose 21.2 per cent, according to the annual review of employment and payrolls by the Bureau of Statistics. The salaried employees and wage-earners received an annual average of \$36.15 per week in 1947 as compared with \$32.38 in 1946, a rise of 11.6 per cent.

Moderate improvement in employment in manufacturing and relatively greater expansion as compared with 1946 in many of the non-manufacturing industries included brought the general index to 187.9 per cent of the 1926 average. This figure was 8.5 per cent above that indicated in 1946, and exceeded by 2.1 per cent the previous maximum index of 184.1 recorded in 1943. The upward movement resulted not only from continued heavy demand for commodities and services, but also from several other factors, notably generally greater availability of labour and supplies, and a decrease in the working time lost as a result of labour-management disputes.

Industrially, there were widespread though generally moderate increases in employment in the manufacturing industries, in which the index rose by 6.8 per cent from 1946. Mining showed a small advance; the situation was seriously affected by prolonged disputes in the coal fields. Considerable improvement was indicated in the remaining major industrial divisions, the gain in transportation amounting to 6.6 per cent, services 7.1 per cent, financial institutions 7.3 per cent, logging 15.1 per cent, communications 15.8 per cent, and construction and maintenance 18 per cent. The index of employment in non-manufacturing classes taken as a unit advanced 10.5 per cent.

Provincially there were generally higher levels of employment in 1947 than in 1946 in all areas except Nova Scotia. In that province, there was a decline of 3.7 per cent.

Trans-Canada Highway: The Minister of Mines and Resources, the Honourable James A. MacKinnon, announced November 2 that invitations had been sent to the provincial Premiers inviting them to come to Ottawa to discuss the construction of a Trans-Canada Highway. The date for the proposed discussions has not yet been set but they will take place in the very near future.

Freight Rates Submission: A plea for "equality of status" was made before the Board of Transport Commissioners November 2 by representatives of British Columbia Boards of Trade, the Canadian Press reported from Vancouver.

The Board is hearing the application of British Columbia for the removal of the mountain differential in Canada's freight rates structure.

"Briefs presented by the Associated Boards of Trade of the Fraser Valley and the lower mainland and the Council of Associated Boards of Trade of B.C. all charged that 'equality of status' is denied under prevailing rates," the report continued.

"The injustice of discriminatory rates is resented by all our people," said Chris Brown, President of the New Westminster Board of Trade.

(over)

He said the mountain differential has operated to increase the costs of incoming supplies and outgoing products.

Armistice Day Ceremonies: Approximately 40,000 Active and Reserve Force soldiers and more than 200,000 war veterans will participate in Armistice Day ceremonies across the country November 11, military authorities at Ottawa estimated this week. Thousands of wreaths will be deposited by both Service units and civilian organizations at hundreds of cenotaphs as veterans of two world wars parade in memory of fallen comrades.

Petawawa Training: A training camp devoted entirely to winter warfare will be opened at Petawawa early in the new year.

Officers and men attending the camp will be Active Force administrative and training staff personnel from Army Reserve Force units in Central Command.

An Active Force officer will be appointed commandant of the Petawawa Winter Training Camp and his instructors will include at least 12 officers and NCOs from the Royal Canadian Regiment who are stationed permanently at Petawawa.

Workmen's Compensation Laws: Honourable Humphrey Mitchell, Minister of Labour, announced November 3 that an annual publication of the Department of Labour, "Workmen's Compensation in Canada, a Comparison of Provincial Laws", is now available and may be obtained from the Legislation Branch of the Department. Mr. Mitchell said that the publication contains changes made in workmen's compensation laws in seven provinces at the 1948 legislative sessions.

Naval Appointment: Lieutenant-Commander D.W. Groos, D.S.C., R.C.N., of Victoria, will become commanding officer of the destroyer H.M.C.S. "Crescent" on 16th November, it was announced November 3 at Naval Headquarters. He succeeds Lt.-Cdr. J.A. Charles, of Rouleau, Sask.

A unit of the Pacific Coast fleet, "Crescent" is one of the five ships of the R.C.N. task force now on a training cruise to the United States Naval Base at Pearl Harbour, Hawaii. The ships will arrive back at their base at Esquimalt, B.C., 13th November.

Across Canada: The Secretary of State for External Affairs, Mr. Pearson, was prevented by bad flying weather yesterday from making his proposed flight from London to Paris, but press cables said that he would try to fly again today.....Federal officials in touch with the Canadian fuel situation were reported by Canadian Press to have stated that both the fuel oil and coal situations have changed for the better since last winter.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 243

Thursday, November 4, 1948.

World Grain Supplies: Outlook for world grain supplies is now brighter than at any time since 1939, states the Bureau of Statistics in its monthly review of the wheat situation. Two factors combine to effect the improvement.

In the first instance, domestic production in most importing countries, particularly in Europe, made a strong recovery in 1948 and yields generally were far higher than in 1947. The European wheat crop, while only 90 per cent of the 1935-39 average, exceeded production in 1947 by 41 per cent. Crops of wheat and rye in both Asia and Africa are well above prewar levels.

The second factor -- perhaps of equal importance to the advanced level of production in deficit areas -- is the existence of the largest total grain export supply available in nearly 20 years. Assuming that difficulties inherent in the current world trading situation will not prevent the relatively free export of surplus grain stocks, consumers in deficit areas may look quite confidently toward a raising of ration levels and improvement in bread quality. Probably no less important will be the opportunity provided to increase working stocks which have for years been practically non-existent in many importing countries.

Despite the indicated improvement in the supply outlook, the Food and Agriculture Organization of the United Nations warns that the stated import requirements of bread grains for 1948-49 will exceed the estimated availability in exporting countries.

Statement On Thorium: Recent discoveries of radioactive deposits containing small amounts of thorium, usually accompanied by uranium, have given rise to queries as to whether the Canadian Government is interested in the purchase of thorium. Consequently, it has been considered advisable to outline the present position in this respect, The Atomic Energy Control Board announced November 2.

Thorium has long been recognized as a possible source of nuclear fuel. For this reason, it was declared a prescribed substance by The Atomic Energy Control Act, 1946, and all dealings in it are subject to the provisions of the Atomic Energy Regulations of Canada.

Many complex problems must be solved before thorium can be regarded as an available source of nuclear fuel. Since the solving of these problems may take several decades, it was decided that it would not be practicable at the present time to work out a basis for the purchase of thorium in Canadian ores or concentrates. This decision, however, will be reviewed from time to time in the light of progress in the solving of the problems of utilization and of any new information as to occurrences of thorium bearing ores in Canada.

At the present time the main uses of thorium in Canada are for research and for the manufacture of incandescent gas mantles, for which purposes supplies of thorium are being obtained from the monazite sands of India and Brazil.

(over)

Displaced Persons Movement: "It is unfortunate that such great importance is given to unfounded rumours which place the Displaced Persons Movement in a bad light", Hon. Humphrey Mitchell, Minister of Labour, stated November 1 in commenting on a report that the Quebec Branch of a veterans' organization had charged laxity in the selection of Displaced Persons.

The Montreal report stated that the Quebec Provincial Command of the Canadian Corps Association had recommended "a general tightening of regulations governing the screening of immigrants coming into Canada", alleging that "former German storm troopers had entered Canada in the guise of DP's". Mr. Mitchell stated that several such rumours had been run to ground and proven false by the Department of Labour.

The Department of Labour has special officers engaged in visiting places where new arrivals are working and frequent checks are made of working conditions and attitudes of the men and women now employed.

TV Licensing Postponed: The Board of Governors of the Canadian Broadcasting Corporation on November 3 announced that recommendations on applications for television broadcasting stations in Canada have been deferred pending study of the possibility of developing the new medium on a co-operative basis.

Canada Savings Bonds: Payroll Savings purchases of Canada Savings Bonds showed a cumulative total of \$90,574,350 this week, it was announced November 4 by the Bank of Canada. With many reports still to be received and a large number of canvasses still incomplete, it was regarded as almost certain that total payroll sales would exceed last year's mark of \$109,000,000 and might even equal the First Series record of \$114,000,000.

Signals Day: From coast to coast on Saturday, November 6, many members and ex-members of the Royal Canadian Corps of Signals will observe "Signals Day". In centres throughout the country, men who saw service with the Corps since its inception will gather for reunions in the form of social functions, parades, receptions, meetings and church services, Col. A.E. Wrinch, Director of Signals, said in Ottawa November 3.

Dr. Langlois Appointment: Dr. Marcel Langlois, Quebec City, Professor of Paediatrics at Laval University, has been appointed by the Civil Service Commission as a paediatrics specialist in the Child and Maternal Health Division of the Department of National Health and Welfare, Hon. Paul Martin announced here November 4.

Navy Appointment: The appointment of Acting Lieut.-Cdr. A. J. Tanner, R.C.N., of Maryfield, Sask. and Toronto, Ontario, as Lieutenant Commander (Flying) at the Royal Canadian Naval Air Station, Dartmouth, N.S., was announced November 4, at Naval Headquarters, Ottawa.

Across Canada: The Secretary of State for External Affairs, Mr. Pearson, arrived in Paris by air yesterday....The Minister of Finance, Mr. Abbott, said in an address in Montreal yesterday that Department of Finance officials, having recently reviewed the budget forecast, has reported that when the books are finally closed at the end of the fiscal year the surplus would likely be found not to diverge by any large amount from the forecast of \$489,000,000.



# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, November 5, 1948.

At The U.N. Assembly: The Canadian Press reported from Paris yesterday as follows:

"PARIS, November 4 -- (CP) -- Overwhelming approval for the Western powers' international atomic control plan was won today in the United Nations General Assembly.

"This first major decision in the Assembly's 1948 session was taken over bitter Russian protests. Andrei Y. Vishinsky, Soviet Deputy Foreign Minister, said there was no point in new consultations on atomic control since no basis for East-West agreement exists.

"Canada's Gen. A.G.L. McNaughton firmly denied that international negotiations have reached a dead end. He said Canada will urge an early 'high-level' meeting of the six countries primarily concerned with atomic energy control.

"Vishinsky described the Western plan...as fantastic and unreal. It would leave the economic life of other states at the 'tender mercies' of a control organ which would be controlled by the United States, Vishinsky charged.

"By a show of hands the Assembly approved the Western plan 40 to 6. Four countries -- India, South Africa, Afghanistan and Venezuela -- abstained. Negative votes were cast by the Soviet bloc...."

Civil Defence: Canada already has enough organizations to use as the framework of civil defence, Major General F. F. Worthington told the press yesterday shortly after taking up his new post as Civil Defence Adviser to the Government, the Canadian Press reported this morning.

The report added in part:

"At a press conference in the office of Defence Minister Claxton, he visualized the co-operation of the Red Cross, St. John Ambulance, the Boy Scouts, city fire and police departments and other bodies in his future plans but said there would be no new body established.

"He described his objective as being 'to get set up in Canada a shadow organization using our existing organizations to be able to meet any emergency that might arise.'"

On Board H.M.C.S. "ONTARIO", November 5: At 9:30 A.M. this morning (Honolulu Time), H.M.C. Ships "Ontario", "Cayuga", "Athabaskan", "Crescent" and "Antigonish" slipped their berths at Pearl Harbour and proceeded seaward. The Squadron's departure from the U.S. Naval base on the Island of Oahu brought to a close a 16-day stint of operations in Hawaiian waters. It also marked the close of unbounded hospitality given by the community for men of the Canadian Navy during their normal leaves ashore. As the ships steamed past Diamond Head, outward bound, the old tradition of casting leis in the water was observed.

During their Hawaiian stay training exercises kept the more than 1,300 men of the R.C.N. squadron on the go each day. Many more exercises are in store before the ships reach Esquimalt November 13. On leaving Pearl Harbour the Canadian training squadron will again be attacked by submarines, with U.S. combat aircraft assisting in operations against the underwater craft. Steaming north and eastward for Esquimalt, the five ships will carry out squadron exercises daily. Night exercises, gunnery drills and firing, and plotting exercises will be some of the assignments undertaken during the 2,360 mile run home.

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Financing Of Motor Vehicles Up: Financing of motor vehicle sales in Canada is rising, with a major part of the increase in used vehicle transactions.

During the first nine months of this year a total of 116,203 vehicles were financed as against 85,511 in the same period last year, an increase of 36 per cent, the Bureau of Statistics reports, and the financed value was \$107,296,750 compared with \$77,033,602, a slightly larger increase of 39 per cent. Figures for September were 13,009 units with a financed value of \$12,093,584 compared with 11,495 at \$10,666,437 last year, an advance of 13 per cent for each.

New Motor Vehicles: Reversing the downward trend of the two preceding months, retail sales of new motor vehicles moved up sharply in September, but were still below last year's level. The month's sales totalled 18,654 units compared with 13,187 in August, 15,523 in July and 23,491 in September last year. In the first nine months of this year, 153,773 units were sold, nine per cent lower than the 168,270 sold in the same period of 1947.

Gunnery Staff Course: A 26-weeks gunnery staff course in anti-aircraft artillery, first of its kind to be held in Canada, opened this week at the Royal Canadian School of Artillery (Anti-Aircraft) at Picton, Ont.

Army Headquarters said November 4 the object of the course is to qualify Active Force non-commissioned officers as assistant instructors in gunnery in the anti-aircraft field. In the past, this qualification could only be obtained by Canadian Army personnel subsequent to attendance at Royal Artillery schools in the United Kingdom.

Canada Treasury Bills: On behalf of the Minister of Finance it was announced at noon November 4 that Tenders had been accepted for the full amount of \$75,000,000 Government of Canada Treasury Bills due February 4, 1949. The average discount price of the accepted bids was \$99.89722 and the average yield was .413%.

Across Canada: George C. Marler, 47 year old member of the Quebec Legislature for Westmount-St. George (Montreal) division, was chosen yesterday as House leader of the eight Liberals in the Quebec Legislature, the Canadian Press reported from Quebec city....The Bureau of Statistics reported yesterday that the cost of living index climbed seven-tenths of a point higher between September 1 and October 1, to 159.6, making a total percentage gain since the outbreak of war of 58.3....Forty five minutes darkness will descend on Toronto homes each night this winter, the Canadian Press announced from Toronto, as part of Ontario's power conservation measures....The Minister of Transport, Mr. Chevrier, returned to Ottawa last night from Paris.



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Monday, November 8, 1948.

**Presents Credentials:** The Department of External Affairs announced that Mr. Mario di Stefano, on November 8, presented to His Excellency the Governor General, at Government House, his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Italy in Canada.

Mr. Claxton, Acting Secretary of State for External Affairs, was present. Mr. Mario Majoli, First Secretary of the Italian Embassy, and Mr. Pietro Migone, Commercial Attache, accompanied the Ambassador. Mr. Measures, Chief of Protocol, Department of External Affairs, presented Mr. di Stefano to His Excellency the Governor General.

Mr. di Stefano has held the post of Envoy Extraordinary and Minister Plenipotentiary at the Italian Embassy in Washington since March 12, 1947. Mr. di Stefano was born in Palermo in 1900. He entered the Italian diplomatic service in 1923, served in Athens, Bucharest, Ankara, Moscow and Warsaw and at the Ministry of Foreign Affairs in Rome.

**Rationing Of U.S. Dollars:** The Hon. Douglas Abbott, Minister of Finance, announced November 5 that the rationing of U.S. dollars for pleasure travel will continue in force during the period from November 16, 1948 to November 15, 1949. The maximum amount of U.S. dollars which any Canadian resident may obtain during this period for this purpose will remain at \$150. In the case of children eleven years and under, the amount is \$100.

The Minister paid tribute to the Canadian public for its co-operation during the past year in complying with both the spirit and the letter of travel regulations. He pointed out that it was expected that the rationing of pleasure travel during the past twelve months would show a saving of between \$40 million and \$50 million U.S. dollars, as compared with 1947 travel expenditures. This substantial sum was thus made available for many essential supplies and commodities during this period.

Decision to continue the pleasure travel ration was reached after a most careful assessment of all factors relating to Canada's U.S. dollar position. It was felt that rationing of pleasure travel was less onerous than many other restrictions made necessary by exchange difficulties. Therefore, to the extent that the exchange situation had improved, it seemed reasonable to relax the more burdensome regulations first. Travel restriction, however, he said, will be removed as soon as conditions warrant.

**Increased Payrolls:** Both industrial employment and weekly payrolls at the first of September were slightly higher than a month earlier, with payrolls showing the somewhat greater advance than employment.

Working forces of 19,232 leading employers in the major divisions of industry reporting to the Bureau of Statistics rose 0.2 per cent, while their weekly payrolls advanced 0.7 per cent from August. These advances raised the Bureau's index of employment, based on 1926 equals 100, to a new peak of 201.3 as compared with 200.9 at August 1, and the index of payrolls, based on June 1, 1941, as 100, to 208.9 from 207.2.

The average weekly earnings of the employees in the eight industrial divisions amounted to \$40.88 -- the highest in the record of 7½ years -- as compared with \$40.66 at the beginning of August and \$36.76 at September 1, 1947.

(over)



Rehabilitation Of Ex-Convicts: Careful placement in employment is the means of bringing about successful rehabilitation of hundreds of men and women discharged from Canada's penal institutions annually, Hon. Humphrey Mitchell, Minister of Labour, stated November 5 in discussing the role the National Employment Service is playing in this work.

The finding of suitable employment for parolees and those who have completed sentences in provincial jails and reformatories has become one of the major efforts of the Special Placements Division of the Employment Service, the Minister said. Special placement officers have been appointed for this purpose in all provinces.

While some ex-convicts have failed to measure up to the confidence placed in them by their employers and the employment officials concerned, the great majority, amounting to several hundred annually, have made good, the Minister said.

Mr. Garson To Ottawa: The Acting Prime Minister, Mr. St. Laurent, issued the following statement on November 5:

"The Premier of Manitoba has responded to my request, as Leader of the Liberal Party, to associate himself with the party in the federal field. To facilitate Mr. Garson's entry into the House of Commons, the Hon. J. A. Glen generously offered to resign his seat as M.P. for Marquette. Although Mr. Glen's health is fortunately much improved he felt it might be difficult for him to perform adequately all his duties as a Member of the House of Commons. It is my hope that means may be found for the Government to avail itself of Mr. Glen's long and valuable experience in some way that will be of benefit to the public.

"Mr. Glen has advised Mr. H.S. Rungay, the recently elected M.L.A. for Minnedosa, Manitoba, who is also President of the Liberal Association of Marquette, of his resignation. Mr. Rungay, after consulting the members of the Executive has, through me, extended an invitation to Mr. Garson to seek the Liberal nomination in Marquette.

"December 20 has been fixed as the date of polling for the by-election in Marquette. By-elections will be held on the same day in Laval-Two Mountain, (Quebec), and Carleton (Ontario)."

Army Appointment: Col. R. L. Franklin, OBE, 40, of Ottawa, has been appointed Director of Vehicle Development at Army Headquarters, it was announced November 6 by the Minister of National Defence.

New Hydrographic Ship: A new 500 ton ship, the C.G.S. "CARTIER", has been added to the Canadian Hydrographic Service, it was announced in Ottawa by the Department of Mines and Resources. The Hon. James A. MacKinnon, Minister of Mines and Resources, visited Prescott, Ont., on Saturday, November 6 to inspect the "CARTIER". The 140-foot, 500-ton "CARTIER" with a cruising range of 3000 miles, is the first diesel driven ship of the hydrographic fleet.

Across Canada: The Prime Minister, Mr. King, returned to Ottawa on Sunday.... A caucus of coalition members of the Manitoba Legislature has chosen Douglas Lloyd Campbell, 53-year old farmer and Minister of Agriculture since 1936, as the next Premier of Manitoba.





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Tuesday, November 9, 1948.

Bay Of Fundy Power: The Department of External Affairs announced November 9 that the Governments of the United States and Canada had agreed to refer certain matters in connection with the Passamaquoddy Tidal Power Project to the International Joint Commission, United States - Canada.

The Passamaquoddy Tidal Power Project, as it was originally proposed in the 1920's, would involve damming Passamaquoddy Bay, on the Maine-New Brunswick border, and Cobscook Bay, which lies wholly within the State of Maine, and -- by means of a controlled flow between the two basins thus formed -- utilizing the great tidal range in the Bay of Fundy for the generation of hydro-electric power.

Under the terms of reference which have now been transmitted to the United States and Canadian sections of the International Joint Commission, by the U.S. State Department and the Canadian Department of External Affairs respectively, the Commission is asked to review existing plans for the project, to report how large and expensive an investigation would be required to determine whether any of those or other plans would be practicable, and to recommend a division of the expenses of such an investigation between the two countries. The reference does not ask the Commission to undertake the investigation, and both Governments have made it clear that they are not committed, by the present reference, to any later reference to the Commission for full investigation of the project itself.

Canadian Delegation: The Acting Secretary of State for External Affairs today announced the composition of the Canadian delegation to the Fourth General Conference of the Food and Agriculture Organization, which opens in Washington, D.C., on November 15.

Head of Delegation

The Right Honourable J. G. Gardiner, P.C., M.P.,  
Minister of Agriculture, Ottawa.

Alternate

(AMERICAN)

Dr. G. S. H. Barton, C.M.G., Deputy Minister,  
Department of Agriculture, Ottawa.

Advisers

Dr. J. F. Booth, O.B.E., Associate Director of  
Marketing Service, Economics Division, Department  
of Agriculture, Ottawa.

Dr. J. G. Bouchard, C.B.E., Assistant Deputy  
Minister, Department of Agriculture, Ottawa.

Dr. D. A. Macdonald, Dominion Forester, Department  
of Mines and Resources, Ottawa.

Mr. I. S. McArthur, Chief Economist, Department of  
Fisheries, Ottawa.

(over)

Dr. A. W. H. Needler, O.B.E., Assistant Deputy Minister, Department of Fisheries, Ottawa.

Mr. G. R. Paterson, Agricultural Counsellor, Canadian Embassy, Washington.

Dr. L.B. Pett, Chief, Nutrition Division, Department of National Health and Welfare, Ottawa.

Dr. W. D. Porter, Chief, Crops Branch, Agricultural Division, Bureau of Statistics, Ottawa.

Miss H. D. Burwash, Department of External Affairs.

Technical Advisers

Mr. H. H. Hannam, Canadian Federation of Agriculture, Ottawa.

Mr. C. J. Morrow, Fisheries Council of Canada, Lunenburg, N.S.

Secretary of the Delegation

Dr. S. C. Hudson, Principal Economist, Economics Division, Department of Agriculture, Ottawa.

Press Relations Officer

Mr. R. S. McKay, Assistant Director, Information Services, Department of Agriculture, Ottawa.

Elect ICAO Officers: Election by the Council of the International Civil Aviation Organization of three vice-presidents, and of chairmen and members of ICAO committees, was announced November 8 by Dr. Edward Warner, President of the Council. Vice-presidents elected for a one-year term are:

- |                       |                            |
|-----------------------|----------------------------|
| First Vice-President  | Mr. Henri Bouche (France)  |
| Second Vice-President | Mr. D. Chakraverti (India) |
| Third Vice-President  | Dr. E. M. Loeza (Mexico)   |

Mr. Stuart Graham, of Canada, was elected Chairman of the Air Navigation Committee, Sir Frederick Tymms, of the United Kingdom, Chairman of the Committee on Joint Support of Air Navigation Facilities and Dr. Paul T. David, of the United States, Chairman of the Air Transport Committee.

Members of the Air Transport Committee are:

- |                            |                  |
|----------------------------|------------------|
| Captain A.A. Irungaray     | (Argentina)      |
| Dr. K.N.E. Bradfield       | (Australia)      |
| Lt. Colonel Jean Verhaegen | (Belgium)        |
| Brigadier C.S. Booth       | (Canada)         |
| Mr. Y.C. Wu                | (China)          |
| Mr. Henri Bouche           | (France)         |
| Ali Fuad Bey               | (Iraq)           |
| Dr. E.M. Loeza             | (Mexico)         |
| Dr. F.H. Copes van Hasselt | (Netherlands)    |
| Mr. G. Hulström            | (Sweden)         |
| Sir Frederick Tymms        | (United Kingdom) |
| Dr. Paul T. David          | (United States)  |

Members of the Joint Support Committee are: Captain A.A. Irungaray (Argentina), Dr. K.N.E. Bradfield (Australia), Brigadier C.S. Booth (Canada), Mr. J.M. Amirault (France), Mr. D. Chakraverti (India), Dr. F.H. Copes van Hasselt (Netherlands), Colonel H. Delgado (Portugal), Sir Frederick Tymms (United Kingdom), Rear Admiral Paul A. Smith (United States).



# AIRMAIL BULLETIN

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Wednesday, November 10, 1948.

Favourable Balance With U.S.: Canada had a favourable trade balance with the United States in September of \$11,400,000 -- the first credit balance since August, 1945 when shipments were still heavy for the war in the Pacific and the first substantial peacetime credit balance since the middle Thirties, according to figures released by the Bureau of Statistics. The credit balance in September together with successive decreases in the adverse balances in earlier months of this year, brought the cumulative debit balance for the nine months to \$265,700,000 compared with \$718,300,000 in the similar period of 1947.

September's commodity trade balance with the United Kingdom was favourable to Canada to the extent of \$24,100,000 as compared with \$27,900,000 in August and \$39,400,000 in the corresponding month last year. During the first nine months of this year, the balance in favour of Canada amounted to \$300,100,000 compared with \$411,500,000 a year ago.

The month's favourable balance of trade with all countries was \$64,400,000, highest so far this year, as compared with \$20,000,000 in August and \$13,400,000 in the same month last year. During the nine months ending September, the all-countries credit balance was \$261,600,000 as against \$135,000,000 in the like period of 1947.

Foreign trade of Canada in September was valued at \$507,700,000 as compared with \$429,700,000 in the corresponding month last year. The month's imports were valued at \$221,700,000 compared with \$208,100,000, domestic exports \$283,000,000 compared with \$218,600,000, and re-exports \$3,010,000 compared with \$2,982,000.

Aggregate value of external trade for the first nine months of this year was \$4,108,200,000 as against \$3,927,500,000 a year ago. Merchandise imports totalled \$1,923,300,000 as against \$1,896,200,000 last year, domestic exports \$2,158,200,000 compared with \$2,004,900,000, and foreign exports \$26,700,000 compared with \$26,400,000.

Employment Shifts: The seasonal shifts in employment which involve about 200,000 workers at this time each year now are under way, announced Labour Minister Mitchell in his monthly statement on manpower conditions.

Workers are moving from farms, food processing plants, hotels, and other summer-active industries, into woods employment, meatpacking firms and other winter jobs. As construction activity declines, more seasonal workers will enter the labour market and an increase in the number of job seekers may be expected for the next few months.

Currently, workers are moving to the woods as the harvest season ends. Most areas have reported that their farm labour needs were satisfied for the first time in many years. This is due in large part to the arrival of immigrant farm workers and to the major transfers of harvest workers organized during the season. Many Polish veterans will complete their two-year contracts in November. Indications are that a considerable number of them will remain in agricultural employment.

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ICAO Staff Appointments: Citizens of 42 nations have made application for 60 staff positions advertised recently by the International Civil Aviation Organization, it was announced at ICAO headquarters in Montreal on November 10. More than 3,000 replies have been received to the advertisement, and are now being considered together with outstanding applications previously received. Largest number of the new group of applicants comes from the United Kingdom (957), and the United States (939), with France (427) and Canada (213) following. On the average each applicant is interested in about three positions.

Retail Sales Higher: Dollar sales of Canadian retail merchants averaged seven per cent higher in September than in the corresponding month last year and were up eight per cent above August as the customary seasonal upswing began. The volume of business was 11 per cent higher in the first nine months of this year than in the same period of 1947. Unadjusted indexes of sales, on the base 1935-39=100, stood at 258.8 for September, 239.5 for August, and 241.0 for September, 1947.

Women's apparel shops and food stores remained in the forefront among individual trades when they recorded September increases of 15 per cent and 12 per cent, respectively. These gains were not quite so large as those shown by the nine-month cumulative comparisons for the two trades.

Record Spending on "Movies": Despite a decline of three per cent in admissions, Canadians spent a record total of \$78,685,000 on motion picture theatre entertainment last year. Receipts increased five per cent over 1946, with gains recorded in all provinces except Nova Scotia, where the decline was 10 per cent. Attendance totalled 220,858,000 as compared with 227,539,000 in 1946. Of the receipts, \$15,820,000 went to the federal and provincial governments in taxes, the Bureau of Statistics has announced.

Lighthouse Demolished: Last week's storm on the Pacific coast completely demolished the Department of Transport's lighthouse at Egg Island, near Bull Harbour in the Prince Rupert Agency according to information received by the Department on November 8. The lighthouse keeper, Robert Lawrence Wilkins, together with his wife and son were taken off by a fish packer and removed to hospital at Bella Bella suffering from exposure.

It is believed that the lighthouse was demolished November 3 during the height of the storm. When the lightstation failed to report by radio-phone schedule it was realized that there was trouble at the station. High seas and bad weather delayed rescue operations until November 8.

Across Canada: The Canadian Press has reported from Sault Ste. Marie, Ont., an announcement by George McLeod, Manager of Algoma Ore Properties, a subsidiary of Algoma Steel Corporation, that a radio-active deposit of pitchblende had been discovered 72 miles north, but that officials of the Ontario Department of Mines stated that they have not yet received a report from their representatives in the area.... Father John Robert O'Gorman, a native of Renfrew, and one of Northern Ontario's best-loved clergymen, died in Timmins on Tuesday, the Canadian Press reported.... The National Council on Physical Fitness has just issued invitations to more than 30 national sports organizations, amateur and professional, to attend a meeting in Ottawa on January 7 and 8 to consider ways of promoting greater participation in sports in Canada.



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Friday, November 12, 1948.

"Canada And World Affairs": The Minister of Justice, Mr. St. Laurent, delivered a Remembrance Day Address over a nation-wide radio network on November 11, his subject being, "Canada And World Affairs." He declared Canada's external policy to be based on the principles of the San Francisco Charter.

While the United Nations had achieved a good deal, mainly in the economic and social fields, he said, we had to admit that it had not succeeded in banishing the threat of a third world war.

Following are additional excerpts from the address:

"....For my part, I believe that the most certain and the most practical approach to security for us is the achievement, as soon as possible, of an alliance of the North Atlantic nations.

"It is not enough to have right on our side; it is just as important to have the strength to defend the right. The only way to achieve that strength is for us and the other North Atlantic nations to combine our resources...."

"The choice we face today is a choice between isolationism with its certain weakness, and the hope, through collective action, of preventing another war. I consider it is my duty to make the utmost effort, both within Canada and in our negotiations with the other governments concerned, to have a system of collective security firmly established. We do not want a third world war. Let us all do everything we can to prevent it...."

"If a third world war should break out, Canada could not be neutral. We are situated right between two great powers, and whether we liked it or not, another world war would be fought at our very gates. It would moreover, be a conflict not merely between two great powers, but between an atheistic communist world and our democratic Christian civilization.

"It is no secret for anyone that the leaders of the Soviet Union aspire to world domination. It is equally clear that they count as much on the weaknesses of the free nations as they do on their own armed strength. By demonstrating to the Soviet Union that the free nations of the world are really taking the measures necessary to defend themselves and to ensure respect for the principles of the Charter, the free nations may well convince the Soviets that it would be impossible for them to win a war if they started one. Now no one is likely to start a war with the prospect of losing it...."

Mr. King's Resignation: The Prime Minister, Mr. King, has made public a letter which he wrote on November 10 to Lt.-Col. L. D. M. Baxter, Dominion President, Canadian Legion of the British Empire Service League, Ottawa, in which he makes it known that he will tender his resignation as Prime Minister on Monday, November 15. The text of the Prime Minister's letter follows:--

"May I express to you and to other members of the Dominion Executive Council of the Canadian Legion, my warm appreciation of the kind invitation extended to me to be present today at the Legion luncheon at the Chateau Laurier.

(over)

"While with each day, I experience my strength returning in increasing measure, I have been advised to limit, for the present, the number of my engagements and public appearances. I should be grateful, therefore, if you would allow me to be represented at today's luncheon by Mr. St. Laurent.

"Having had much in mind the close association I shared with the armed forces of our country during the years of war, I had hoped that the close of my many years of office might be associated with Remembrance Day. I had counted on giving expression to this desire by being present with my colleagues, and other of my fellow citizens, at the Memorial Services; by having the honour, once again, as I have had on so many Remembrance Days, of placing the Government's wreath at the base of the War Memorial; and, immediately thereafter, by seeking retirement from office. In this way, I had hoped that my last official act as Prime Minister of Canada might be in the nature of a silent tribute to the memory of those who gave their lives in the cause of freedom. I deeply regret having to forego this cherished hope.

"After conferring with His Excellency the Governor General and with Mr. St. Laurent, I have decided to continue in office for the remainder of the present week, and to tender my resignation as Prime Minister to His Excellency on Monday next, November the 15. While I much regret not being able to convey this word in person to yourself and others who may be present at today's luncheon, I am happy to have the privilege, through the Legion, of making known to my fellow-countrymen the day on which I shall seek to be relieved of the responsibilities of office."

N.Y. Canadian Club Art Exhibit: The Ottawa Citizen this morning reports on the New York Canadian Club's exhibition of Contemporary Canadian Paintings, in part, as follows:--

"Sponsored and selected by the Canadian Club of New York, a remarkable exhibition of Contemporary Canadian Paintings opened at the National Gallery yesterday.

"The emphasis seems to be more on approved, conservative trends than on the latest experiments in Canadian painting, and 'enemies' of surrealism and abstract art, are sure not to bump against anything of the sort in this nevertheless up-to-date and valuable representation of Canadian painting...."

Across Canada: From coast to coast yesterday, Remembrance Day, Canadians paid tribute to their war dead. His Excellency the Governor General, Viscount Alexander, in the uniform of a Field Marshal, placed the first of many wreaths on the National War Memorial in Ottawa.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Monday, November 15, 1948.

Birth Of The Prince: His Excellency the Governor General, Viscount Alexander, upon receipt of the news that a Prince had been born to Her Royal Highness, Princess Elizabeth, sent the following message to the Princess Sunday.

"On this happy day as we learn of the birth of a son to Your Royal Highness I send you on behalf of the people of Canada our most heartfelt congratulations together with our loyal and devoted good wishes."

The Prime Minister, Mr. King, sent the following message on behalf of the Government:

"Members of the Government of Canada join with me in extending to Your Royal Highness our cordial felicitations on the birth of a son to Your Royal Highness. We also send our good wishes for the health and happiness of the infant Prince."

The Prime Minister also sent personal messages to Their Royal Highnesses the Princess Elizabeth and the Duke of Edinburgh, and to Their Majesties the King and Queen.

Canadians In China: The Department of External Affairs announced November 13 that the Canadian Embassy in Nanking has warned Canadians that they should consider the desirability of leaving North and Central China, unless they have compelling reasons to remain. This warning is intended to anticipate any difficulties which may arise in the event of the spread of hostilities southward. It does not at present apply to the large number of Canadians resident in West and South China.

On November 1, all British subjects including Canadian citizens, were advised by the British Consuls General in Peiping and Tientsin to leave North China while transportation facilities were available, unless they had urgent reasons for staying. The Canadian Embassy in Nanking associated itself with the issue of this advice to Canadian citizens in North China.

The Canadian Ambassador to China, who has been in close consultation with his British and United States colleagues, has now extended similar advice to Canadians in the Shanghai-Nanking area. The following is the text of a letter circulated by the Canadian Vice-Consul in Shanghai to all Canadians within his district:

"To all Canadian nationals residing in the provinces of Kiangsu and Anhwei:

"Economic unrest, coupled with an increasingly acute shortage of food supplies and fuel, makes it appear that Canadians remaining in Shanghai and its environs during the forthcoming winter may be subjected to undue hardship. The uncertain military situation in North China also makes it appear possible that hostilities may spread further south, with the result that normal transportation facilities from Shanghai may be disrupted.

"It is suggested, therefore, that, unless you have compelling reasons to remain, you consider the desirability of evacuation while normal transportation facilities remain available. Expectant mothers, women with small children, and elderly persons, are especially advised to leave the Shanghai area before winter sets in".

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Reasons For Retirement: The Prime Minister, Mr. King, on November 12 issued ~~as a statement~~ setting forth his reasons for retirement. After a review of his arrangement of events leading up to today, when he is to tender his resignation, the Prime Minister's statement proceeded as follows:--

"...When my resignation is tendered to His Excellency, as it will be on Monday next, the arrangement will have worked out as contemplated. My resignation will be the last of a series of steps so planned as to bring about the transition in the leadership of the Liberal Party, and in the Prime Ministership of our country, in the manner which it was hoped would occasion least embarrassment either to Parliament or to the country, and which accordingly would best serve the public interest. My resignation, coming as it does at this time, is therefore not to be associated with any circumstances, either personal or political, which may have occurred within the past year. I am not retiring because of ill health, but because I feel that in so far as my task relates to the administration of public affairs, it is now fulfilled.

"It is true that my recent indisposition is a consequence of strain over many years and due particularly to a series of pressures during the past year, but this condition is temporary, and will, I believe, disappear with necessary rest.

"In retiring from the office of Prime Minister which I have held in all for over twenty-one years, my thoughts naturally are much of the colleagues with whom I have been associated in that period of time, and of members of Parliament who have given me such loyal support; of the members of the public service without whose help the work of government could not be carried on; and of the National Liberal Federation and other Associations that have had to do with the work of organization of the Liberal Party. Above all, I have much in mind the people of Canada who, over so many years, have given me so many expressions of their confidence.

"When I retire, it will be without regret at being relieved of the responsibilities of office; but with a glad and grateful heart for the proud position which Canada enjoys in the eyes of the world today; for having had the privilege of participating in the affairs of our country over so long a period of time; and for the promise of renewed health and strength which I feel may come with the wider measure of personal freedom to be thereafter enjoyed.

"I am particularly happy that the leadership of the Government is about to be entrusted to Mr. St. Laurent and to the colleagues who will surround him at the Council Table."

Across Canada: Dr. Arthur Beauchesne, CMG, Clerk of the House of Commons and Secretary to the Empire Parliamentary Association, returned to Ottawa last night by plane....Canadian participation in the Berlin airlift was requested by the Canadian Legion in a brief presented to the Cabinet Saturday, the Canadian Press reports....Ottawa Rough Riders defeated Montreal Alouettes 15 to 7 at Ottawa Saturday in the second of the two game total-point Big Four football series, winning the round 34 to 28. The eastern final will take place at Ottawa next Saturday when Rough Riders meet Hamilton Tigers in a single-game contest, the winner to meet Calgary Stampeders for the Grey Cup on November 27 at Toronto.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6, No. 250. Published by the Department of External Affairs, Ottawa, Tuesday, November 16, 1948.

Mr. St. Laurent Is Prime Minister: At 3:55 p.m. yesterday, November 15, His Excellency the Governor General accepted the resignation of the retiring Prime Minister, Mr. King. Mr. St. Laurent was thereupon sworn in as President of the Privy Council, and became Prime Minister.

Two new Cabinet Ministers were sworn in a few moments later. They are Hon. Stuart Garson, former Premier of Manitoba, who became Minister of Justice in Mr. St. Laurent's Cabinet, and Hon. Robert Winters, member of the House of Commons for the Nova Scotia riding of Queens-Lunenburg, who became Minister of Reconstruction and Supply. There were no other cabinet changes.

Mr. St. Laurent held a press conference shortly after being sworn in to his new office. He was reported as stating that Mr. Winters' big job would be housing, and that he would also take over the Canadian Government Travel Bureau and become Chairman of the National Film Board.

Federal District Commission: Prior to his retirement as Prime Minister, Mr. King announced the appointment of the following persons to be members of the Federal District Commission:

Professor J. Henri Blanchard, Instructor, Prince of Wales College, Charlottetown, P.E.I.

Harvey W. Doane, Esq., Managing Director of the Standard Paving Company, Halifax, N.S.

Dr. A. Foster Baird, Dean of Forestry and Engineering, and formerly Acting President of the University of New Brunswick, Fredericton, N.B.

Gaston Amyot, Esq., Architect, Quebec, P.Q.

Bernard K. Sandwell, Esq., Editor of "Saturday Night", Toronto, Ont.

Cecil Earle Joslyn, Esq., Assistant General Manager, Rupert's Land Trading Co., Winnipeg, Man.

John W. Sanderson, Esq., businessman, Prince Albert, Sask.

Mrs. Cora T. Casselman, former member of Parliament for Edmonton East, Edmonton, Alberta.

William Herbert Warren, Esq., Parks Commissioner, Victoria, B.C.

The present appointments have been made under a recent amendment to the Federal District Commission Act which provides for the enlargement of the Commission so as to include in addition to present members one person resident in each of the provinces of Canada. Members of the Federal District Commission are appointed for a period not exceeding five years. They serve without remuneration.

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CWACs Plan National Reunion: Two hundred former members of the Canadian Women's Army Corps gathered in Ottawa Friday evening for a reunion.

They agreed unanimously that a national reunion be held in Ottawa some time next summer, but the actual planning of such a get-together was left until a later date.

The Hon. Brooke Claxton, Minister of National Defence, addressed the meeting.

Members of the committee of seven who organized the reunion were: (Lt.-Col.) Joan Kennedy, former CWAC Director of Administration; Mrs. (Maj.) Constance Lomax; (Capt.) Amelia McIntyre; Mrs. Beverley Mitchell; (Maj.) Pamela Cock; Miss Bessie Forbes and Miss Ann Buckland.

Dartmouth Naval Air Station: The Royal Canadian Naval Air Station at Dartmouth, N.S., will be commissioned Wednesday, December 1, 1948, as H.M.C.S. "Shearwater". This will mark the final step in the turning over the station from the R.C.A.F. to the R.C.N. "Shearwater" will be the shore base for the 18th and 19th Carrier Air Groups, Training Air Group, Fleet Requirement Unit, and schools for air branch personnel. The establishment will be under the command of Commander A.B. Fraser-Harris, D.S.C. and Bar, R.C.N., of Halifax.

The shearwater, after which the Navy's air station will be named, is a bird which spends long periods at sea and comes home only to nest. The name has further significance to the R.C.N. in that a Royal Navy sloop of that name was based at Esquimalt prior to the First Great War, and was paid off at the West Coast port. Her crew subsequently joined the Canadian cruiser H.M.C.S. "Niobe".

Naval Appointment: Acting Lieutenant Commander (P) William E. Widdows, R.C.N., of Winnipeg, has been appointed Staff Officer (Air) to the Naval Member of the Canadian Joint Staff in Washington, D.C., it was announced by Naval Headquarters.

Across Canada: Halifax longshoremen decided last night not to work on ships diverted there from strike-bound United States ports, the Canadian Press reported....The season's first snowfall came to Ottawa yesterday, a light fall which melted as soon as it touched the pavements....The Minister of Trade and Commerce, Mr. Howe, left Ottawa last night by plane for Washington.



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INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, November 17, 1948.

393,300,000 Bushels Wheat Crop: Canada's 1948 wheat crop is now placed at 393,300,000 bushels as compared with the revised estimate of 336,800,000 bushels for the 1947 crop. Production of coarse grains also exceeds that of 1947, this year's oat production now being estimated at 357,700,000 bushels, barley at 154,600,000 and mixed grains at 62,100,000. The combined outturn of spring and fall rye is placed at 25,300,000 bushels and flaxseed at 17,400,000 bushels. The only crops registering decreases from the 1947 production are dry peas, buckwheat, hay and clover and grain used as hay, says a Bureau of Statistics release.

With the exception of spring wheat, mixed grains and dry peas, the third estimates of the cereal crops are moderately lower than the second estimates released on September 14. The wheat estimate has increased by 2,400,000 bushels, with decreases in Ontario fall wheat and Alberta spring wheat being more than offset by the 7,000,000 bushels increase in the estimate of the Saskatchewan wheat crop. The indicated production of mixed grains has increased by 2,400,000 bushels but the estimates for oats and barley are down 4,000,000 and 2,500,000 bushels, respectively, while rye production is 1,300,000 bushels below the level indicated in September. Small reductions have also occurred in the production estimates for flaxseed, soybeans, buckwheat and shelled corn.

The 1948 wheat crop of 393,300,000 bushels exceeds the 1947 production by 56,600,000 bushels.

1947 Manufacturing Production: The estimated value of products manufactured in Canada in 1947 reached the record total of \$9,976,497,000, an increase of 24.2 per cent over 1946, and an advance of 10 per cent over the previous high point reached in 1944 when manufacturing was directed fully to war production.

Due to the rise in prices the physical volume of production did not expand to the same extent as the value figures indicate. The index of the physical volume of production on the base 1935-39=100, which stood at 106.3 in 1939 jumped to a high of 187.7 in 1943 and then declined steadily to 150.3 in 1946. It is expected that the index in 1947 will be somewhere around 158. The physical volume of production thus increased by 49 per cent between 1939 and 1947 as compared with an increase of 187 per cent in the gross value of production.

Maltese Immigrants Happy: Hon. Humphrey Mitchell, Minister of Labour, said on November 17 that two officials of the Maltese Government, who recently completed a goodwill tour of Ontario, have expressed themselves as highly gratified by the position and prospects of Maltese immigrants settled in Canada during the past year.

The officials, Honourable J.J. Cole, Minister of Labour and Emigration in the Maltese Government, and J. Axisa, Director of Emigration, talked to many of their former countrymen in the course of the tour, which was arranged for them by the federal Department of Labour.

(over)

They stated that everything they had seen and heard indicated that these immigrants were happy in Canada. They were settled in jobs, and were becoming good citizens of their communities.

Mr. Mitchell said that the two officials, now in the United States, had called at the Canadian Embassy in Washington to express their pleasure at the warm welcome their fellow countrymen had received in Canada, and their appreciation of the efficiency of the arrangements the Canadian Government made for their trip.

Honour U.S. Soldier: A former United States Army private, of Japanese ancestry, was invested with the British Military Medal on board a Canadian destroyer in Honolulu recently.

Barney F. Hajiro, of Honolulu, hero of three separate actions in France in the Second World War, received his decoration from L.H. Whittall, British Consul for the Territory of Hawaii, at an investiture held on board H.M.C.S. "Cayuga" on October 31.

"Cayuga", one of the five ships of the R.C.N. task force which returned recently from a month-long cruise to Pearl Harbour, visited Honolulu from 29 to 31 October.

During the investiture members of the ship's company of "Cayuga" formed a guard of honour and the Royal Canadian Navy band was in attendance.

Hajiro, a member of the 442nd Regimental Combat Team of the Army of the United States, won his award for "heroic conduct in action" at Bruyere, Belmont and Biffontaine. Prior to these actions he fought with the 442nd R.C.T. alongside the British Eighth Army in Italy.

Across Canada: In Ottawa it was announced that negotiations with the Newfoundland delegation are being brought to a conclusion but might take another day or two for final ironing out of details....Commencing today, the port of Halifax will handle ocean liners and other ships diverted by the United States longshoremen's strike, it was announced by the Canadian Press from Halifax....Eighteen Ontario Hydro workemen were injured, seven seriously, when a dynamite explosion occurred yesterday about 60 miles northwest of Ottawa, the Canadian Press reported....One of the worst storms to hit Vancouver Island in 15 years last night appeared to have cut off from outside communication 10,000 people in the twin centres of Alberni and Port Alberni, the Canadian Press reported from Victoria, B.C.



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Thursday, November 18, 1948.

Says U.N. Is Main Hope: In his first report to the country following his return from attending the third session of the United Nations Assembly in Paris as Canada's chief delegate, Mr. Lionel Chevrier, Minister of Transport, on November 17 urged members of the Port of Halifax Club and all Canadians to support the United Nations because it was "our main hope for peace". He stated that while the United Nations "had not banished insecurity and war it offers the world an organization to mobilize all efforts of goodwill to work for peace and better co-operation between nations."

Mr. Chevrier told Club members that "in spite of the efforts of the western nations to find a means of accommodation with the states of Eastern Europe, the minority in the UN presents a rigid and inflexible position", violently attacking the position of the majority, criticizing its institutions, questioning its motives and holding its leaders to ridicule. "This is scarcely an atmosphere in which the real purpose of the UN can be accomplished," he said, and thought that there was no point in expecting the UN to accomplish very much at the present time.

"It is important however", he added "that in the great debate which is now going on in the world about the way it should be organized, we should state our position clearly and indicate our ideas in precise terms, particularly with those with political ideas such as ours."

Stating that nothing could be more misleading than to think that the unity which is built up among western states in the UN was automatic, as charged by the U.S.S.R. delegates, Mr. Chevrier said: "For us, the merits of the case are of the greatest importance and it is necessary that they should be stated with clarity and conviction. Even then, we are not always sure of our majority, and sometimes, we must modify our policy because it does not carry the full support of our associates. Thus in the formulation of the political principals upon which the western world operates, a genuine democratic process is in being. When the tension between East and West has abated, the United Nations may also provide an instrument for the same kind of democratic process to effect relations between the Soviet world and the rest of us."

Mr. Howe's Washington Visit: Canada and the United States, working closely on questions of military equipment, are "setting up new supply lines on a common pattern", the Canadian Press reported the Minister of Trade and Commerce, Mr. Howe, as stating in Washington yesterday.

Mr. Howe, sitting in on a press conference held by James Forrestal, United States Defence Secretary, noted that the Canadian standardization during World War II had been with Great Britain, the report continued.

Now, he told reporters, "we are setting up new supply lines on a common pattern", with Canadian equipment interchangeable with American items.

Mr. Howe arrived in Washington on Tuesday for a round of conferences with United States defence and munitions experts. He conferred with Forrestal Wednesday afternoon but neither made any statement about the details of their conversation.

Earlier, in an interview with the Canadian Press, Mr. Howe was quoted as saying that Canada is interested in obtaining United States orders for Canadian military equipment, but that she is not "seeking" orders.

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Joint Naval Exercises: A United States submarine squadron, comprising eight submarines, is the object of simulated attacks from the Royal Canadian Navy and the Royal Canadian Air Force being carried out November 17 and 18 off the East Coast of Nova Scotia, it was announced November 17 at National Defence Headquarters.

The submarines will be returning to their regularly assigned East Coast bases, after participating in U.S. Atlantic Fleet exercises off Newfoundland.

Commodore G.R. Miles, O.B.E., R.C.N., is in command of the R.C.N. Task Group against the submarines. The group of attacking ships includes the aircraft carrier H.M.C.S. "Magnificent", the destroyers "Nootka" and "Haida" and the frigate "Swansea".

Carrying out attack exercises against the submarines from the air are nine Firefly aircraft of the 18th Carrier Air Group of the Royal Canadian Navy Air Section, Dartmouth and three R.C.A.F. Lancaster bombers from 103 Search and Rescue Flight, Greenwood, N.S.

The naval aircraft operate from R.C.N.A.S. while the R.C.A.F. bombers will be controlled by 10 Group R.C.A.F., Halifax.

The joint R.C.N.-R.C.A.F. exercises will provide operational experience in combating submarines.

50,200 Dwelling Units: The number of dwelling units completed in Canada in September was 6,667, bringing the aggregate for the nine months ending September to 50,238, according to the Bureau of Statistics. Starts were made on 10,651 units during the month, and the total number under construction at the end of the month was 63,656.

Since April, starts have exceeded completions every month and the number of units under construction in Canada has increased by more than 21,000 from January 1 to September 30, distributed over all regions. The Prairie Provinces show the greatest increase where the number under construction has more than doubled in the nine months.

Wholesale Sales Up: Wholesalers did a record dollar volume of business in September. The advance over the corresponding month last year was nine per cent and was nation-wide in scope. The month's gain was greater than that shown for the year to date, sales for the first nine months being up five per cent. Inventories were also higher in September, rising 14 per cent above last year, with increases in all trades but clothing, fruit and vegetables and footwear, reports the Bureau of Statistics.

Canada Savings Bonds: Bank of Canada officials announced November 17 that total amount of sales of Third Series of Canada Savings Bonds has now passed \$204 million. The total number of applications now stands at 721,000. Payroll sales totalling \$113 million are included in the grand total and a new post-war payroll savings record is now assured. It is expected that when the final reporting is made the payroll savings total will be more than \$116 million; this compares with \$109 million recorded last year and \$113 million in 1946.

Across Canada: From Halifax it was reported last night by the Canadian Press that the port was wide open for the big Atlantic liners thrown off schedule by the longshoremen's strike which has closed East Coast United States ports....Approximately 200 Polish veterans of the Second World War who have been employed in farm work in Waterloo County for the past two years have completed their immigration contract and are free to establish themselves in trade or industry of their choice, it was reported from Kitchener.



# AIRMAIL BULLETIN

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Friday, November 19, 1948.

Canada - U.S. Trade: The following is an excerpt from the address delivered by the Minister of Finance, Mr. Abbott, before the Governors' Session of the New England Council at Boston, November 18;

"....We are proud of the progress made in the last year toward solving our payments problem. This progress is heartening but we must continue to work towards the achievement of a long term solution. We recognize that in the circumstances of the world today we can no longer afford to do business with the United States on the basis of \$2 of imports for every \$1 of exports. We must therefore achieve a much closer balance in our trade with the United States. The only question is how to achieve this balance.

"Consistent with the traditional policy of my Government, we want to do this by constructive and expansionist methods. We want to produce more and sell more to you, by improving our competitive position, by a closer study of your markets and consumer needs. The progress made in the last year bears witness to the fact we can do it. But we cannot do it without your help and co-operation...."

"We hope you will be prepared to import on a much larger scale than you are presently importing. Every dollar spent in Canada is like a homing-pigeon. It is sure to return home...."

Canada - U.K. - U.S. Accord: Canada, the United Kingdom and the United States on November 18, at Washington, signed an agreement designed to eliminate many peacetime production problems and make military co-operation easier, especially in the event of war, the Canadian Press reported from Washington.

The Minister of Trade and Commerce, Mr. Howe, one of Canada's two signers, was reported to have said the three-power decision to make screw threads identical may lead to similar standardization of military equipment.

The aim of the accord, reached after 30 years' discussions, was that nuts and bolts made in any of the three countries would fit the machines and home appliances built in either of the others.

Mr. Howe, who, with James G. Morrow, Chairman of the Canadian Standards Association, signed the agreement, was reported to have said the first step now probably should be to "specify the new standards for all military equipment."

Coal Supplies Up: Canada's coal supplies in the first 10 months of this year were 10 per cent greater than in the same period of last year, according to preliminary figures released by the Bureau of Statistics. The gain was due to improvements in both domestic production and imports, only slightly offset by an increase in the small export movement.

Canadian production in the 10 months aggregated 14,563,000 tons, showing an increase of almost 18 per cent over the same period of last year, while the imports totalled 26,703,000 tons, a rise of seven per cent. Exports in the period rose to 963,000 tons from 568,000 a year ago.

Output from mines in Nova Scotia moved up sharply during the 10-month period, increasing from 3,049,000 tons a year ago to 5,301,000 tons.

(over)

Tourist Automobiles: The inflow of tourist automobiles into Canada was again higher in October, entries in the month totalling 128,000 as compared with 126,000 in the corresponding month last year. This brought the 10-month aggregate of foreign entries to 1,702,000 as compared with 1,558,000 a year ago.

Across Canada: Representatives of Canada and Newfoundland held another plenary meeting yesterday and then adjourned until next week to permit a drafting committee to continue work on terms under which the Island will enter Confederation, it was stated yesterday....Dr. Oliver H. Hewitt, Wild Life Management Officer for the Department of Mines and Resources and one of Canada's leading experts in that field, has accepted a post with Cornell University, it was announced this morning.

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Monday, November 22, 1948.

Surplus \$533,600,000: The Minister of Finance, Mr. Abbott, on November 20, released the statement of the Comptroller of the Treasury covering revenues and expenditures of the federal Government for the period April 1 - October 31, 1948.

According to the Comptroller's statement total revenues of the federal Government for the month of October, 1948, amounted to \$215.5 millions, compared with a total of \$229.6 millions for the month of October last year. Total revenue receipts for the 7-month period April 1 - October 31, 1948, now stand at \$1,530.3 millions compared with a total of \$1,611.3 millions for the same period a year ago.

The Comptroller's statement also shows total expenditures for the month of October of \$151.6 millions. This compares with a figure of \$168.8 millions for October, 1947. Total expenditures for the first seven months of the current fiscal year now stand at \$996.7 millions compared with a total of \$1,070.6 millions for the same period a year ago.

Revenues for October, 1948 thus exceeded expenditures by \$63.9 millions. This brings the Government's total "budgetary surplus" for the first seven months of the current fiscal year up to a figure of \$533.6 millions, which compares with a budgetary surplus of \$540.7 millions accumulated by this same date a year ago.

Commenting on the Comptroller's statement, Mr. Abbott stressed the interim nature of these monthly figures and emphasized the danger of drawing misleading conclusions from them.

Trade Agreement: The Department of External Affairs announced November 19 that, by an exchange of notes between the Acting Secretary of State for External Affairs and the Minister of Finland to Canada, the Governments of Canada and Finland have agreed to extend on a reciprocal basis most favoured nation tariff treatment.

Under the terms of this agreement, Canadian products imported into Finland will not be subject to duties or charges higher than those levied on products of the United Kingdom. Finnish products imported into Canada will not be subject to duties or charges higher than those levied on products of foreign countries.

The agreement will remain in force for one year, after which it will be subject to termination by either Government at any time on giving three months' notice.

Finland is one of the eleven countries which recently signified their intention of acceding to the General Agreement on Tariffs and Trade, of which Canada and twenty-one other countries are already signatories. Tariff negotiations between these countries are scheduled to commence on April 11, 1949.

The principal items which made up Canada's total exports to Finland of \$1,211,660 in 1947 were sole leather, metal products, cordage and twine.

Granite and granite products have been the main Canadian imports from Finland.

(over)

Manufacturing Inventories: Advance indications point to a small decrease in the total value of inventories held by Canadian manufacturing industries during September. If this trend is substantiated by later returns, it will mean the first monthly decline in total value since the survey began in October, 1946.

Consumers' goods inventories appear to have declined somewhat, and capital goods inventories have also fallen, but by a smaller amount. The value of producers' goods inventories have risen very slightly; stocks of construction materials also appear to be above July levels, but figures for sawmills, the largest component of this group are not yet available.

Ottawa Air Conference: Senior Air Force officers from Air Commands across the country will meet in Ottawa Monday, November 22, for their semi-annual conference with Air Force Headquarters officers. The conference will be headed by Air Marshal W.A. Curtis, Chief of the Air Staff, and those attending will be welcomed by Hon. Brooke Claxton, Minister of National Defence.

Across Canada: Progressive Conservative National Leader George Drew was chosen official party candidate on Saturday for the federal by-election in Carleton on December 20....Ottawa Rough Riders won the Eastern Canada football championship and the right to meet the Western finalists, Calgary Stampeders, in the Grey Cup finals next Saturday, by defeating Hamilton Tigers, O.R.F.U. title-winners, 19 to 0, on a muddy field at Ottawa Saturday....The University of Toronto won the Intercollegiate senior football championship by defeating Western Ontario Mustangs 18 to 7 in the playoff at Toronto Saturday.



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Tuesday, November 23, 1948.

Canadians In China: About 25 Canadian Roman Catholic Missionaries are expected to try to remain behind the Communist lines in the Chinese Civil War that has prompted Canada to warn some 500 of her nationals they should consider evacuation of that country, the Canadian Press reported this morning.

"It is too early yet," continues the report, "to tell whether a general exodus of the scattered Canadians--mostly missionaries and businessmen--in North and Central China has resulted from an official warning that 'they should consider the desirability of leaving, unless they have compelling reasons to remain'.

However, it is thought that one or two priests of the Foreign Missionary Society have remained in Manchuria and two dozen or so members of the Jesuit Order are in or near the Communist territories of Central China and intend to try to remain with their flocks.

"The Communists said in September they would welcome missionaries 'if they are not spies'. There is evidence from the past that spy charges can be trumped up without great difficulty, but the chief dangers the Canadians run are from a mob action springing from Red propaganda that brands Canadians as 'running dogs of the American imperialists'.

"So far, evacuation is on a personal basis that exploits whatever means of transportation there are available. It is quite probable that Canadian businessmen in threatened areas are moving back because there would be no reason for them to remain once they could no longer do business.

"Priests and other missionaries are usually more reluctant to leave because of the effect on the people they have converted and led to Christianity. But in some cases, the Chinese Christians ask them to leave because they might inadvertently give away the Christian community.

"In keeping with his own warning to Canadians in the Shanghai-Nanking area, Canada's Ambassador T. C. Davis has started evacuation of his wife and other wives and dependents from the Nanking Embassy. Mrs. Davis will go to Tokyo, the others to Canada...."

His Majesty's Illness: The following telegram was sent today by the Prime Minister, Mr. St. Laurent, to the Private Secretary to the King:

"Sir Alan Lascelles,  
Private Secretary to the King,  
Buckingham Palace,  
London.

Please convey to His Majesty the profound regret of myself and my colleagues in the Government of Canada at the news of his indisposition. The people of Canada will hope and pray for a steady and rapid improvement in the health of our King. My colleagues join with me in warmest wishes for his early and complete recovery.

L. S. St. Laurent"

(over)

Marketings Of Wheat: Stocks of Canadian wheat in store or in transit in North America at midnight on November 11 amounted to 183,840,000 bushels, a decline of 576,000 bushels from the preceding week's figure of 184,416,000, but was 32,063,000 bushels in advance of last year's corresponding visible of 151,777,000 bushels.

Amount in store in the western division rose from 122,946,000 bushels a year ago to 157,334,000, at eastern seaboard ports from 1,911,000 bushels to 3,114,000, in lake transit from 4,308,000 bushels to 7,990,000, in rail transit in the eastern division from 1,817,000 bushels to 1,850,000, while stocks at eastern lake ports declined from 13,452,000 bushels a year ago to 8,086,000.

Department Store Sales Up: Showing a slackening in the rate of rise, department store sales increased two per cent during the week ending November 13 over the corresponding week last year. The increase in the week of November 6 was 16 per cent. Sales were up 11 per cent in the Maritimes, one per cent in Ontario, three per cent in Manitoba and Alberta, while sales in Quebec were down nine per cent and Saskatchewan two per cent.

RCAF Appointment: Appointment of Air Commodore D. M. Smith, C.B.E., New Westminster, B.C., and Ottawa to be Deputy Air Member for Technical Services (Maintenance) at Air Force Headquarters, Ottawa, was announced November 22 by the Hon. Brooke Claxton, Minister of National Defence. A/C Smith, who recently returned from attending the Imperial Defence College in the United Kingdom, will replace A/C J. G. Bryans, C.B.E.

Army Public Schools: Figures released this week indicate that considerable progress is being made in providing education for children of married soldiers in Army camps. They show that some 960 youngsters now are enrolled in public schools in seven military communities across the country. Five of the youngsters are children of American servicemen stationed at Fort Churchill, Man., and share classrooms there with 24 Canadian pupils.

Across Canada: Ontario's power imports from Quebec are to be increased by 1,000,000 kilowatt hours a week as a result of heavy rainfall in the Ottawa Valley, but Hydro officials were unable to predict how long the additional power would be available to ease Ontario's acute shortage....A tablet to the memory of William S. Fielding, Minister of Finance in the first Laurier Government, is to be unveiled in Province House, Halifax, Wednesday. Wednesday will be the 100th anniversary of Fielding's birth.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Wednesday, November 24, 1948.

Address By Mr. Abbott: The Minister of Finance, Mr. Abbott, on November 23 addressed the 1948 Conference of the Canadian Tax Foundation in Ottawa. He reviewed at length the complexities of taxation, said it was undesirable to have unduly frequent or drastic changes in tax rates unless economic reasons make them necessary, and declared near the conclusion:

"I think you will all agree with me that there are very definite limits to this process of loading up the tax structure to meet carrying charges on deadweight debt and therefore that national debts cannot be allowed to increase indefinitely. It is as clear as daylight, however, that unless in times of prosperity governments do make some progress in reducing their debts, then inevitably the public debt will go on increasing. I may be old-fashioned but I hold the view that it is just as important for the nation as for the individual to put something away for the rainy day - and the way governments can do that is by paying off debt."

World Price Movements: Practically all national wholesale price index numbers continued to move upward in the first half of 1948, increases ranging from 0.3 per cent for Switzerland to 38.9 per cent for France. Between these extremes, increases of one to 10 per cent predominated. Declines over the six-month period were recorded by series for Italy and Spain, reports the Bureau of Statistics.

Among cost-of-living series, increases in the first half of 1948 ranged from fractional gains for Switzerland, Spain and Egypt, to 22 per cent for Japan (28 towns), and 67.2 per cent for Shanghai. Small decreases were shown by series for Portugal and Iceland. The majority of increases were from one to 10 per cent, and in many cases these showed a slower rate of advance than in the second half of 1947. The Canadian June, 1948 index of 154.3 (1935-39=100) was 5.7 per cent above December, 1947 and 2.5 per cent above July, 1920, the peak following World War I. The United States consumers' price index, on the same base was 171.1, 2.8 per cent above December, 1947 and 14.9 per cent above its June, 1920 high. The United Kingdom interim index of retail prices mounted 5.8 per cent in the first half of 1948 to register a 10 per cent increase over its base period level of June, 1947.

Wholesale price index numbers for the United States, Canada, Australia and New Zealand all recorded smaller rates of advance in the first half of 1948 than in the previous half year. The Canadian index for June this year was 5.9 per cent above December and 18.7 per cent above June, 1947. The U.S. Bureau of Labour monthly index showed a December-June rise of 1.8 per cent.

Aviation Experts Meet: The problems of international flight over the land and water areas of South-east Asia are being placed before the aviation experts of 22 nations at an International Civil Aviation Organization Regional Air Navigation Meeting which opened November 23 in New Delhi, India. Montreal headquarters of ICAO pointed out that the New Delhi conference is the eleventh of a series of regional meetings held throughout the world by the organization.

(over)

"Many international aviation problems are world-wide in character but there are also peculiarly regional matters that can only be handled on the spot" stated Dr. Edward Warner, President of the ICAO Council. "This is the work of the regional meetings. They determine what the region needs in radio aids to navigation, in air traffic control, communications and search and rescue facilities, in first-line and emergency aerodromes and seaplane bases. They list what is available now, and decide what must be added to make flying over the region both safe and efficient. Their recommendations are sent to the ICAO Council and then to our 51 member states to be put into effect."

Post-Doctorate Fellowships: Approximately forty post-doctorate fellowships will be awarded by the National Research Council in 1949-50 for research in pure chemistry and physics, it was announced November 22. The fellowships will be tenable in the N.R.C. Laboratories at Ottawa and in the laboratories of the Atomic Energy Project at Chalk River, Ontario. There will be about twenty awards in chemistry, fifteen in physics and about six in atomic energy research.

The plan of providing post-doctorate fellowships was initiated this year in the Division of Chemistry and nineteen awards are currently being held. The scheme has worked well and is now being extended to other Divisions.

Refrigerator Record: Canadian manufacturers produced a record number of domestic type electric refrigerators in September. The month's output totalled 12,349 units compared with 9,531 in the preceding month and 10,123 in the corresponding month last year, according to figures released by the Bureau of Statistics. This brought the nine-month aggregate to 99,736 units, which was 40 per cent higher than last year's total of 71,189.

Across Canada: Due to recent rains, reductions are being made in the power cuts to which Ottawa and other centres have been subjected because of power shortage....E. A. Saunders, Secretary of the Halifax Board of Trade, was reported by the Canadian Press to have confirmed that Halifax longshoremen have decided not to handle any more ships diverted from strike-bound United States ports pending the outcome of an emergency meeting tonight of the Halifax Longshoremen's Association (AFL).



# AIRMAIL BULLETIN

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Thursday, November 25, 1948.

**Two New Fighter Squadrons;** Hon. Brooke Claxton, Minister of National Defence, on November 25 announced that the first of Canada's two new jet interceptor fighter squadrons is to form December 1 at the RCAF's new Operational Training Unit at St. Hubert, P.Q. The squadron will carry out operational training there before moving on to Mont Joli, P.Q., its intended home base. Formation of the second squadron is to follow in 1949.

The first of the two squadrons, 410, will train on Vampire jet fighters at St. Hubert, and aircrew personnel will include both wartime veterans and pilots having earned their wings since the war. Continuation training will be carried out at the squadron's base after the unit leaves St. Hubert.

Decision to form the two interceptor squadrons had previously been announced by Mr. Claxton, as had the formation of the OTU at St. Hubert. Formation of these units falls in line with Service expectations that one of Canada's major operational roles, in possible future air warfare, would be to provide immediate interceptor forces. Eight of the ten Auxiliary Squadrons already formed are also fighter or interceptor squadrons.

The St. Hubert OTU will carry on with its long term training aspects upon completion of the special squadron training, taking in classes of "new" aircrew from basic flying training schools, converting them to jet aircraft and instructing them in interceptor air defence operations. Pilots will be posted to operational appointments on completion of their courses there.

The two new squadrons perpetuate famous flying units of the Second World War. No. 410 Squadron will carry on the traditions of the well-known Cougar Squadron, a night-fighter unit which operated from the United Kingdom against enemy bombers, moving on to the Continent in the Autumn of 1944. The squadron was adopted by St. John, N.B. The second squadron, 421, perpetuates the Red Indian Squadron, a wartime day-fighter unit. No. 421 was formed in April, 1942, and operated from the United Kingdom, moving to the Continent shortly after the invasion, where it operated as part of the 2nd Tactical Air Force.

**Relations With Ireland;** The Prime Minister, Mr. St. Laurent, made the following statement on November 25:

"A meeting attended by the Canadian Secretary of State for External Affairs and representatives of the Governments of the United Kingdom, Australia and New Zealand, took place in Paris on November 16, 1948, with representatives of the Government of Ireland, to discuss matters arising out of the forthcoming repeal of that country's External Relations Act. Following these discussions, the Government of Canada has been giving consideration to the position which will result when the new enactment comes into force.

"The Prime Minister of Ireland yesterday stated that Ireland recognizes and confirms the existence of a specially close relationship with the nations of the Commonwealth. Mr. Costello went on to express the firm desire that this relationship should be maintained and strengthened.

(over)

"The Canadian Government also desires that close and friendly relations between Canada and Ireland should be maintained and strengthened and is studying the measures which may be necessary and possible to give effect to that desire."

Visit Montreal Installations: Foreign military attaches and military representatives of the United Kingdom accredited to Canada, visited military installations in the Montreal area this week at the invitation of the Minister of National Defence.

On Thursday, November 25, they are to inspect No. 25 Central Ordnance Depot at Longue Pointe and the Royal Canadian Ordnance Corps School there. The following day, Friday, will be taken up with a visit to the plant of Canadian Arsenals Limited at Longueuil.

The party included: Major-General Carl C. J. Forslev, Military Attache, Denmark; Brig-Gen. Irving Wu Dooh, Military Attache, China; Col. Jaromir Petzold, Military Attache, Czechoslovakia; Col. Pertev Gokce, Military Attache, Turkey; Col. Gilbert Andrier, Military Attache, France; Maj. J. A. Ducq, Military Attache, Belgium; Lt.-Col. A. Schomburg, Assistant Military Attache, U.S.A.; Maj. J. R. Fishbourne, Assistant Army Adviser, U.K.

Conducting officers were Lt.-Col. W. A. Todd and Maj. M. L. Lahaie of Army Headquarters.

Labour Relations: Hon. Humphrey Mitchell, Minister of Labour, on November 24, announced that Regulations under the Industrial Relations and Disputes Investigation Act and Rules of Procedure of the Canada Labour Relations Board have gone into effect, following their approval by the Governor-General in Council and publication in the Canada Gazette.

The Industrial Relations and Disputes Investigation Regulations lay down the procedure to be followed in dealing with the various matters which the Act places within the administrative jurisdiction of the Minister of Labour, including requests for the appointment of Conciliation Officers and Conciliation Boards, complaints that employers or trade unions or individuals have violated provisions of the Act, applications for the Minister's consent to prosecute parties alleged to have committed offences under the Act, and applications for the appointment of Industrial Inquiry Commissioners.

Across Canada: The RCAF scoured 10,000 square miles of the Atlantic Tuesday searching for the British freighter Hopestar, which has disappeared with her crew of 37....Senator Sir Allen Aylesworth, eldest member of the Senate, will celebrate his 94th birthday in Toronto Saturday with a few old friends.





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Friday, November 26, 1948.

Advantage With Subs: A two day exercise conducted last week off Halifax, in which eight modern-type submarines of the U.S. Navy and four ships of the R.C.N. acted as opposing forces, demonstrated that the technical advantage lay with the submarines, it was announced in a statement released November 25 from Naval Headquarters.

The exact results were not made known but it was stated that the submarines scored successes comparable to their relative advantage in numbers.

The exercises of the R.C.N. force followed those of a large United States fleet carried out earlier in the month off Newfoundland, when it was reported that the submarines scored similar successes.

Canadian ships taking part were the light fleet carrier, H.M.C.S. "Magnificent", the destroyers "Nootka" and "Haida", and the frigate "Swansea". Three Lancaster bombers from the R.C.A.F. base at Greenwood, N.S., and a squadron of Firefly aircraft from the R.C.N. Air Station at Dartmouth, N.S., also took part, carrying out searches and strikes.

"Magnificent" was without the two squadrons of aircraft which serve as her striking power, these being temporarily shore-based at Dartmouth for training purposes.

Mr. Chevrier On United Nations: Adoption of the Canadian resolution on international atomic control by an overwhelming majority of the 58 nations of the General Assembly of the United Nations at Paris was a "great victory for Canada at the United Nations," the Minister of Transport, Mr. Chevrier, told Ottawa members of the United Nations Association in Canada, November 25. The Minister has recently returned from Paris where he attended the Assembly as Canada's Chief Delegate.

The Canadian resolution, as submitted to the Political Committee of the General Assembly, agreed very closely with the proposal advanced by the United States for atomic control in 1946, the Minister said. The United States had proposed the establishment of an international atomic development authority which would foster beneficial uses of atomic energy, and would control atomic activities in all nations either by direct ownership, by management, or by supervision in the case of activities potentially dangerous to world security. In the case of other activities not dangerous to security, control would be established by a licensing or inspection system.

"The view of the Western Powers, and our Canadian view," he said, "is that if the control is to be effective, we must have all the dangerous activities in atomic energy, including the possession and distribution of materials, in the hands of an International Agency with full powers to inspect and supervise at its will and not at the will of National Governments, any non-dangerous activities which National Governments may be permitted to operate under licence."

(over)

Col. Cameron's Promotion: Promotion of Col. H.L. Cameron, OBE, of Ottawa, to the rank of brigadier was announced November 25 by the Minister of National Defence. He continues in his present appointment as Defence Secretary.

Brig. Cameron was appointed Military Secretary to the Minister of National Defence at the time General A.G.L. McNaughton took over the portfolio from the late Col. J.L. Ralston. The title was changed to Defence Secretary, and the duties expanded, when the three Services were placed under the present Minister, Hon. Brooke Claxton.

Tenders Accepted: On behalf of the Minister of Finance it was announced November 25 that tenders had been accepted for the full amount of \$75,000,000 Government of Canada Treasury Bills due February 25, 1949. The average discount price of the accepted bids was \$99.89760 and the average yield was .411%.

Across Canada: George McCullagh, Publisher of the Toronto Globe and Mail, yesterday bought the Toronto Evening Telegram for \$3,610,000, it was announced from Toronto. He takes possession of the newspaper December 1....Floating of a \$45,000,000 loan to provide additional capital in connection with Hydro construction was announced yesterday by Robert Saunders, Chairman of the Ontario Hydro Electric Power Commission.... His Excellency the Governor General will kick off officially to open the Ottawa Rough Riders-Calgary Stampeders Canadian football championship final at Toronto on Saturday.

was without the assistance of which "unofficial"



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Monday, November 29, 1948.

IMCO Canadian Delegation: The Acting Secretary of State for External Affairs and the Minister of Transport on November 26 announced the composition of the Canadian delegation to the meetings of the Preparatory Committee of the Inter-Governmental Maritime Consultative Organization (IMCO) of the United Nations, which opens at Lake Success on November 30.

Head of Delegation

Mr. J. V. Clyne, Chairman of the Canadian Maritime Commission, Ottawa.

Delegate and Alternate Head of Delegation

Mr. L. C. Audette, Commissioner, Canadian Maritime Commission, Ottawa.

Delegate

Mr. Norman Wilson, Chief, Aids to Navigation Division, Department of Transport, Ottawa.

Secretary of the Delegation

Mr. S. P. Wheelock, Canadian Embassy, Washington.

At a meeting of IMCO held in Geneva, Switzerland, last February, Canada was elected to the Chairmanship of the November meeting of the Preparatory Committee. Mr. Clyne, therefore, will preside as Chairman over the meetings. Both Mr. Audette and Mr. Wilwon were among the Canadian delegates named to the Geneva meeting of IMCO.

One of the main responsibilities of the Preparatory Committee will be to set up a body within the United Nations to deal with international shipping matters concerning the signatory nations in a manner similar to that in which international aviation is served by the International Civil Aviation Organization.

A draft convention was passed at the Geneva meeting which outlined the organization's scope, purposes and functions. Canada is one of the signatories of this convention.

Potato Exports Plan: Arrangements have been made to ensure a continuing market in the United States for Canadian seed potatoes from the 1948 crop, the Minister of Trade and Commerce, Mr. Howe, announced November 26.

Agreement has been reached with the United States Government to prevent any possible flooding of the American market and consequent damage to their price support program, but at the same time, by channelling seed potato exports through recognized seed buyers, Canada will retain her important seed outlet in the United States, according to the Department's announcement.

Effective December 1, 1948, permits will be required for all exports of potatoes from Canada, with certain general conditions to apply in the consideration of permit applications.

(over)

Potato Price Support: Concurrent with the announcement by the Minister of Trade and Commerce, that the Canadian Government has decided to place potatoes under export permit control as of December 1, the Minister of Agriculture, Mr. Gardiner, announced that there will be a potato price support program under authority of the Agricultural Prices Support Act.

The support program will be applicable to growers in the concentrated carlot shipping sections of New Brunswick and Prince Edward Island.

Preserve Physicians' Liberty: The following is an excerpt from the address delivered by the Minister of National Health and Welfare, Mr. Martin, to the annual dinner of the Royal College of Physicians and Surgeons of Canada, in Ottawa, November 27:

"The new national (health) plan does not in any way lessen the role or lighten the responsibilities of the individual doctor, dentist, nurse or health worker. In bringing better health to its citizens, a government must look to your profession for leadership. Without your confidence and collaboration, no health program could be fully successful. I can assure you that no action taken by the present Government under this or under any other program to improve health services in Canada will stifle or destroy the liberty of the individual doctor."

Employment Gain: Industrial employment in Canada as a whole showed a further fractional gain at October 1 over a month earlier, while average weekly earnings moved up more sharply, according to the advance compilation of monthly data collected by the Bureau of Statistics.

The Bureau's index of employment in the leading industrial divisions, based on 1926 as 100, was 0.4 per cent higher at October 1 than at September 1, standing at 202.6 as compared with 201.8 on the earlier date, the increase being slightly below the seasonal average. At October 1 last year it stood at 194.8.

Polish Veterans: The Minister of Labour, Mr. Mitchell, announced November 26 that by the end of November, about 2,800 of the 4,500 Polish veterans who came to Canada for a two-year period of employment in agriculture will have completed their agreement and will be free to choose any type of employment they wish.

The Minister said that the manner in which these new Canadians, now two years on their path to full Canadian Citizenship, generally had honoured their agreements, was worthy of high commendation.

Col. Huggins' Resignation: Resignation of Col. F.W. Huggins from Canadian Arsenals Limited was announced November 26 by the Minister of Trade and Commerce, Mr. Howe.

With Canadian Arsenals Limited since 1945, Col. Huggins directed the clearance of Crown-owned machine tools, production and manufacturing records from war plants, and arranged for the storage of such as would be required to meet the recommendations of the Joint Arsenals Planning Board.

Across Canada: Canada captured three championships - wheat, oats and soybeans - at the International Grain and Hay Show in Chicago on November 28, the Canadian Press reported from Chicago. Sidney John Allsop of Red Deer, Alta., won the title of Wheat King to become a three time winner and to add to his world wheat championship won at the Ontario Royal Winter Fair....Calgary Stampeders defeated Ottawa Rough Riders 12 to 7 at Toronto Saturday in the Grey Cup football final.



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Tuesday, November 30, 1948.

**FAO Wood Pulp Conference:** The Minister of Mines and Resources, Mr. MacKinnon, announced November 29 that problems related to the future productive capacity and demand for wood pulp have resulted in the Canadian Government sponsoring a conference to study this important problem under the Food and Agriculture Organization of the United Nations. The Government has extended an invitation to Mr. N. E. Dodd, Director General of FAO, to arrange for the Conference to be held in Canada. It is anticipated that the Conference will convene in Montreal next March. The Canadian Pulp and Paper Association will assume an active part in the work of the Conference.

It is anticipated that delegates from nineteen countries will be present at the Conference, together with observers from several other countries, and officials of the United Nations and other specialized agencies.

The main purpose of the meeting will be to give experts in the field of pulp production and distribution an opportunity to review the world position of this important commodity and to decide whether any steps are needed to achieve, both for the immediate and the more distant future, the necessary equilibrium between requirements and supplies, the Department explained.

It is known that new pulpmills are under construction, or are being planned, in a number of countries. While this constitutes an obviously desirable development, it is equally important that the capacity of pulp industries should always be considered and planned with due regard to the permanent capacity of forests to yield the necessary raw materials. It should also take into account present and prospective market requirements in order to forestall the risk of surplus capacity once the immediate needs of the next few years have been met.

**Trans-Canada Highway:** The Minister of Mines and Resources, Mr. MacKinnon, announced November 29 that a meeting of representatives of the nine provinces and of the federal Government to discuss the construction of the Trans-Canada Highway will be held in Ottawa on Tuesday, December 14.

The invitations extended to provincial Premiers early in November have been accepted and the federal Government is proceeding with plans for the discussions. It is expected that the meeting will be held in the Railway Committee Room of the House of Commons.

**RCAF Driving Competition:** Top motor vehicle drivers from RCAF stations across Canada will compete for the Air Force championship at RCAF Station, Camp Borden, Ont., Tuesday, November 30, Air Force Headquarters has announced. The three leading drivers will represent the RCAF against the Army champions in the Armed Services Division of the second annual Canadian Truck "Rodeo" December 6 in Toronto.

(over)

Each command area of the Air Force held competitions among drivers from all stations and selected two to represent it in the Air Force finals. None of the drivers is above the rank of corporal.

The winding and twisting course over which the drivers will compete in their two-ton trucks is covered with obstacles such as barrels, balls and gates. To run up a good score requires the skill of an expert and cool nerves.

Securities Transactions: International transactions in securities between Canada and other countries in September totalled \$39,900,000, just over the monthly average for the current year of \$37,700,000. The month's total was 58 per cent above that for August, which was the lowest monthly total for the year. There was a purchase balance of \$900,000 on the month's trade as compared with \$3,400,000 in August and \$2,500,000 a year ago.

Sales to all countries in September were valued at \$19,500,000 as compared with \$10,900,000 in August and \$13,400,000 a year ago, while purchases totalled \$20,400,000 compared with \$14,300,000 in August and \$15,900,000 in September, 1947.

In the nine months, sales aggregated \$160,600,000 as compared with \$152,700,000 in the similar period last year, while the purchases totalled \$179,000,000 compared with \$164,600,000.

Wholesale Commodity Prices: The general index number of wholesale commodity prices, on the base 1926=100, showed a further increase in October, standing at 159.2, the highest since August, 1920, when it was placed at 160.2. The record high figure for this index is 164.3 registered for May of that year.

The current index stands one point above September and 19.9 points above October last year. Six of the eight sub-group indexes show increases in October over the preceding month. Most marked gains were shown for wood products and non-ferrous metals.

Motor Vehicles: Motor vehicle sales were higher in October, moving close to this year's peak established in June, but were still substantially below last year's level. The month's sales totalled 20,541 units compared with 18,654 in September and 23,647 in October last year. In the 10 months of this year, 174,314 units were sold, down 10 per cent from the 191,917 units sold in the same period of 1947.

Across Canada: Gen. A. G. L. McNaughton left Paris at noon yesterday by train for London, en route to New York....In two by-elections yesterday the CCF gained one seat from the British Columbia Coalition Government, winning Trail-Rossland by a small margin. The Government held the South Okanagan riding....An immediate increase of five per cent in the power quotas of Southern Ontario communities was announced yesterday due to improved power outlook. All blackouts in Ottawa ceased today.



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Wednesday, December 1, 1948.

Electric Energy: Electric energy generated by central electric stations increased by almost 51 per cent in the period from 1937 to 1946, while the number of domestic customers served rose by about 40 per cent, according to the annual review of the central electric stations industry by the Bureau of Statistics. Average domestic consumption increased considerably along with the installation of electric appliances.

In the 10-year period, revenues have risen from \$143,546,643 in 1937 to \$226,096,273, or by 57.5 per cent. Revenues from domestic or residential use rose from \$55,735,696 in 1945 to \$62,820,120 in 1946 or by 12.7 per cent, from commercial lighting \$32,911,620 to \$37,204,822 and from street lighting from \$5,029,181 to \$5,261,115. Small power users paid \$11,322,392 in 1946 compared with \$10,947,854 one year earlier while large power customers, such as paper mills and smelters, contributed \$109,487,824 as against \$110,481,122, down 0.9 per cent.

Eaton's Buys Spencer's: Sale of the department store and mail order business of David Spencer Ltd., pioneer British Columbia mercantile organization, to the T. Eaton Co. Ltd. was announced from Vancouver last night, according to a Canadian Press dispatch.

Amount of the transaction was not disclosed, but it is considered one of the biggest deals in BC history. The price was reported between \$15,000,000 and \$17,000,000, stated the report.

Announcement of the transfer was made by Chris. Spencer, President of the BC firm, to a gathering of 1,500 employes in the Spencer store at Vancouver just after closing time. Similar announcements were read simultaneously in eight other Spencer stores.

Eaton's acquires the department store in Vancouver, the home store in Victoria and the Spencer branches in Nanaimo, New Westminster, Chilliwack, Mission, Duncan and Courtenay; a Vancouver groceteria and the Spencer warehouses in Vancouver.

John David Eaton, President of Eaton's, said his company had laid aside for the present plans to erect a large store on the site of the old Hotel Vancouver. His company would retain the site and demolition of the structure would be carried out.

Col. Gordon Appointment: Col. Melville B. K. Gordon, DSO, ED, of Ottawa, was appointed November 30 by the Minister of National Defence to command the 7th Infantry Brigade, Canadian Army Reserve Force. He has also been promoted to the rank of brigadier. Headquarters of the brigade are in Ottawa.

The appointment fills out the list of officers commanding brigades in the 3rd Infantry Division of the Reserve Force. Previously appointed to command the 8th and 9th brigades respectively were Brig. J. V. Gauvreau, DSO, and Brig. J. B. Weir, OBE, ED, both of Montreal.

(over)

Marketings Of Wheat: Stocks of Canadian wheat in store or in transit in North America at midnight on November 18 totalled 183,999,000 bushels, showing an increase of 33,136,000 bushels over last year's corresponding total of 150,863,000 bushels, according to the Bureau of Statistics.

Store Sales Up: Continuing their upward trend, department store sales rose five per cent during the week ending November 20 as compared with the corresponding week last year, according to the Bureau of Statistics. Largest gain of 13 per cent was recorded in Manitoba, followed by Alberta with 12 per cent, Saskatchewan 10 per cent, Maritimes eight per cent and Quebec one per cent, while sales in Ontario remained at about the same level.

Across Canada: The Minister of Labour, Mr. Mitchell, on Tuesday night presented certificates to the first 70 graduates of the High School of Commerce classes in basic English and Citizenship. There were some 300 new Canadian citizens present in Glebe auditorium for the graduation ceremony, The Citizen reported....Dr. Raymond Boyer, Montreal chemist, has lost his appeal against conviction one year ago for violation of the Official Secrets Act in the 1946 espionage case, the Canadian Press reported from Montreal. The decision of the five judges against the appeal was unanimous and was delivered in a 50 page judgment....The International Dog Derby, last held in Ottawa in 1930, will be revived here next February when Ottawa becomes the scene of the Ottawa and District 1948 Winter Carnival, it was announced in The Citizen this morning....Leonard E. Fitchett, of Victoria, has been killed while flying for the Israeli forces in Palestine it was reported by the Canadian Press from Victoria this morning. He flew with the RCAF during the Second World War and was the last fighter pilot to shoot down an enemy aircraft, the dispatch said.





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Vol. 6, No. 262 Thursday, December 2, 1948.

Exports at Peacetime Peak: Augmented by sharp increases in wheat, cattle, meats, base metals, and ships and vessels, the value of Canadian goods shipped abroad in October reached a new peacetime high figure of \$307,000,000. This was \$24,000,000 higher than in September -- the previous peak -- and \$56,200,000 in advance of October, 1947, the Bureau of Statistics reports.

Aggregate value of merchandise exported during the first 10 months of this year was \$2,465,100,000 as compared with \$2,255,600,000 in the similar period of 1947, a rise of nine per cent.

Exports to the United States again showed a substantial gain in October, rising to \$148,782,000 from \$102,443,000 a year ago. This brought the 10-month total to \$1,189,719,000 as against \$835,399,000 in the corresponding period of 1947. The value of shipments to the United Kingdom in October showed a small decline to \$65,573,000 as compared with \$66,776,000. In the 10-month period the aggregate was down from \$609,403,000 to \$581,723,000.

Latin American countries as a group increased their purchases of Canadian merchandise in the month but the overall total for the 10 months was slightly lower. For the month the total was \$11,209,000 compared with \$8,856,000, and for the 10 months, \$99,293,000 compared with \$103,198,000.

Mr. Chevrier's Toronto Speech: Willingness by the Great Powers to reduce armaments provided they have some assurance that the Soviets would faithfully do likewise, was expressed December 1 by the Minister of Transport, Mr. Chevrier, who has recently returned from Paris where he was Canada's Chief Delegate to the General Assembly of the United Nations. In addressing members of the Canadian Exporters' Association at Toronto, the Minister characterized as "meaningless, insincere and calculated to deceive the world" the proposal by Soviet Russia for a one-third reduction in armaments and armed forces during the year.

Reporting his impressions of the problems facing the United Nations and the difficulties experienced in making headway in the face of the "rigid and inflexible position" presented by the minority, consisting of the representatives from Eastern Europe, Mr. Chevrier said that the Western delegates had attempted to meet the U.S.S.R. on any common ground. Despite this, he said, the Russians "returned to the familiar charge that everyone else in the world was preparing war against them and that the nations of the West were controlled by irresponsible and provocative war-mongers. They made no concrete suggestion for the solution of these problems except that other nations should cease to make preparations which they (the Western nations) feel to be necessary because of the aggressive character of the Soviet policy."

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**Two New Senators:** The appointment of two new Senators was announced December 1 by the Prime Minister, Mr. St. Laurent. They are:

Joseph Willie Comeau, 74-year-old Minister Without Portfolio in the Nova Scotia Government and a member of the Nova Scotia Legislature for 41 years.

George H. Ross, 70-year-old Calgary barrister, and House of Commons Liberal member for Calgary East from 1940 to 1945.

**Canadian Bull Fetches \$4,800:** A championship Canadian breeding shorthorn bull brought the second highest price--\$4,800--Wednesday as the traditional livestock auctions opened at the 49th International Livestock Exposition, in Chicago, the Canadian Press reported.

The 1,200-pound yearling bull was Scottsdale Bombardier, owned by S. G. Bennett of Georgetown, Ont., which captured the championship of its class in judging earlier this week. He was sold to Frank Harding, noted American breeder from Waukesha, Wis.

**Across Canada:** A world's record for grain shipping in a single day is believed to have been established by the grain ports of Fort William and Port Arthur when 7 million bushels of grain were shipped from the lake head November 30.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, December 3, 1948.

H.M.C.S. "Cornwallis" To Reopen: H.M.C.S. "Cornwallis", former naval training base near Deep Brook, N.S., and at one time the largest establishment of its kind in the British Empire, has now been returned to the Royal Canadian Navy for use as a New Entry Training Establishment, it was announced December 2 by the Hon. Brooke Claxton, Minister of National Defence. "Cornwallis" was declared surplus January 21, 1946. Since then some of its buildings have been used by the Department of Veterans Affairs as a hospital, and the balance have been in the hands of War Assets Corporation. It is intended to reopen a portion of "Cornwallis" as a Youth's Training Establishment for New Entry ratings in May, 1949. In the meantime, work and repairs necessary to fit and equip the base for this purpose will be undertaken.

Feed Grain Improvement: With 1948 production of the major feed grains substantially greater than in 1947, a marked improvement in the feed grain supply situation is indicated. Perhaps equally significant is the more even distribution of the 1948 production -- with central Canada turning out an excellent crop of coarse grains in contrast to the near failure experienced in that area in 1947, the Bureau of Statistics reports.

On a country-wide basis the net supplies of feed grains available per grain-consuming animal unit after allowing for estimated exports, carry-over stocks, seed and other uses, stand at 0.68 tons, about 25 per cent above the 1947-48 level. In only two years since 1941-42 have net feed grain supplies per grain-consuming animal unit exceeded the 1948-49 figure. The relatively satisfactory level of net supplies per animal unit for the current crop year may be attributed to two factors -- one being a decline in the number of grain-consuming animal units and the other a feed grain crop exceeding last year's by some 136 million bushels.

Honorary Aides-de-Camp: His Excellency the Governor General has approved the appointments of Lt.-Gen. Ernest W. Sansom, CB, DSO, of St. Mary's, N.B., and Lt.-Col. George Patrick, ED of Ottawa, as Honorary Aides-de-Camp, according to an announcement on December 3 by the Minister of National Defence.

Lt.-Gen. Sansom succeeds Brig. W.A.I. Anglin, OBE, MC, ED, who resigned as Honorary Aide upon his appointment to the Supreme Court of New Brunswick. Lt.-Gen. Sansom is a veteran of two wars. He commanded a battalion and won the Distinguished Service Order in the Great War, 1914-1918, and in the Second World War took the 5th Armoured Division overseas and later commanded the 1st Canadian Corps. He returned to Canada in 1944 and was named Inspector General in January 1945, his duties in this connection taking him to Italy, Northwest Europe and the United Kingdom before the cessation of hostilities. He was retired in 1945 and since then has been living at St. Mary's.

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Lt.-Col: Patrick recently took command of the Governor General's Foot Guards, Ottawa, from Lt.-Col. H.A. Smith, DSO, and now also succeeds him as Honorary Aide-de-Camp to His Excellency. (Lt.-Col. Smith has retired from the Reserve Army and is now living on the West Coast). Lt.-Col. Patrick served with distinction in both world wars and has always been active in the peacetime militia and Reserve Forces.

Photo Survey Squadron: The Minister of National Defence, Mr. Claxton, on December 2, announced that formation of a new photo survey squadron is planned for the RCAF. Actual formation date has not yet been decided, but the squadron is expected to operate next summer when aerial photographic work commences. The new squadron will join the two existing photo squadrons in the aerial photo coverage of Canada, and will be based at Rockcliffe air station, near Ottawa.

The new flying unit, to be designated 408 Squadron, will perpetuate the famous Goose Squadron, a wartime heavy bomber unit which operated in the RCAF's No. 6 (bomber) Group in England. It will fly Canadian-built Lancasters specially adapted for aerial photo work.

The RCAF's present two photo squadrons, 413 and 414, recently completed the greatest single season's operations since the task of photographing Canada from the Air was begun in 1921. During 1948 over 911,000 square miles was covered by aerial photography, more than double the record set the previous year. For the first time, coverage was extended into the Arctic islands, all of Baffin Island being photographed. These aerial photos are turned into maps and aeronautical charts by the Department of Mines and Resources and the Army, and have many other uses, being used extensively in development of Canada's natural resources.

Across Canada: The former Prime Minister, Mr. King, has entered the Ross Memorial Pavilion of the Royal Victoria Hospital in Montreal where he will undergo a checkup, the Canadian Press announced this morning from Montreal....A further three per cent increase in Ontario's municipal power quota, the fourth increase within two weeks, was announced in Toronto last night.



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Monday, December 6, 1948.

Canadians Leave Shanghai: The Department of External Affairs announced December 3 that arrangements have been made by which some eighty Canadians now in Shanghai will shortly return to Canada by air.

The principal problem which at present confronts Canadians who wish to leave Shanghai is one of transportation. The eighty persons involved in this movement are not financially distressed and are travelling at their own expense. The Department of External Affairs has arranged for the chartering of two aircraft, the obtaining of necessary landing rights for the aircraft, and the solution of certain problems of foreign exchange which have resulted from the intending passengers being unable readily to obtain United States funds in China.

The Department of External Affairs has not yet been informed by its Officers in China of the names of the passengers. The first aircraft with forty passengers aboard is expected to arrive at Vancouver between December 12 and 16.

Aid to Flying Clubs: The Minister of Transport, Mr. Chevrier, on December 6 announced that Order in Council No. 5518 has been passed authorizing financial assistance by the Government to approved flying clubs of schools participating in student pilot training.

In making the announcement, the Minister stated that this new programme which will be administered by the Air Services Branch of the Department of Transport will provide for a grant of \$100 to each approved flying club or flying school for each qualified pilot turned out, and also \$100 payable to each student upon his or her qualifying for private pilot's licence from the Department.

A further cash benefit in the amount of \$100 is available under the plan to any trainee meeting R.C.A.F. service qualifications, and joining either the R.C.A.F. reserve or the R.C.A.F. auxiliary.

Mr. Chevrier said that the Order in Council authorizes the Minister of Transport to enter into agreement with clubs, schools, and students for enrolment into an approved course of training provided that such clubs and schools are in good standing with their respective national associations.

Commenting upon the scheme, Mr. Chevrier stated that, "This new training scheme follows the introduction of the high standard of pilot licensing laid down by the International Civil Aviation Organization, which calls for the introduction of much higher standards for pilot training...."

Canadian Paintings: One of the largest collections of Canadian paintings ever to be shown in the United States was put on display in the Canadian Club quarters at the Waldorf Astoria hotel Saturday.

Comprising more than 70 canvasses, from the standpoint of geographical representation -- both as to artists and subject matter -- the exhibition has a greater range than any display shown in the United States, reports the Canadian Press from New York.

The exhibit is composed chiefly of landscapes, the field in which the greatest contribution to art has been made by Canada. Also featured are some still lifes, studies and a few portraits.

(over)

Five of the original members of the Group of Seven and a later member of the famed Canadian Group are represented. They are A.Y. Jackson, J.E.H. MacDonald, L.L. FitzGerald, Arthur Lismer, E.H. Holgate and A.J. Casson. Six of Canada's official war artists also are included in the exhibition.

Living Cost Unchanged: There was no change in Canada's official cost-of-living index between October 1 and November 1. This interruption came after a series of 21 consecutive increases dating from January, 1947.

The Bureau of Statistics places the November 1 index at 159.6, unchanged from October 1, but 16.0 points above November 1 last year. From August 1939 to November this year the increase was 58.3 per cent.

Railway Revenues Record: Canadian railways had record operating revenues of \$79,482,000 in September compared with \$66,136,000 in the same month last year, for an increase of \$13,346,000, or 20.2 per cent. This is the highest revenue total for any month in history.

Banff National Park: The Minister of Mines and Resources, Mr. MacKinnon, will officially open the new chairlift on the east slope of Mount Norquay in Banff National Park, Alberta, during the last week in December, it was announced December 3. It is the first chairlift to be built in the Canadian Rockies and is similar to equipment used at many winter sport centres in the United States, Europe and in eastern Canada. The Mount Norquay chairlift has a length of 3,200 feet and a vertical rise of 1,300 feet.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on November 25 amounted to 180,142,000 bushels, up 31,944,000 bushels over last year's corresponding figure of 148,198,000 bushels, according to the Bureau of Statistics.

Unemployment Insurance: There was an increase in the number of claims for unemployment insurance benefit filed in October. Total for the month was 43,620 as against 34,743 in the corresponding month last year, advances being shown for all provinces except Prince Edward Island, Manitoba and Alberta. At the end of the month there were 55,384 ordinary claims on the live unemployment register compared with 42,225 on the same date last year.

Department Store Sales: Continuing the upward climb, the value of department store sales rose 23 per cent in October to reach \$82,346,000 as compared with \$66,866,000 in the corresponding month last year, according to the Bureau of Statistics. During the first 10 months of this year sales aggregated \$605,198,000 as compared with \$732,107,000 in the same period of 1947, a gain of 14 per cent.

Across Canada: A dense fog rendered visibility officially zero all the way from Windsor to the Quebec border at the week-end, tied up air traffic and slowed down highway traffic....An exhibition of 71 paintings, prints and pieces of sculpture has been sent by the Metropolitan Museum of Art to the Art Gallery of Toronto, where it will be opened December 17 by Laurence Steinhardt, United States Ambassador to Canada, the Canadian Press reports from New York....Civic elections are being held today in Ottawa.



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Tuesday, December 7, 1948.

**Restitution Claims:** The Department of External Affairs has been advised by the Office of Military Government for Germany (U.S.) that claims for the restitution of identifiable property in the U.S. zone of occupation of Germany must be filed with the Central Filing Agency, Bad Nauheim, Germany, before December 31, 1948; otherwise such claims will be barred.

Canadian citizens or persons residing in Canada who have such claims but who have not yet taken these steps, are advised to do so without delay. In so doing, they should include a statement giving a description of the confiscated property, and giving the circumstances, time and place of confiscation as precisely as possible.

Petitions should contain the names and addresses of all persons known to the claimant as having or claiming an interest in the property. The petitions should be forwarded directly to the Central Filing Agency, the Office of Military Government for Germany (U.S.), Bad Nauheim, Germany.

**Lachine Development:** The joint development of the Lachine Section of the St. Lawrence River to provide for the construction of a new navigation channel, 27 feet in depth; new locks to conform with those of the Welland Ship Canal; and for an ultimate installation, of 1,200,000 h.p. hydro electric generating capacity, in the vicinity of Montreal, for the full practical utilization of the power available, is envisaged in a report by the five-man Board of Engineers appointed in 1947 to report on the Lachine Section of the St. Lawrence Waterway. The report was made public December 6 by the Minister of Transport, Mr. Chevrier.

Total cost of one of the joint navigation and power development schemes is estimated at \$256,114,000 with an additional \$19,000,000 should a recommendation for the construction of a 4-track railway tunnel under the river and the modification of Victoria Bridge solely for vehicular traffic be approved. An alternative joint project would cost \$266,249,000 which would retain Victoria Bridge for both railway and vehicular traffic and would entail considerable re-arrangement of railway switching and trackage on the north shore. Other projects submitted would be for the improvement of navigation alone at a cost of \$87,315,000 and one for power development alone costing \$213,942,000.

The Minister pointed out that recommendation for the improvement of the Lachine Section of the St. Lawrence Waterway by a Board of Engineers in 1926 has had to be reviewed in view of the many changes which have taken place along the north shore of the St. Lawrence between Lachine and Victoria Bridge and particularly in the C.N.R. trackage layout in connection with the development of the new terminals in Montreal. The 1926 report also recommended only partial development of hydro power possibilities on this stretch of the St. Lawrence River.

**"PATS" To Be Highest Paid:** The highest paid regiment in the Canadian Army will be the Princess Patricia's Canadian Light Infantry when they complete their present training at the Services' Joint Air School at Rivers, Man.

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Members of the "Pats" will be eligible for a \$30 per month "cost of jumping" bonus upon completion of their training as paratroopers. The regiment will be the first in Canadian Army peacetime history to be completely trained in airborne operations and in a sense will be the counterpart of the famed wartime 1st Canadian Parachute Battalion.

Highways In 1946: An annual average of 5,200 miles have been added to Canada's network of highways during the 25 years from 1922 to 1946. The mileage at the end of 1946, according to figures released by the Bureau of Statistics was 553,000 as compared with 423,000 in 1922, an overall increase of 130,000 miles.

During this period the mileage of surfaced roads increased from 48,695 to 140,049 miles, the 1946 total comprising 121,813 miles of gravel and crushed stone surface, 8,698 miles bituminous surface, 6,931 miles bituminous pavement, 2,485 miles portland cement concrete, and 122 miles of other surfaces. Improved earth mileage was 136,870, and other earth 276,044 miles.

Total estimated expenditures by all authorities on the construction, maintenance and administration of Canada's highway systems and rural roads, including bridges and ferries, amounted to \$144,469,000 during 1946, an increase of nearly 72 per cent over the total of \$84,165,000 for 1945, a large part of the increase representing construction and maintenance postponed during the war years.

Sugar Industry: Canadian production of refined sugar in 1947 was 14 per cent higher than in the preceding year, amounting to 1,084,710,000 pounds as compared with 959,945,000, according to the annual review of the industry by the Bureau of Statistics.

Across Canada: Lieut. J. M. Stewart, of the Canadian Navy air section, was killed yesterday in a collision between two Spitfires over the harbour at Halifax. Lieut. Stewart was a son-in-law of the Minister of Trade and Commerce, Mr. Howe....The first blizzard of the winter tied up southern Manitoba yesterday....Controller E. A. Bourque was elected Mayor of Ottawa in yesterday's voting, with 16,150 votes as compared to 15,229 for Controller Goodwin and 14,547 for acting Mayor Geldert....Mayor Charles W. Cox of Port Arthur was defeated yesterday in his effort to become, in addition, Mayor of Fort William.





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Friday, December 10, 1948.

World Wheat Crop Larger: World wheat production for 1948 now promises to show an even larger increase over last year than earlier forecasts indicated, largely due to improvement in Europe.

Based on the latest available information, the world total is now estimated at 6,285 million bushels, some 35 million bushels above the September forecast and 470 million bushels greater than the 1947 crop, the Bureau of Statistics reports in its monthly review of the world wheat situation. The latest estimate also exceeds the 1935-39 average by 275 million bushels.

The upward revision from the September estimate is due principally to higher estimates for some European countries, France particularly, and to improved prospects in Australia, where harvesting began recently.

On a regional basis, perhaps the most significant factor in the improvement this year in world wheat production, the Bureau states, is an indicated increase of 440 million bushels over the 1947 crop in Europe. However, despite this gain, the European wheat crop is still 127 million bushels below the 1935-39 average. On the other hand, production in some European countries, notably France and the United Kingdom, has exceeded the pre-war average. The improved supply situation in these countries has permitted the relaxation of many of the rigid control measures adopted during and immediately following the War in an effort to conserve available bread grain supplies.

Farm Labour Conference: "The loss of labour from farms to urban centres must be made up if agricultural production is to be maintained," Arthur MacNamara, Deputy Minister of Labour, stated December 9 at the opening of the Sixth Federal-Provincial Farm Labour Conference in Ottawa.

Mr. MacNamara said that the shortage of farm labour in 1949 would probably equal that of 1948. After all available domestic labour had been used, the shortage would have to be made up by immigration. The Deputy Minister explained that the first Displaced Persons brought to Canada had been single men -- the ones most easily placed in jobs. However, there were many married men who would make desirable immigrants but who were reluctant to leave their families.

Mr. MacNamara outlined a plan to settle such people in Canada. He advocated sending a questionnaire to the farmers of Canada to determine their needs for immigrant farm labour, whether single men, single girls as domestics, or families. An effort would be made to persuade farmers to accept complete family units for employment on their farms.

The Deputy Minister paid tribute to the Displaced Persons presently in Canada. A very high proportion of these were fulfilling their contracts and had caused the very minimum of trouble to federal and provincial Governments.

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Retail Sales Up Sharply: Canada's retail trade took a sharp upturn in October when consumers spent 14.5 per cent more for merchandise than in October last year and 12 per cent more than in September this year. These results are based on reports from chain and independent stores in 14 kinds of retail business reporting to the Bureau of Statistics. The increase in sales for the first 10 months of this year amounted to 11 per cent above the similar period of 1947. Unadjusted indexes of sales, on the base 1935-39=100 stood at 290.6 in October, 258.8 in September and 253.9 in October, 1947.

Department stores, variety stores and women's apparel shops led all other trades from the standpoint of percentage gain over October last year. October increases were more than 20 per cent for each of these trades.

"ATHABASKAN" Commander: Commander M. A. Medland, R.C.N., of Toronto, has been appointed in command of the Tribal class destroyer, H.M.C.S. "Athabaskan", Naval Headquarters announced December 9. He succeeds Commander J. S. Davis, R.C.N., of Oakville, Ont.

"Athabaskan" was one of the five ships of the R.C.N. task force which recently completed a month-long cruise to the United States naval base at Pearl Harbor, Hawaii.

Tenders Accepted: On behalf of the Minister of Finance it was announced at noon, December 9, that Tenders had been accepted for the full amount of \$75,000,000 Government of Canada Treasury Bills due March 11, 1949. The average discount price of the accepted bids was \$99.89744 and the average yield was .412%.

Death Of Mr. Roy: A former member of Canada's diplomatic service died in Ottawa today. Eighty year old Philippe Roy was at one time the Canadian Commissioner-General in Paris and was later Minister there. Mr. Roy was a native of St. Francois, Quebec, but he was named to the Senate in 1906 as an Alberta representative. He retired from the Senate in 1911 to take the appointment as Commissioner-General in Paris. He became Canada's first Minister in Paris in 1928 and retired in 1939.

Across Canada: Members of the Polish Combatants Association of Canada were hosts to delegates to the Dominion Farm Labour Conference at an informal dinner last night....A pocket size handbook, entitled "This is Canada", printed in French, Dutch, Polish, German and Ukranian, is being prepared by the Department of Mines and Resources for distribution amongst new Canadian citizens.



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Monday, December 13, 1948.

Newfoundland Accord Signed: In a simple ceremony in the Senate Chamber on Saturday, representatives of Canada and Newfoundland signed the agreement under which Newfoundland will enter Confederation as the tenth Province of Canada.

The Prime Minister, Mr. St. Laurent, and the Acting Secretary of State for External Affairs, Mr. Claxton, signed on behalf of Canada. Hon. A. J. Walsh, K.C., Chairman of the Newfoundland Delegation, and five of the additional six members of his Delegation, signed on behalf of Newfoundland. The seventh member, Mr. Chesley A. Crosbie, abstained from signing.

The following are excerpts from the speech delivered by the Prime Minister:

"....In many ways the problems we have surmounted have been more difficult and more complex than those faced by the Fathers of Confederation in 1867. Government then was a simpler business than Government today, and the economies of the British North American colonies of that day were more alike than are the economies of Newfoundland and Canada today...."

"Some details in our agreement may not meet the approbation of all. But I would ask those who may not be satisfied with every detail to think of the general good which flows from this historic act. It is my sincere hope - and my belief - that the future will find the vast majority of people in what is now Canada and the vast majority of people in Newfoundland in continued and warm agreement as to the justice and wisdom of these terms of the union...."

The following is an excerpt from the speech of Hon. A. J. Walsh, K.C., Chairman of the Newfoundland Delegation;

"....The signing of this important document is one of great historic significance. The provisions of the document as a constitutional instrument will probably be examined and construed by courts on many occasions; its financial provisions will probably form the basis for claims and counter-claims. Its great importance, however, lies in recording an agreement between representatives of two countries to unite into one great country with a common citizenship for its people who will in the strength of unity stand together and face the future with confidence. The occasion is one of particular significance because of the failure of efforts to bring about union on former occasions with the result that Newfoundland stood alone on the eastern seaboard of a great country which expanded and grew in size and importance. This occasion marks a necessary and important step towards the final realization of the vision of the Fathers of Confederation, who saw a great new nation standing astride the northern half of the continent. With approval by your Parliament and the Government of Newfoundland and confirmation by the Government of the United Kingdom, this vision will be fully realized on March 31, next...."

As part of the financial arrangements entered into, the provincial Government of Newfoundland will receive annual subsidies of \$180,000 plus .80% per head of population and an additional annual subsidy of \$1,100,000 annually for like purposes as the various allowances and subsidies presently provided by Parliament to the existing Maritime provinces, taking into account as well special problems of Newfoundland arising out of its geographical location and scattered population.

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Further, the provincial Government of Newfoundland may enter into a tax rental agreement similar to the agreements made by certain of the existing provinces. This offer must, however, be taken up within nine months (as compared with six months suggested in 1947). The tax agreement may, at the option of the provincial Government, cover the period up to the end of the fiscal year 1952 as do the existing tax rental agreements or may run for an additional five years, in which event the provincial Government will not be entitled to any changes in its terms, even if present arrangements with existing provinces are modified after 1952.

Defence Research Conference: Members and staff of the Defence Research Board and many prominent scientists from Canadian universities and Canadian, British and United States scientific organizations will confer in Ottawa for three days, December 15 to 17, on matters affecting defence research and progress made in this field during the past year.

Announcement of the conference was made December 13 by the Minister of National Defence, Mr. Claxton, who said that the meetings will give scientists and researchers an opportunity to discuss in detail and exchange ideas on the work being carried out in Canada, at Defence Research Board establishments and the universities.

Among those attending will be Dr. O. M. Solandt, Chairman of the Defence Research Board; Sir Charles Wright, scientific advisor to the British Joint Services Staff (Naval Staff), Washington; Dr. C. H. Best, University of Toronto; Dr. P. E. Gagnon, Laval University; Dr. J. H. Johnstone, Dalhousie University; Dr. Otto Maass, scientific advisor to the Chief of the General Staff, McGill university; Dr. G.M. Shrum, University of British Columbia; Dr. W. Line, University of Toronto; Dr. H. L. Keenleyside, Department of Mines and Resources; Dr. E. A. Flood, National Research Council; Dr. W. E. van Steenburgh, Department of Agriculture; Dr. R. F. Farquharson, University of Toronto, and Air Vice Marshal E. W. Stedman, air advisor to the Defence Research Board.

Also expected are representatives of the United States Research and Development Board and of the United States Army, Navy and Air Force.

Across Canada: The Digby-Annapolis-Kings byelection is being held in Nova Scotia today to select a successor in the House of Commons to the former Minister of Justice and war-time Minister of Finance, Mr. Ilsley. Liberal, Progressive Conservative, and C.C.F. candidates are running.... Policy declarations approved at the Annual Meeting of the Canadian Chamber of Commerce in Vancouver last October will be presented to the Cabinet today.

GOVERNMENT



OF CANADA

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Tuesday, December 14, 1948.

Import Controls To Apply: Following the announcement of the completion of negotiations with the Delegates from Newfoundland and the setting of March 31, 1949, as the probable date of union of Newfoundland with Canada, the Minister of Finance, Mr. Abbott, issued a statement on the application of the Government's emergency exchange conservation measures to imports into Newfoundland should it become a province of Canada.

On and after March 31, the Minister explained, the emergency import controls will apply to the new province in the same way as to the rest of Canada. In other words, goods which are prohibited, or which may be imported under a quota system into the other provinces of Canada, will be restricted entry into Newfoundland in the same manner.

He went on to say that when the emergency import controls became effective in Canada in November, 1947, provision was made to permit the entry of prohibited and quota goods which were in actual transit to Canada prior to the date the import regulations were announced. The same provision was made in respect of goods not entered for consumption, held in bonded warehouse. The Minister explained that since the date of union is more than three months away, importers should have ample time to clear through Newfoundland Customs any "in transit" shipments, or any goods which are in bonded warehouse in that country. Such controlled goods which have not been cleared prior to March 31, 1949, will be subject to the emergency import control regulations.

Mr. Abbott also announced that the Government proposes to take steps to prevent the shipment of prohibited or quota goods of foreign origin from Newfoundland to the other provinces of Canada after the date of Confederation. If such steps were not taken, it would be possible for importers to defeat the exchange conservation measures by creating stocks of prohibited and quota goods in Newfoundland prior to union, for shipment to Canada after March 31, 1949. If such shipments were permitted, unfair advantage would be gained by those who attempted to get around the import controls in this manner.

On the other hand, the Canadian Government has given assurances that in formulating its policy with respect to imports, the same careful consideration will be given to the essential requirements of Newfoundland consumers as to those of consumers in the rest of Canada.

RAF Survival Training School: Latest RCAF establishment, an Air Force Survival training school, is being set up at Fort Nelson, B.C., and Cambridge Bay, NWT, to instruct aircrew in methods of bush and Arctic survival, it has been announced in Ottawa. The school, which will open this winter, will be staffed by experienced RCAF personnel and will include Eskimos and Indians on the instructional staff. Ultimate aim of the school is to train all RCAF aircrew actively engaged in northern flying, in survival techniques.

Because of the hazardous terrain and rigorous climate encountered by RCAF crews, whose normal flights cover most of Canada's uninhabited areas, it was decided that survival training was essential for all aircrew. Case histories of forced-landings in isolated areas show that in many cases a lack of knowledge of self-preservation can result in undue hardships and often in needless fatalities. Survival in most cases depends on a specialized knowledge of the area of operation, and the school's aim is to provide this knowledge as a possible preventive measure.

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The school's syllabus covers both Arctic and bush survival problems. Instruction is given in geography, first aid and medical care, use of emergency equipment and clothing, and shelter and rescue technique. Simulated forced-landings and practical training in solving survival problems are part of the training. Trainees will also learn how to live off the sparse natural foods available in isolated areas. Because the average Eskimo speaks little or no English a course in basic Eskimo is included in the syllabus.

Soldiers' Christmas: Members of the Canadian Army will get an extra long week-end at either Christmas or New Year's, authorities said this week.

Most military establishments will function with reduced staffs from December 24 to 27, and December 31 to January 3.

As in the past, soldiers are being granted their choice of Christmas or New Year's off, plus two working days. In the majority of camps choice of Christmas leave will go to married men with families. Those who have a considerable distance to travel in order to be home for the holiday season may also take one or more days annual leave but must arrange the dates so that the period they are absent from their station does not cover both statutory holidays.

At Ottawa, Army Headquarters will close at noon Friday, December 24, and again at noon New Year's Eve..

Truck Driving Champion: Cpl. R. D. Pettinger, Courtland, Ont., today has a \$300 nest-egg with which to do his Christmas shopping, thanks to his ability to drive a truck a little better than anyone else in the Armed Forces.

The \$300 represents first-prize money in the Services' Division of the second annual Canadian Truck Roadeo Championships held earlier this week at Toronto.

Pettinger, a member of 23 Transport Company, RCASC, Camp Borden, Ont., nosed out LAC L.N. Bishop, RCAF, Barrie, Ont., to win the championship. Servicemen from all parts of Canada, from Whitehorse, Y.T. to Halifax, N.S. competed.

Agricultural Immigrants: The Minister of Labour, Mr. Mitchell, has announced that the Sixth Federal-Provincial Farm Labour Conference had unanimously adopted a resolution urging the Federal and the Provincial Governments to designate the Federal-Provincial Farm Labour Service as the authority responsible for the securing, placement and settlement of agricultural men, women and families.

Across Canada: Results from 149 out of 156 polls, the final count for last night, in the Digby-Annapolis-King's federal byelection yesterday were as follows:

Nowlan	(PC)	12,602
McKenzie	(L)	10,693
Shaw	(CCF)	1,643

General A.G.L. McNaughton arrived back in Ottawa yesterday from the Third Session of the United Nations General Assembly in Paris.



## AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 6, No. 271

Wednesday, December 15, 1948.

**Field Crops Set Record:** Gross value of principal field crops produced on Canadian farms in 1948 is estimated by the Bureau of Statistics at \$1,595 million. This is the highest gross value in a record extending back 41 years. The Bureau's estimate is based on average prices received by farmers from August 1, beginning of the crop year, to the end of November only.

Only once, in 1919, has the \$1,500 million level been previously exceeded, and only twice, in 1920 and 1947, have field crop values been in excess of \$1,400 million. High prices were largely responsible for the enhanced values of production in each of these years.

This year's wheat crop is valued at \$550.4 million, an increase of \$95 million over last year's level. While the average price of 1948 wheat is five cents per bushel more than in 1947, most of the increased value accrues from the additional 56.6 million bushels of wheat produced this year. The total value of the oat crop, despite a lower average price, is also up nearly \$37 million.

With barley production only moderately above 1947 levels and a lower average price ruling during the first four months of the crop year, the total value of this crop is down about \$2 million as between the two years. The production of rye was nearly doubled in 1948, but the price drop has been so pronounced as to cut the value of this crop by over \$8 million from the 1947 figure. There is a somewhat parallel situation with potatoes and dry beans, increased production being more than offset by lower prices; the value of the potato crop declining nearly \$16 million and that of beans nearly \$1 million.

**Butter Substitutes Judgment:** The text of the Supreme Court judgment on the manufacture and sale in Canada of butter substitutes was reported as follows yesterday by the Canadian Press:

"The following question was referred to the Supreme Court of Canada for hearing and consideration, pursuant to Section 55 of the Supreme Court Act:

'Is Section 5 (A) of the Dairy Industry Act, R.S.C. 1927, Chapter 45, ultra vires of the Parliament of Canada either in whole or in part and, if so, in what particular or particulars and to what extent?'

"The answer is as follows:

"1. The prohibition of importation of the goods mentioned in the section is intra vires of Parliament.

"Locke J. finds Section 5 (A) of the Dairy Industry Act to be ultra vires while expressing no opinion as to the power of Parliament, to ban importation by appropriate legislation.

"2. The prohibition of manufacture, offer, sale, or possession for sale of the goods mentioned is ultra vires of Parliament, the Chief Justice and Kerwin J. dissenting."

(Over)

Trans-Canada Highway: The following is an excerpt from the statement of the Minister of Mines and Resources, Mr. MacKinnon, at the opening of the Trans-Canada Highway Conference in Ottawa on December 14;

"....I wish to make it quite clear that the federal Government fully recognizes that under our constitution the establishment and upkeep of public roads have always been regarded as basically a local or provincial responsibility. The Dominion, in calling this conference, is not suggesting any change in that regard and has no intention of encroaching in any way on the rights of the Provinces to develop their own highway systems. Nor do we intend to urge any provincial Government to participate in the development of a continuous highway across Canada unless it desires to do so. The federal Government, however, is prepared to consider the possibility of contributing towards the cost of such a highway if agreements can be reached on some equitable and satisfactory procedure...."

Farm Prices Down: October witnessed, for the second successive month, a downward movement of the index of farm prices of agricultural products. Lower prices for livestock and potatoes more than offset gains registered for dairy products, poultry and eggs, to account for a two point drop to a figure of 251.1. The first significant decline in nearly two years occurred in September of this year when the index eased from a high of 255.8 to 253.1. While the October figure is below that of the preceding month, it is substantially above the 208.6 established in the same month a year ago, reports the Bureau of Statistics.

Col. Urquhart Honoured: More than 25 years of loyal service as Aide-de-Camp to the King in Canada was graciously recognized and rewarded today when Colonel H. M. Urquhart, DSO, MC, of Victoria, B.C., was made a Commander of the Royal Victorian Order. Announcement of the new honour to Col. Urquhart was made in Canada by the Minister of National Defence, Mr. Claxton.

Honorary Colonel Commandant: Appointment of Brig. Sherwood Lett, CBE, DSO, MC, ED, Vancouver, as Honorary Colonel Commandant of the Royal Canadian Infantry Corps was confirmed December 15 by the Minister of National Defence, Mr. Claxton. He was the unanimous choice of the Canadian Infantry Association at its recent annual meeting in Quebec City.

Wages Set Record: Average hourly earnings and weekly wages paid to hourly rated wage-earners employed by leading Canadian manufacturers at October 1 both were at the highest levels in the record which covers a period of 48 months, according to figures released by the Bureau of Statistics.

Average hourly earnings of the 806,600 wage-earners for whom a record of man-hours is kept, stood at 94.6 cents, an increase of 1.2 cents over the figure reported for September 1, and 11.2 cents above October 1, 1947. Wages paid during the week ending October 1 rose to \$40.68 from \$38.95 at September 1 and \$35.95 a year earlier.

Across Canada: R. C. MacInnes has been appointed Director of Public Relations for Trans-Canada Air Lines, President G. R. McGregor announced in Montreal yesterday....Barbara Ann Scott appeared in a radio-television interview in New York last evening, the Canadian Press reported.





## AIRMAIL BULLETIN

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Thursday, December 16, 1948.

Restrictions Relaxed: The Minister of Finance, Mr. Abbott, on December 15, announced further relaxations of the emergency exchange conservation restrictions to become effective January 1, 1949. These relaxations will apply to a considerable list of imported consumer goods. By this move many foodstuffs and some manufactured products are removed from the list of imports which have been banned since November 17, 1947. Some other items which have been on the prohibited list during that time are transferred to a quota basis.

The Order in Council authorizing these changes also relaxes the restrictions on personal purchases brought back to Canada by returning travellers.

The following goods are among those on which import prohibitions will be suspended on January 1: fresh meats; canned meats; poultry and game; eggs; yeast; prepared cereal foods; peanut butter; condensed milk; beans; peas; honey; nuts in the shell; oysters and other shell-fish; syrups; cigars and cigarettes; paper towels, napkins and doilies; candles; lubricating oils and greases; wet cell batteries; non-electric signs; door frames and sash; synthetic casings for meat; andirons; and brass or bronze cases, boxes and trays.

Commencing on New Year's Day returning travellers will once more be able to bring with them into Canada, subject to the usual regulations, incidental personal purchases valued at not more than \$100, provided that they have been out of Canada not less than 48 hours. Since November 17, 1947, importation by travellers of any goods appearing on Schedules I and II of The Emergency Exchange Conservation Act has been prohibited. The Minister said that while the present ration of funds for pleasure travel abroad remains unchanged, Canadians could now spend part of their travel allowance for gifts or personal articles which they would be able to bring back with them.

Gold And U.S. Dollar Holdings: The Minister also announced that Canada's official holdings of gold and United States dollars at the end of September 1948 amounted to \$854.9 million. He further announced that official holdings of gold and United States dollars amounted to \$741.9 million at the end of June 1948, and \$607.5 million at the end of March 1948. The comparative figure for the end of 1947 was \$501.7 million.

Mr. Abbott drew attention to the fact that the figure for the end of March includes drawings on the Export-Import Bank credit in the amount of \$50.0 million and that for the end of June in the amount of \$140.0 million. These borrowings were repaid in August 1948 but the official reserves at the end of September 1948 include \$150 million borrowed in the private capital market in the United States.

Mr. Abbott explained that the modification of the restrictions which was being announced had been made possible by the improvement in the gold and United States dollar reserves, and that a continuation of present favourable trends would enable the Government to consider making further relaxations from time to time.

(over)

Surplus \$560,000,000: The Minister of Finance, Mr. Abbott, on December 15, released the statement of the Comptroller of the Treasury covering revenues and expenditures of the Government of Canada for the period April 1-November 30, 1948.

According to this statement the total revenues of the Government for the month of November, 1948, amounted to \$205.6 millions, while total expenditures amounted to \$179.2 millions, resulting in a surplus of revenues over expenditures for the month of \$26.4 millions. This brings the Government's total "budgetary surplus" for the first 8 months of the current fiscal year up to a figure of \$560 millions, which compares with a similar surplus of \$575 millions accumulated by this same date a year ago.

Commenting on the Comptroller's statement, Mr. Abbott again stressed the interim nature of these monthly figures and pointed out that although further increases in the "budgetary surplus" are expected in each succeeding month between now and next March it is likely that such increases will be wholly or at least largely offset by certain expenditures of substantial amount which are ordinarily not recorded in the Government's accounts until right at the end of the year.

Favourable Trade Balance: Canada had a favourable overall trade balance of \$66,000,000 in October, slightly above the September figure of \$64,400,000 and the highest for any month this year. In October last year there was a small adverse balance of \$800,000. During the 10 months ending October the favourable balance aggregated \$327,600,000 nearly two and a half times the 10-month aggregate of \$134,200,000 in 1947.

There was a small adverse trade balance with the United States during October of \$9,700,000 as compared with an adverse balance of \$86,200,000 a year ago, according to figures released by the Bureau of Statistics. The cumulative debit balance for the 10 months declined sharply to \$275,400,000 as against \$804,500,000 in the similar period of 1947.

October's favourable trade balance with the United Kingdom amounted to \$36,500,000, an increase over the September figure of \$24,100,000 but below the balance of \$48,700,000 in October last year. During the 10 months the credit balance totalled \$336,600,000 this year compared with \$460,200,000 in 1947.

Canada's total foreign trade in October amounted to \$552,900,000 as compared with \$508,200,000 a year ago and \$507,700,000 in September this year.

Across Canada: Final returns in the federal byelection in Digby-Annapolis-Kings on Monday last gave the following results:

Nowlan	(PC)	14,192
McKenzie	(L)	12,490
Shaw	(CCF)	1,968

The seat was made vacant by the resignation of the former Minister of Justice, Mr. Ilsley.



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Friday, December 17, 1948.

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

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

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

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

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

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

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

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

(over)

Foreign Service Officers: Reflecting Canada's increasing participation in international affairs and the heavy burden of work placed on the Department of Government concerned with foreign policy, the Civil Service Commission is seeking to recruit for the Department of External Affairs a possible maximum of from thirty to forty qualified young men and women to serve as Foreign Service Officers.

These officers are to be selected following examinations to be conducted by the Civil Service Commission in various parts of Canada. Women are eligible on the same basis as men. In order to take the examinations, which are both written and oral, candidates must file an application with the Civil Service Commission not later than January 6, 1949. The written test for eligible candidates will be held during the week ending January 29, 1949. A candidate who passes the written tests will later be given an oral examination.

The examinations are for the first two grades of Foreign Service Officer. Candidates for the Grade 1 examination must be between 23 and 31 years of age on June 1, 1949; candidates for Grade 2 between 31 and 35.

Across Canada: The former Prime Minister, Mr. King, is 74 years of age today. The Canadian Press today quotes Mr. King as saying that his life had been "a very happy one," and, "I feel as good as I did at 30." On the eve of the first birthday which, in nearly 30 years, he has enjoyed free from the burdens of political party leadership, Mr. King is quoted as saying; "I have enjoyed the years. If I had them to live over again there are some things I would have done differently. But I would still choose public service. There is nothing better. It has been worthwhile all through."



## AIRMAIL BULLETIN

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Monday, December 20, 1948.

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

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

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

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

Canada-Newfoundland Fisheries: As soon as practicable after completion of union with Newfoundland the federal fisheries services now carried on in Canada will be extended to the new Province, the Department of Fisheries has announced. Existing Newfoundland services in such fields as the protection and encouragement of the fisheries and the operation of bait services will also be taken over by the federal authorities in accordance with the Terms of Union.

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

Speaking of the fisheries situation which will follow Newfoundland's entry into Confederation the departmental spokesman said that the enlarged Canada will rank among the greatest fish producing countries of the world.

(over)

At present, he continued, Canada is among the first half dozen fisheries countries, with an annual catch of about one and a quarter billion pounds and with a production potential capable of further development. In Newfoundland in 1947 there were cod landings estimated at 430 million pounds, plus a large aggregate catch of herring and a number of other kinds of fish. Reckoned on the basis of recent price levels, the combined Canada-Newfoundland production from the fisheries represents \$150 million or more annually.

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

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

The complete list of items on the 1949 schedule will be published in the December 25 issue of "Foreign Trade", weekly publication of the Department of Trade and Commerce.

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

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

A.S. Kirk Appointment: The Minister of Transport, Mr. Chevrier, on December 20, announced the promotion of Alfred Sidney Kirk, Assistant Director of Traffic of the Board of Transport Commissioners, to the position of Director of Traffic. He succeeds W. E. Cambell who recently retired on superannuation. Mr. Kirk has been associated for many years in traffic operations for railway, steamship and industrial concerns prior to joining the staff of the Board of Transport Commissioners in September, 1938, and is a former President of the Canadian Industrial Traffic League.

Across Canada: The Secretary of State for External Affairs, Mr. Pearson, arrived in Ottawa Saturday, from London, by air....Voting takes place today in three federal byelections - Carleton, Ont., where Progressive Conservative leader George Drew is opposed by C.C.F. and Social Credit candidates; Laval, in Quebec, and Marquette, Man.....Hugh A. Black, Director of the Annuities Branch, Department of Labour, died in Ottawa Sunday night.



## AIRMAIL BULLETIN

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Tuesday, December 21, 1948.

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

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

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

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

Uranium Floor Price: With a view to the encouragement of further prospecting for radio-active minerals, two years have been added to the period during which the Government will guarantee a floor price for uranium, the Minister of Trade and Commerce, Mr. Howe, announced December 20.

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

The original terms of the floor-price guarantee have not been changed. By these terms, the government-owned Eldorado Mining and Refining (1944) Limited will purchase acceptable ores and concentrates with a minimum uranium content equivalent to 10 per cent by weight of uranium oxide ( $U_3O_8$ ). The Crown company will pay a minimum of \$2.75 per pound of contained uranium oxide, f.o.b. rail.

"Since the announcement of a floor price last March, prospectors and mining companies have been very active and have made several discoveries which appear to be important", said Mr. Howe. "However, because of winter conditions and transportation difficulties, the men responsible for discovery of the ore bodies will encounter unavoidable delays in developing the new properties. In view of this, the Advisory Mining Committee on Radioactive Minerals recommended the extension of the guarantee period and the Government agreed."

(over)

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

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

The bulletins showed that openings for graduates with varying degrees of experience - as distinct from new graduates, remained fairly constant at between 700 and 800. The number of available technical persons has varied slightly from month to month at or near the 225 mark.

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

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

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

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

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

Federal Byelections: The voting in the three federal byelections held on Monday, December 20, according to the Canadian Press, was as follows:

CARLETON	
(128 polls complete)	
Drew (PC).....	12,235
Forsey (CCF).....	3,334
McCracken (SC).....	459
LAVAL-TWO MOUNTAINS	
(59 of 86 polls--final for night)	
Demers (L).....	4,249
Desy (Rep.).....	2,132
MARQUETTE	
(100 of 101 polls)	
Garson (L).....	7,415
Keating (CCF).....	2,946

Across Canada: The first batch of margarine to go on sale in Canada since the ruling of the Supreme Court of Canada last week was sold in Vancouver Monday, at 53 cents a pound.





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Wednesday, December 22, 1948.

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

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

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

Business expenditure is also divided into main categories. In 1947 salaries and wages of \$5,362 million paid by business accounted for 34 per cent of total business expenditure, net income of agriculture and other unincorporated business of \$2,354 million for 15 per cent, and corporation profits and other investment income of \$2,486 million for 16 per cent. Depreciation allowances and similar business costs were \$928 million or six per cent of total expenditure and indirect taxes less subsidies \$1,572 million or 10 per cent. Purchases from non-residents (imports) included in operating expenditure amounted to \$3,048 million or 19 per cent.

The accounts cover the years 1938 to 1947. It is therefore possible to study not only the relation of the different items to each other and to the total but also the changes in their importance from one year to the next.

Industrial Disputes: Time loss due to work stoppages arising out of industrial disputes in Canada during November, 1948, was the lowest recorded for any month since February, 1946, according to the monthly summary of strikes and lockouts for November, issued December 21 by the Minister of Labour. Time loss amounted to only about 18 per cent of the figure for the previous month and 13 per cent of the figure recorded for November, 1947.

(over )

Preliminary figures for November, 1948, show 20 strikes and lockouts in existence, involving 3,307 workers, with a time loss of 16,000 man-working days, as compared with 23 strikes in October, 1948, with 7,310 workers involved and a time loss of 87,223 days. In November, 1947, there were 29 strikes, involving 14,775 workers, with a time loss of 119,701 days.

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

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

Foreign Vehicle Entries: Foreign vehicles entering Canada on traveller's vehicle permits in November totalled 75,000, representing an increase of 10 per cent over the same month last year. In November last year traffic dropped below the corresponding figure for 1946.

Across Canada: The federal Government today announced pay increases for the lesser paid Civil Servants ranging around \$15 a month, and said the salaries of other grades would be reviewed at once and revised if necessary.....The New York debut of Barbara Ann Scott last night was reported by the Canadian Press to have been highly successful..... The first heavy snowfall of the season came to Ottawa yesterday..... Canadian National Exhibition receipts this year totalled \$2,043,487, it was announced at Toronto.

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Thursday, December 23, 1948.

Emergency Niagara Diversion: The Department of External Affairs announced today that notes had been exchanged between Canada and the United States providing for temporary emergency diversions of water for power purposes from the Niagara area.

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

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

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

Incorporated companies are by a very wide margin the most important in the employment field. These establishments accounted for 86.5 per cent of the employees, while those operated under individual ownership provided employment for only 7.9 per cent of all employees. Partnerships accounted for 4.7 per cent of the employees, and co-operatives for the remaining 0.9 per cent.

Among Canada's 40 leading industries, the production of pulp and paper, the manufacture of automobiles, railway rolling stock, and primary iron and steel, distilling, and non-ferrous smelting and refining, were entirely under incorporated companies. Incorporated companies also accounted for over 90 per cent of the employment in slaughtering and meat-packing, electrical apparatus and supplies, petroleum products, rubber goods, machinery, sheet metal products, cotton yarn and cloth, breweries, biscuits, iron castings, tobacco, paper boxes and bags, hardware, brass and copper, medicinals and pharmaceuticals, and silk and artificial silk goods.

(over)

Pacific Science Congress: Canada will be represented by a strong delegation of scientists at the SEVENTH PACIFIC SCIENCE CONGRESS, which is to be held under the auspices of the Royal Society of New Zealand by the Pacific Science Association, 2-23 February, 1949, it was announced December 22 by the National Research Council at Ottawa.

Head of the delegation from Canada will be Dr. G.M. Shrum, of the University of British Columbia, Vancouver, B.C. Deputy head of the Canadian delegation and responsible for the selection of the scientific papers to be presented by the delegates is Dr. W.H. Cook, Director of the Division of Applied Biology, National Research Council, Ottawa.

Armed Forces Pay Increases: Increases in basic pay and marriage allowances for members of the Armed Forces were announced December 22 by the Prime Minister, along with with other increases for Civil Servants.

The Minister of National Defence, Mr. Claxton, said that all ranks of the three Services up to and including Commander in the Navy, Lieutenant-Colonel in the Army, and Wing Commander in the Air Force, would benefit from the straight \$10.00 per month increase in basic pay, and married personnel would particularly welcome the extra \$10.00 per month added to the marriage allowance. Today, due to the large number of veterans of the Second World War, there was a high proportion of married personnel -- about one-half -- in the three Services.

As in the case of the Civil Service, the new rates of pay for the Forces are retroactive to October 1, 1948.

Opening of Parliament: The Prime Minister, Mr. St. Laurent, announced on December 23 that Parliament would open on Wednesday, January 26.

Across Canada: The appointment of Vivian S. McClenaghan, K.C., as Chancellor of the Anglican Diocese of Ottawa, in succession to the late Redmond Code, K.C., has been announced by the Bishop of Ottawa, Rt. Rev. Robert Jefferson.

(This Bulletin will not be published tomorrow, December 24.)



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 6 No. 278

Monday, December 27, 1948.

**Recognition of Israel:** The Secretary of State for External Affairs made the following announcement on December 24:

The Canadian Government has today (December 24) informed the provisional government of Israel that the Canadian Government recognizes de facto the State of Israel in Palestine and that it also recognizes de facto the authority of the provisional government of Israel.

The State of Israel was proclaimed on May 15, 1948. During the seven months that have elapsed, the State of Israel has, in the opinion of the Canadian Government, given satisfactory proof that it complies with the essential conditions of statehood. These essential conditions are generally recognized to be external independence and effective internal government within a reasonably well-defined territory.

The provisional government of Israel has been informed that the recognition given by Canada is accorded in the knowledge that the boundaries of the new State have not as yet been precisely defined, and in the hope that it may be possible to settle these and all other outstanding questions in the spirit of the resolution adopted by the General Assembly of the United Nations on December 11, 1948.

The following is the text of the message of December 24, 1948, from the Secretary of State for External Affairs to Mr. Moshe Shertok, Foreign Secretary of the Provisional Government of Israel:

"I have the honour to inform you, on behalf of the Government of Canada, that Canada recognizes de facto the State of Israel in Palestine, and that it also recognizes de facto the authority of the Provisional Government of Israel, of which you are a member. This recognition is accorded in the knowledge that the boundaries of the new State have not as yet been precisely defined, and in the hope that it may be possible to settle these and all other outstanding questions in the spirit of the Resolution adopted by the General Assembly of the United Nations on December 11, 1948."

**Bait-Fish from Pacific:** Threat of a drastic curtailment of Nova Scotia fishing operations from February to May next year as a result of a shortage of bait-fish will be met by the transfer of large quantities of British Columbia frozen herring to the east coast with federal financial assistance, the Department of Fisheries has announced.

The movement of the bait, it was stated, is necessary to avoid a possible loss of upwards of \$1,000,000 to Nova Scotia fishermen whose suppliers, because of the failure in the recent fall herring run off the east coast, have stocks on hand sufficient to last only until February. It is expected that 2.2 million pounds of B.C. herring will be needed to meet requirements.

Financial assistance to make possible sale of the bait to fishermen at close to four-cents per pound was agreed upon by the federal Government on December 23 following representation made by the Department of Fisheries, a spokesman said. The Government will absorb transportation costs up to three cents per pound, which is approximately the whole freight cost on the 2.2 million pounds.

The Department has been concerned over the spring fishing for lobsters and groundfish on the east coast since the failure of the fall herring run. Other potential sources of supply, such as Newfoundland and eastern United States, have been investigated, but because of similar shortages and previous commitments for stocks on hand, adequate assistance from any of the eastern areas cannot be relied upon.

**R.C.N. New Ice-Breaker:** A contract for building the R.C.N.'s new ice-breaker has been placed with Marine Industries Ltd. of Sorel, P.Q., it was announced by the Minister of National Defence, Mr. Claxton. This is the first contract placed for new ship construction for the Navy since the war.

The announcement was made after consultation with the Hon. Humphrey Mitchell, Minister of Labour and the Hon. Lionel Chevrier, Minister of Transport, who had the advice of the Canadian Maritime Commission. The contract was actually let by the Canadian Commercial Corporation, which operates as purchasing agent for all defence requirements.

"The new icebreaker", Mr. Claxton stated, "will be of great value in facilitating the work of the Canadian Navy in northern waters, and will add to Canada's ice-fighting resources. It will be available, provided operational requirements permit, for use in emergencies generally, and is an important addition to Canada's modern fleet."

Trans-Canada Highway: The Minister of Mines and Resources, Mr. MacKinnon, has announced that since the conclusion of the Conference on the Trans-Canada Highway, he had been in communication with the Provincial Ministers concerned. The Provinces are now considering the question of routes within their respective areas and are preparing proposals relating to construction standards and similar matters. When the provincial views on these matters have been clarified and the information forwarded to Ottawa, the federal Government will be in a position to consider the extent of the assistance it should give towards the establishment of the Highway.

Tenders Accepted: On behalf of the Minister of Finance, it was announced December 23 that Tenders had been accepted for the full amount of \$75,000,000 Government of Canada Treasury Bills due March 25th, 1949. The average discount price of the accepted bids was \$99.89728 and the average yield was .412%.

Across Canada: A Canadian Press cross-country survey of fatalities reported since the holiday celebration started early last Friday showed 48 deaths, those from fires outnumbering those attributed to traffic mishaps. Fourteen died in street and highway accidents....Dr. Albert Percy Menzies, for 18 years Minister of Westboro United Church and President of the Montreal-Ottawa United Church Conference, died in Ottawa Sunday.



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**Polish Securities:** Canadians holding Polish securities issued before September 1, 1939, and not overdue on that date, must register them at a Polish consular office before March 15, 1949, otherwise they will become invalid. The regulations of the Polish Government requiring such registration may be found in the Polish Journal of Laws, Number 22, Item 88.

Registration applies to all stocks, bonds, notes and other evidence of indebtedness, except:

- (a) negotiable securities issued by the State;
- (b) documents issued outside Poland;
- (c) coupons;
- (d) bank notes and other documents payable at sight;
- (e) postal savings books payable to the bearer; and
- (f) documents containing a reservation that they may not be cancelled.

Consular offices of the Polish Government in Canada are located at: 985 Sherbrooke Street West, Montreal, P.Q., and 611 McIntyre Block, Winnipeg, Manitoba.

**Reply from Israel:** The Secretary of State for External Affairs announced on December 27 that a reply had been received to the message sent on December 24, 1948, to Mr. Moshe Shertok, Foreign Secretary of the Provisional Government of Israel.

The text of Mr. Shertok's reply is as follows:

"I have the honour to acknowledge receipt of your cable of 24th December and to convey to Your Excellency on behalf of the Provisional Government of Israel an expression of deep appreciation of the de facto recognition by the Canadian Government and the hope of the early establishment of formal relations between Canada and Israel. The Provisional Government of Israel is anxious for the rapid res-toration of peace and the settlement of all outstanding questions either directly or through the good offices of the Conciliation Commission appointed under the General Assembly resolution of December 11th, 1948, and regards this active recognition by Canada as an important contribution towards this end."

**Public Health Research:** Contamination of rural water supplies, the effectiveness of various products used in washing restaurant dishes and studies of neuro-tropic viruses are among the projects being financed with money from the federal Government grants for public health research, National Health and Welfare Minister Paul Martin has announced.

Largest single grant has been made to extend research now being carried on by Dr. Andrew J. Rhodes, research assistant at the Connaught Medical Research Laboratories, Toronto, who is investigating neurotropic viruses. These are thought to have some relationship to the development of poliomyelitis. Dr. Rhodes, who is also Associate Professor of virus infections at the University of Toronto's School of Hygiene is also being assisted in his research by a grant of \$10,000 per year from the Canadian Life Insurance Officers Association. The federal grant will enable his laboratory to work to its full capacity.

"A grant has been made for studies of a serious problem in rural areas -- pollution of water supplies in wells where there is no obvious source of contamination. Radioactive isotopes will likely be used as 'tracers' in this project, and it is hoped to extend the investigation to include pollution of streams," said Mr. Martin.

Securities Transactions: Transactions in securities between Canada and other countries in October totalled \$35,500,000, a decrease of 11 per cent from the September figure, but a rise of 19 per cent over October last year, according to the Bureau of Statistics. Both sales and purchases were lower than in September and the purchase balance fell from \$900,000 to \$500,000.

Employment Up: Employment in leading establishments in the main industrial divisions continued though slight improvement at November 1. As a result, the index number, on the base 1926=100, rose to a new high figure of 203.5, according to preliminary figures released by the Bureau of Statistics. The gain in employment was accompanied by increases in payrolls and average weekly earnings, both of which were also at new peak levels.

Histories for His Majesty: The Canadian Government is sending specially bound copies of the official Army and RCAF histories to His Majesty the King. The volumes are being sent at His Majesty's own request.

The set comprises seven volumes and includes copies of "The Canadian Army, 1939-45"; "The RCAF Overseas", and "The Canadian Army at War".

Title pages bear the inscription: "Presented to His Majesty the King on behalf of His Majesty's Government in Canada".

History of Louisbourg: A new booklet dealing with the Fortress of Louisbourg National Historic Park in Nova Scotia, has just been issued under the authority of the Minister of Mines and Resources, Mr. MacKinnon. The text, which was prepared by Miss Katharine McLennan, Honorary Curator of the Park Museum, describes the history of Louisbourg, French stronghold on Cape Breton Island.





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Wednesday, December 29, 1948.

**Aviation Safety Standards:** Safety standards for the operation of aircraft on scheduled international services have been adopted by the Council of the International Civil Aviation Organization, Dr. Albert Roper, Secretary General, announced at Montreal on December 28. The operating standards are the sixth set of standards adopted for international civil aviation.

The first five sets included personnel licensing, aeronautical maps and charts, rules of the air, dimensional practices in airground communications, and meteorological codes. They were adopted by the Council last April and will come into effect at various dates during 1949. The aircraft operation standards will be effective on January 1, 1950, unless they are disapproved by May 15 next by a majority of the Contracting States of the Organization. The standards are drafted with a view to incorporation into the national regulations of ICAO's 51 Contracting States.

**Training Cruises:** Two officers and 23 men of the Royal Canadian Navy (Reserve) will fly from Montreal to Bermuda on December 29 to join three ships of the Royal Navy for three-month training cruises in the Caribbean, South Atlantic and Gulf of Mexico.

The group will be drawn from H.M.C.S. "York", Toronto naval division, H.M.C.S. "Prevost", London, H.M.C.S. "Hunter", Windsor, H.M.C.S. "Carleton", Ottawa, and H.M.C.S. "Scotian", Halifax. Officer in charge will be Lieut. J.E. Trusler, R.C.N. (R) (Retired), of Toronto.

The party mustered at H.M.C.S. "Domacona", Montreal naval division, on December 28 and leaves December 29 by plane for Bermuda.

The ships in which they will make the cruise are the cruiser H.M.S. "Glasgow", the sloop H.M.S. "Snipe" and the frigate H.M.S. "Bigbury Bay".

The "Glasgow" will leave Bermuda January 3 and will call at such points as Rio de Janeiro, Buenos Aires, the Falkland Islands and Trinidad, before returning on April 5. H.M.S. "Snipe" leaves Bermuda on the same date but will follow a different route, among her stopping points being St. Thomas, in the Virgin Islands, the French island of Martinique, Trinidad, Cayenne, in French Guiana, Paramaribo, the island of Demarara and Kingston, Jamaica.

The "Bigbury Bay" is scheduled to sail January 1 and will call at ports in the West Indies, Central America, Texas, Louisiana and Florida.

**To Produce F86's:** The world's fastest combat aircraft - the single-seater American F86 - is to be produced in Canada, it was announced yesterday at a press conference by the Minister of National Defence, Mr. Claxton.

The Minister said that the operational jet fighter with a speed of 670.981 miles per hour now is the subject of negotiation between Canada and the United States.

Terms of production are expected to be completed within a matter of weeks and manufacture in Canada is expected to start in 1949.

In time, Canada's air force will be equipped with the aircraft, faster than the British Vampire jet which the RCAF's operational units now use.

**Hydro-Electric Progress:** The annual review of activities in hydro-electric construction and distribution, as issued for 1948, by the Minister of Mines and Resources, Mr. MacKinnon, outlines briefly the various projects comprising the great program of construction completed in 1948, now underway, or planned.

Hydro-electric construction was very active during 1948, over 400,000 h.p. being added to the generating capacity of the country to bring the total hydraulic installation to nearly 11,000,000 h.p. The increases in capacity, involving 278,700 h.p. in eleven new plants and 161,395 h.p. in extensions to

eight existing stations, are well distributed across Canada. Many developments also are in various stages of active construction, while others are planned or are under investigation; it is estimated that over 2,000,000 h.p. will be added to productive capacity during the next few years.

During the year, power consumption continued to grow in practically all sections of the country, the demand for primary power being about ten per cent higher than in 1947. The completion of some of the larger plants now under construction will be necessary before essential reserve capacity becomes available.

Leading Minerals: Activity in the Canadian mining industry is at a high level. Production figures for October show that the output of all but two of 16 of Canada's leading minerals moved upward, while in the 10 months ending October production was advanced in all but one item. In October, copper and nickel were lower, while in the cumulative period the decrease was in lead.

"Antigonish" Commander: Lieut.-Cdr. William S.T. McCully, R.C.N., of Kingston, Ont., and Vancouver, B.C., has been appointed commanding officer of the frigate, H.M.C.S. "Antigonish", Naval Headquarters announced today. He succeeds Lieut.-Cdr. C.A. Law, D.S.C., R.C.N., who will begin a staff course early in the New Year.

Across Canada: A merger of Halifax's two morning newspapers, the Herald and the Chronicle, for reasons of economy, was announced this morning.

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December 30, 1948.

Commission On Transportation: The Office of the Prime Minister announced on December 29 the appointment of a Royal Commission on National Transportation, the following to be Commissioners:

The Honourable W.F.A. Turgeon, K.C., LL.D., a member of the King's Privy Council for Canada, Chairman  
Henry Forbes Angus, Esquire, Professor of Economics, University of British Columbia, Vancouver, B.C. and  
Harold Adams Innis, Esquire, Professor of Political Economy, University of Toronto, Toronto, Ont.

The Commission is instructed, in particular, to:

"(a) Review and report upon the effect, if any, of economic, geographic or other disadvantages under which certain sections of Canada find themselves in relation to the various transportation services therein, and recommend what measures should be initiated in order that the national transportation policy may best serve the general economic well-being of all Canada;

"(b) Review the Railway Act with respect to such matters as guidance to the Board in general freight rate revisions, competitive rates, international rates, etc., and recommend such amendments therein as may appear to them to be advisable;

"(c) Review the capital structure of the Canadian National Railway Company and report on the advisability, (or otherwise), of establishing and maintaining the fixed charges of that Company on a basis comparable to other major railways in North America;

"(d) Review the present-day accounting methods and statistical procedure of railways in Canada, and report upon the advisability of adopting, (or otherwise), measures conducive to uniformity in such matters, and upon other related problems such as depreciation accounting, the segregation of assets, revenues and other incomes, etc., as between railway and non-railway items;

"(e) Review and report on the results achieved under the Canadian National-Canadian Pacific Act, 1933, and amendments thereto, making such recommendations as the present situation warrants;

"(f) Report upon any feature of the Railway Act, (or railway legislation generally) that might advantageously be revised or amended in view of present-day conditions."

The scope of the Commission is not to extent to the performance of functions which, under the Railway Act, are within the exclusive jurisdiction of the Board of Transport Commissioners.

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Mr. Pierce's Appointment: Mr. S.D. Pierce, Canadian Ambassador to Mexico, has been given leave of absence from the Department of External Affairs, and has been appointed Associate Deputy Minister of Trade and Commerce as and from February 1st, 1949, the Office of the Prime Minister announced on December 29.

The Department of Trade and Commerce is charged with the responsibility for procurement for the armed forces which necessarily involves close relations with Canadian industry and with the procurement agencies of the United States Government. Mr. Pierce will be concerned, primarily, with the activities of the Department in this field.

Mr. Pierce was born on March 30, 1901, at Montreal. He graduated from McGill University with the degrees of B.A. and B.C.L., with a gold medal in economics. He was a member of the Canadian Olympic team which went to Paris in 1924.

In 1940 Mr. Pierce joined the Department of Munitions and Supply and worked for four years in its Washington office in various capacities. On leaving he was Director-General of the Washington office. He served as Canadian executive officer on the Combined Production and Resources Board (United Kingdom, United States and Canada) and as Canadian executive director of the Joint War Production Committee (United States and Canada).

Mr. Pierce was Chairman, during its existence, of Canada's External Trade Advisory Committee. He was a member of the Canadian Shipping Board, the Trade and Tariff Committee and the Crown Assets Allocation (Board) and a Director of the Canadian Commercial Corporation. He is Chairman of the Food Requirements Committee.

Mr. Pierce joined the Department of External Affairs on August 1, 1944, and served in Ottawa as Head of the Economic Division until his appointment, in March, 1947, as Ambassador to Mexico.

He was an alternate Canadian delegate to the first meeting of the Interim Assembly of the Provisional International Civil Aviation Organization held in Montreal, May, 1946. In October, 1946, he was a delegate to the First Session of the Preparatory Committee of the United Nations Conference on Trade and Employment, held in London; he was a delegate also to the Second Session of this Committee, held in Geneva beginning April 11, 1947.

In August, 1947, Mr. Pierce was named one of the alternate Canadian delegates to the Second Session of the General Assembly of the United Nations in New York. He headed the Canadian Delegation to UNESCO Conference held in Mexico City in November, 1947.

From June 1948 until his recent return to Canada, he was in Paris on a special Mission, representing Canadian interests in matters relating to the European Recovery Plan. He also served on the Canadian Delegation to the Third Session of the General Assembly of the United Nations.



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Tuesday, January 4, 1949.

Trade With West Indies: A number of restrictions upon imports into the British West Indies, which have been the subject of representations by Canadian exporting firms, are to be relaxed from the beginning of January, according to a message received from the United Kingdom and made known in Ottawa on January 3 by the Minister of Trade and Commerce, Mr. Howe.

Following discussions with Sir Stafford Cripps, in Ottawa, the Canadian point of view was placed before United Kingdom officials, in London. As a result of these negotiations, it has been agreed that the West Indian Colonies will now permit limited importation of a number of products hitherto prohibited, or severely restricted on account of the dollar shortage. Several hundred Canadian firms will be able, as a result, to resume trade in a market from which many of them have for several months been excluded.

In announcing these arrangements, Mr. Howe explained that the scheme now adopted is more flexible than the token import plan which has been in effect for nearly three years in the United Kingdom. Such a plan would not have been suited to the West Indies where there are many separate areas, each with its own independent import controls and its different local needs for imported products. It would be neither desirable nor practicable to impose upon each of the islands a uniform pattern of individual suppliers in a prewar period, since when there have been great changes in the character of trade.

The new arrangements, therefore, provide that additional dollars are to be put at the disposal of each of the West Indian colonies for increased purchases of a wide range of goods whose importation from Canada has been hitherto prohibited or severely restricted. Exporters will now be able to contact their agents and customers with a view to selling the goods in question with the expectation that some import licenses will now be forthcoming. The market will, however, be strictly competitive. No specific quotas have been set up for individual products or individual firms. Each importer will be free to purchase the goods of his choice from his preferred supplier up to the limit of additional dollars to be made available. If the additional orders placed under the scheme are in excess of a colony's capacity to pay, the local import control authorities will spread the available dollars as best they can among the various importers and products.

The benefits of the new scheme will not be restricted to Canada, but under existing agreements to which the United Kingdom is a party, are extended to other hard currency areas including the United States, it being understood that the choice of sources of supply in each case rests with the individual purchaser.

Included in the scheme are Bahamas, Barbados, Bermuda, British Guiana and British Honduras, Jamaica, Leeward and Windward Islands, and Trinidad.

(over)

Export Trade Booming: Canada's export trade is booming, due to greatly enlarged shipments to the United States, its value in 1948 being far in excess of any previously recorded except in wartime. The value of merchandise shipped abroad in November was \$293,900,000, only slightly under the peacetime high total of \$307,000,000 registered in October, and \$40,800,000 higher than in November, 1947, reports the Bureau of Statistics.

With gains over 1947 in all months except June, the aggregate for the 11 months ending November rose to \$2,759,000,000, an increase of \$250,300,000 over the same period of 1947, and only \$15,900,000 under the total for the full year 1947.

The growth in Canada's exports to the United States has been the outstanding feature of the year's trade. In November shipments to that country reached an all-time record value of \$163,893,000, almost 77 per cent higher than in the corresponding month in 1947. This brought the cumulative total for the 11 months ending November to a new high figure of \$1,353,740,000 as compared with \$928,255,000 in the same period in 1947.

Peak Mineral Production: Total mineral production of Canada reached an all-time high value in 1948, with values of main classes of minerals also at record levels. According to the preliminary estimate of the Bureau of Statistics, the year's output amounted in value to \$806,200,000, up 25 per cent above the previous record of \$644,700,000 in 1947. Most of the gain was due to increased prices, but quantities were also generally larger.

The output value of metallics increased 22.4 per cent from \$395,000,000 in 1947 to \$484,000,000. Fuels advanced nearly 44 per cent from \$110,500,000 to \$159,000,000. Other non-metallics gained 19 per cent from \$54,520,000 to \$64,900,000; and structural materials moved up almost 17 per cent from \$84,600,000 to \$98,800,000.

Production of gold at 3.5 million ounces was about a half million ounces greater than in 1947, but still nearly two million ounces less than the record of 5.3 million ounces in 1941. The value, at \$122,399,000, was 14 per cent above the 1947 figure. Silver production amounted to 15.6 million fine ounces valued at \$11,732,000 as compared with 12.5 million fine ounces valued at \$9,003,000 in 1947.

Apprenticeship Agreement: The Minister of Labour, Mr. Mitchell, announced January 3 that authority had been granted for amendments to the Dominion-Provincial Agreements covering the full-time class training of prospective apprentices under the Vocational Training Co-ordination Act, 1942, by Order-in-Council P.C. 5517 of December 21, 1948.

The effect of the amendments will be to allow a person to take class training prior to commencing his apprenticeship instead of being allowed only a maximum of three months in class during each year. The new agreement, if signed by the provinces, will still allow class training during apprenticeship, but will not permit more than three months' training for each year of apprenticeship.

R.C.N. Promotions: The Minister of National Defence, on January 1 announced the promotions of 39 senior officers in the Royal Canadian Navy's half-yearly promotion list.

Of the officers named on the list, 26 received actual promotions while the remaining 13 are confirmed in ranks in which they have been acting.

Across Canada: The Prime Minister, Mr. St. Laurent, was back in his office Monday after a Christmas trip to Quebec City.....Building costs started to level off in Canada during 1948, the Central Mortgage and Housing Corporation has noted in a review of housing trends.....Members of the Fisheries Research Board are meeting in Ottawa.....Toronto re-elected Hiram McCallum as Mayor in New Year's Day voting and turned down a proposal to give City Council and the Board of Education a two-year term.

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Wednesday, January 5, 1949.

**Organize Against Cancer:** Establishment at the federal Laboratory of Hygiene, Ottawa, of a central tumor registry to assist in the general program of the National Cancer Institute of Canada was announced on January 5 by the Minister of National Health and Welfare, Mr. Martin.

Providing scientific facilities for the war against cancer, the Government has approved expenditures for the creation and functioning of the registry. Staff is now being appointed, and necessary equipment and supplies are in order.

The National Cancer Institute of Canada has named Dr. Desmond Wagner, Professor of Pathology at the University of Ottawa, as Registrar of the new establishment, and the Minister of National Health and Welfare is making available the services of two health officials, Dr. H. A. Ansley, Assistant Director of Health Services, and James Giffard, B.S.A., M.Sc., chief of the Laboratory of Hygiene, who will be associated with Dr. Wagner in administering the registry.

In addition to other work in this field, the registry will assist pathologists in the classification of various cancers and other tumors and will collect case histories and other relative data for future studies. A panel of leading consultants from all across Canada has been appointed to act as a technical group for the classification of tumors.

**Construction Boom:** Led by a flood of home-building contracts, the Canadian construction industry is enjoying a record-breaking, billion-dollar boom, MacLean Building Reports Ltd., reported Tuesday, according to a Canadian Press dispatch from Toronto.

Figures compiled by the trade publication put the total at \$954,082,400 in 1948, more than one-third of this going to the erection of residential buildings. In 1947, the report said, the total value of contracts awarded was \$718,137,100.

**Marketings Of Wheat:** Stocks of Canadian wheat in store or in transit in North America at midnight on December 23 amounted to 172,294,000 bushels, showing a decline of 2,830,000 bushels from the December 16 figure of 175,124,000 bushels, but 30,536,000 bushels in advance of last year's corresponding total of 141,758,000 bushels, according to the Bureau of Statistics.

Deliveries of wheat from farms in the Prairie Provinces during the week ending December 23 totalled 3,071,000 bushels compared with 2,063,000 in the same week a year earlier. Overseas export clearances during the week amounted to 2,913,000 bushels as against 1,069,000 a year ago.

**Department Store Sales:** Department store sales rose 10 per cent in November to reach a total of \$89,706,000 as compared with \$81,579,000 in the corresponding month of 1947. The gain in the month was slightly under the average advance of 13 per cent for the first 11 months of the year. Dollar value of sales for the cumulative period was \$694,904,000 as compared with \$613,686,000 a year earlier.

(over)

Waterfowl Report: Waterfowl populations and breeding conditions in North America during the past summer are summarized in a special scientific report issued jointly by the Dominion Wildlife Service, Department of Mines and Resources, and the Fish and Wildlife Service, United States Department of the Interior.

The publication, "Waterfowl Populations and Breeding Conditions-- Summer 1948 (with Notes on Woodcock Studies)", is a compilation of reports made by representatives of the two Services and of wildlife agencies of a number of provinces and states. It is the second of an annual series.

Across Canada: Removal of the Government's Printing Bureau from Ottawa to Hull is to be opposed by the Ottawa municipal authorities, it was decided at yesterday's Board of Control meeting....The old Hotel Vancouver is now being torn down, the Canadian Press reports from Vancouver.





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Thursday, January 6, 1949.

Dollar Holdings \$998,000,000: The Minister of Finance, Mr. Abbott, addressed the Edmonton Chamber of Commerce on January 5. His speech, in part, dealt with the results of the steps taken to correct Canada's exchange difficulties and to establish a closer balance in dollar trade. On this topic he spoke, in part, as follows:

"I am happy to be able to tell you that the programme has worked with increasing success throughout the year. This success is shown in the steady rise in our exchange reserves. A short while ago I said that in future I intended to release the figures of official gold and United States dollar holdings on a quarterly basis. At that time I gave out the figures for September 30 last which then amounted to \$855 million. To-day, I am in a position to announce the preliminary figure for the end of the final quarter of 1948. At December 31st, five days ago, our official holdings of gold and United States dollar exchange had reached \$998 million. This figure compares with the low point of \$461 million on December 17th, 1947, hardly more than a year ago. During this relatively short period our reserves have increased by no less than \$537 million. The December 1948 figure includes the sum of \$150 million, which is the proceeds of the long-term loan sold to three American life insurance companies last August. If we deduct the proceeds of this loan we see that our reserves have increased by \$387 million as a result of our improved trade position.

"I think you will agree that this improvement in our exchange reserves in so short a time is a gratifying achievement. The real significance of the improved position can be seen in the record of our foreign trade during 1948. Exports to all countries during the first 10 months increased from about \$2300 million to \$2500 million, an increase of nearly 10 per cent. Exports to the United States for this period increased from \$850 million to \$1200 million, an increase of over 42 per cent. From the point of view of the main objective of Canadian export policy during this period, namely the increase of exports to dollar markets and the achievement of a closer balance in our trade with the United States, this is a most encouraging accomplishment, indicating in no uncertain terms that the constructive features of the emergency exchange programme are meeting with a very considerable measure of success. While exports to the United Kingdom and Europe showed a decline, they remained on a high level. The off-shore purchase arrangements of the Marshall Plan enabled Canada to send a large amount of exports to the United Kingdom and Europe and to receive payment for a substantial proportion in U.S. dollars...."

Later the Minister warned that to the extent that the progress made was due to restrictions on imports, a program which the Government was pledged to abandon as soon as possible, and to the operation of the Marshall Plan, which was of a temporary nature, we could not look to them as "positive or final solutions."

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Cost of Living Drop: Showing the first decline of any consequence since September, 1945, the Bureau of Statistics cost-of-living index fell from 159.6 to 158.9 between November 1 and December 1, 1948. During the previous month the index had been unchanged, and the decline during November brought the index back to the same figure as recorded for September 1. The latest index standing compares with 146.0 at December 1, 1947, 127.1 at the same date in 1946, and 120.1 in 1945.

The fall of 0.7 points at December 1 was due to a drop in the foods index, all other group indexes being fractionally higher or unchanged. An unusually sharp decrease in the price of eggs and moderate reductions among meats, vegetables and fruits sent the food index down from 204.7 to 202.0 between November 1 and December 1. In the previous month the food index had declined from 205.4 at October 1, making a two-month's decline of 3.4 points.

As expected, the rent index adjusted quarterly, moved upward, from 121.0 to 121.7, the increase representing the net change from September 1 to December 1.

Across Canada: The next annual meeting of the Canadian Chamber of Commerce will be held in Ottawa, October 25-27, it was announced in Montreal yesterday....Air, rail and highway transportation at Winnipeg were tied up yesterday by a 24 hour snow storm, accompanied by 25 mile-an-hour winds, which swept up from the mid-western states.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 6, No. 285

Friday, January 7, 1949.

Cattle And Beef - \$100,000,000: The Minister of Finance, Mr. Abbott, addressed the Western Stock Growers Association at Calgary on January 6. He discussed the contribution made by the agricultural industry to the easing of Canada's exchange problem, and said in part;

"....The increases in exports to the United States occurred in a broad list of goods, but the largest relative gains were in agricultural products. I have already indicated how the concessions in the United States tariff which we obtained in the Geneva Agreements helped to pave the way. Export controls were removed on cattle, beef and coarse grains in accordance with the Government's declared policy of withdrawing emergency wartime controls as soon as circumstances permitted. This combination of measures had immediate results in bringing about a heavy flow of farm products to the United States market.

"Exports of live cattle to the United States jumped from \$11 million in 1947 to nearly \$53 million in the first 10 months of 1948. Exports of beef which were insignificant during 1947 rose to nearly \$15 million. Cattle and beef together accounted for an inflow of no less than \$67 million of United States exchange, and it is estimated that for the full year this figure will exceed \$100 million. You have cause to be proud indeed of the contribution which your industry has made to the easing of Canada's exchange problem and the achievement of a closer balance of trade with the United States during 1948.

"Nor is this the only contribution made by the agricultural industry to the improvement of our trade position. Exports of live and dressed poultry expanded from \$2 million to over \$12 million. Coarse grains, mainly barley and oats, expanded from \$4 million to over \$15 million....

"The expansion of exports and the contraction of imports has pared down the trade deficit with the United States from over \$800 million in 1947 to only \$275 million for the first 10 months. The improvement in our exchange reserves, and more particularly, the manner in which that improvement has taken place, has permitted the Government to introduce progressive relaxation of the trade and travel restrictions....

"Commencing next April Canada will participate in a new series of tariff negotiations with twelve and possibly more countries which desire to become parties to the Geneva Agreement. This should serve to broaden the benefits we have already obtained and help to open new markets for our farms and for our industry...."

Displaced Persons: The Minister of Labour, Mr. Mitchell, has warned Canadian employers to avoid making offers which would attract from their jobs those Displaced Persons who have not yet fulfilled their original employment agreements.

Mr. Mitchell said that, as a condition of coming to Canada, these persons were required to remain in their selected occupations for a definite period. After they had completed their agreements, they were as free to change their employment as any other Canadian.

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Caribbean Exercises: The Minister of National Defence, Mr. Claxton, announced on January 7 that three platoons of Canadian troops commanded by Capt. R.J.G. DesRivieres, of Quebec City, were taking part in current U.S. amphibious exercises in the Caribbean.

Ships of the Royal Canadian Navy are also taking part, the Minister said.

This is in accordance with the arrangement whereby officers and men and training facilities are exchanged from time to time between the two countries.

Groups of Canadian soldiers have joined American forces in similar amphibious exercises in the past. They have been using the facilities of the U.S. amphibious training school near Norfolk, Va., and usually they are invited to take part in any exercises the Americans put on while the course is in progress.

Soil Mechanics' Conference: Canadian workers in the field of soil mechanics recently assembled in Ottawa under the auspices of the Associate Committee on Soil and Snow Mechanics of the National Research Council. This was the second conference of its kind and it brought together practically all those actively connected with this new branch of engineering activity. About sixty engineers and scientists from Nova Scotia to British Columbia met for two days to discuss their common problems.

Mr. Denike's Appointment: The federal Department of Agriculture announces the appointment of Grant Nelson Denike as Superintendent, Dominion Experimental Station, Swift Current, Sask. Previously Mr. Denike was Assistant Superintendent (Agricultural Engineering) at the Swift Current Station.

Across Canada: Scientists have found means of more than tripling the keeping time of fish after they have been caught, it was reported from the annual conference of the Fisheries Research Board of Canada, at yesterday's sitting....A rainstorm driven by winds up to 60 miles an hour in some areas swept the Maritimes yesterday, the Canadian Press reported from Halifax....Two brands of margarine went on sale in Toronto yesterday, it was reported by the Canadian Press.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 7, No. 1

Monday, January 10, 1949.

Spring Cruise Program: Six operational units of the Royal Canadian Navy will participate in a spring cruise program commencing January 28 and continuing for three months, it has been announced by the Minister of National Defence, Mr. Claxton.

During one phase of the program the six-ship R.C.N. task force will carry out joint exercises in Caribbean waters with units of the British and United States fleets.

The Canadian task force will consist of the Halifax-based light fleet carrier "Magnificent" and the destroyer "Haida", and four west coast ships the cruiser "Ontario", destroyers "Athabaskan" and "Crescent" and the frigate "Antigonish".

The "Magnificent's" air component will be 803 and 883 Sea Fury Squadrons and 826 Firefly Squadron of the Royal Canadian Navy.

The schedule has been designed to provide a maximum amount of practical sea training for officers and men of the R.C.N. and R.C.N. (Reserve).

The four west coast ships will leave their Esquimalt base January 28 for Magdalena Bay, Mexico, with the "Athabaskan" and "Crescent" detaching en route to fuel at San Diego, California. After an 11-day work-up period at Magdalena Bay, the group will proceed to San Diego for fuel and for exercises with United States forces.

On completion, the ships will proceed to Acapulco, Mexico, and from there to the Canal Zone and a rendezvous March 16 with the "Magnificent" and "Haida."

On March 19 the Canadian task force will rendezvous in the Caribbean with units of the British West Indies fleet and, after calling at St. John, Antigua, the combined squadrons will sail for Guantanamo Bay, Cuba, linking up en route with the carrier U.S.S. "Midway" and other American units.

On completion of exercises in the vicinity of Guantanamo, the west coast group will depart for home, going by way of the canal and Long Beach, California. They are due back in Esquimalt April 28.

The program for the "Magnificent" calls for her to sail from Halifax January 13 for the United Kingdom, where she will embark the new Firefly V anti-submarine aircraft of 825 Squadron.

Lt.-Gen. Simonds To Return: A two-year exchange of two top-ranking British and Canadian officers will end in August when Lt.-Gen. G.G. Simonds, CB, CBE, DSO, returns from the United Kingdom to take command of the National Defence College and the Canadian Army Staff College at Kingston, Ont.

Gen. Simonds' impending return was announced on January 10 by the Minister of National Defence, Mr. Claxton, who added that the British exchange officer, Maj.-Gen. J.F.M. Whiteley, CB, CBE, MC, present commandant of the colleges, would return to England following Gen. Simonds' arrival.

Since the exchange went into effect in January 1947, Gen. Simonds has been Army Instructor at the Imperial Defence College at Camberley, England. At the same time Gen. Whiteley took command of the Canadian Army Staff College, and, when it opened in January 1948, of the National Defence College.

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Gen. Simonds will take up his new post about a month prior to the commencement of the third National Defence College course on September 3.

1949 World Wheat Outlook: Substantial wheat supplies are a distinct possibility for 1949, observes the Bureau of Statistics in its monthly review of the world wheat situation, but adverse weather in the large producing areas could easily change the outlook.

Weather has already taken its toll of the current wheat harvest in Argentina, where severe November frosts and prolonged drought in some provinces have reduced crop estimates from the 180-million-bushel level to around 150 million bushels, down some 100 million from the previous harvest. Satisfactory maturing weather in Australia has favoured the harvest of a crop now estimated at about 190 million bushels -- some 30 million below last year's crop but still 20 million above the 1935-39 average. Both Argentina and Australia have moderate carry-overs of old grain but, despite this, it is apparent that the contribution of both these countries to world trade during 1949 is likely to be less than in 1948.

With the bulk of the wheat crops in the Northern Hemisphere not ready for harvest until midsummer, any comments about probable production must be in the nature of very tentative forecasts. In Canada it is considered likely that some increase in spring wheat planting may occur in the Prairie Provinces. The minimum initial payment to farmers (\$1.55 per bushel) is known and with decreased prices prevailing for flaxseed and rye a significant diversion of acreage from these crops to wheat may be anticipated.

The largest addition to world wheat supplies in 1949 may again come from the United States.

While few official estimates are available from wheat importing countries, trade advices from Europe indicate that fall wheat sowings in several countries have exceeded or equalled those of a year ago. Weather has favoured fall seeding and germination, and the outlook in areas reported upon is quite generally optimistic.

Across Canada: Eastern Canada enjoyed abnormally mild weather during the week-end but a western cold wave was reported headed eastward. In Halifax, where the temperature reached 74 degrees in the sun, so many golfers were out that they had to queue up at the tees, according to the Canadian Press....A \$3,375,000 ship sale to finance construction of an undisclosed number of modern freighters for Canada's Merchant Marine, was announced last night by John Rosene, President of Western Canada Steamships, the Canadian Press reported from Vancouver.... Culminating three years of work with Canadian architects, town planners and engineers, Jacques Greber, author of the master plan for Ottawa district, this week-end presented his preliminary report to Frederic E. Bronson, Chairman of the National Capital Planning Committee, the Ottawa Journal announced this morning.



# AIRMAIL BULLETIN

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Tuesday, January 11, 1949.

ICAO Communications Session: The continuing growth of international air travel, which has brought with it an increasing necessity for communication between aircraft in flight and ground stations, has produced a serious scarcity of the radio frequencies used in such communication, and has made it necessary to redraft the world pattern of frequency allotment. A draft allotment plan for the international air routes of the 51 nations which are members of the International Civil Aviation Organization will be carefully examined by technical experts at the Third Session of the ICAO Communications Division which begins in Montreal today.

The draft plan was originally prepared at a conference of the International Telecommunications Union, United Nations specialized agency responsible for allocation of all radio channels, which has invited ICAO's help in completing a system to enable civil aviation to get the greatest possible service from the frequencies which are available.

First steps in the allocation program were taken at New Delhi, India, last November, when an ICAO regional meeting coordinated frequency requirements for Southeast Asia. A European frequency meeting is being held in Montreal concurrently with the Communications Division session, and another ICAO regional meeting in London next March will study and coordinate the frequency requirements for the Middle East and African-Indian Ocean areas. The results of these meetings will be consolidated for consideration by the Organization's Air Navigation Commission and Council, and will then be transmitted to the International Telecommunications Union before the end of June 1949.

Living Costs Decrease: Cost-of-living indexes for eight regional cities all showed decreases between November 1 and December 1, ranging from 0.3 points for Vancouver to 1.2 points for Halifax. Over the same period the general index receded 0.7 points.

As in the case of the all-Canada figure, the declines in the indexes for the eight cities mainly reflected easier prices for foods, notably eggs. Meats, fruits and vegetables were fractionally lower at most centres also. Other main groups recorded relatively narrow changes during the month.

Composite city index declines between November 1 and December 1, 1948 were as follows: Halifax, 1.2 to 150.8; Saint John, 0.7 to 155.5; Montreal, 1.0 to 161.5; Toronto, 0.7 to 154.5; Winnipeg, 0.8 to 152.2; Saskatoon, 0.7 to 161.6; Edmonton, 0.6 to 153.6; and Vancouver, 0.3 to 160.8.

Wheat Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on December 30 amounted to 170,945,000 bushels, showing a decline of 1,349,000 bushels from the December 23 figure of 172,294,000 bushels but up 31,278,000 bushels in advance of the corresponding total of 139,667,000 bushels for 1947.

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Soldiers' New Uniforms: Canadian soldiers will be issued new summer uniforms and neat gabardine raincoats along about next May or June. Officials at Army Headquarters said that the new clothing will be ready approximately May 1. At the same time, introduction of a new pattern greatcoat, to be ready next fall, was announced. The new clothing will be worn by all ranks of the Army, commissioned and otherwise.

The new summer walking out dress will be of worsted and will replace the present tropical worsted service dress of officers and the less popular khaki drill worn by soldiers. The gabardine raincoats will replace the various types and shades of waterproof garments now being worn by both officers and men.

R.C.N. Medical Posts: Changes in three of the Royal Canadian Navy's principal medical posts were announced today at Naval Headquarters.

Surgeon-Commander Eric H. Lee, R.C.N., of Saskatoon and Ottawa, has been appointed to the aircraft carrier H.M.C.S. "Magnificent" as Principal Medical Officer. Surgeon Commander Marvin C. Wellman, R.C.N., of Harold, Ontario, succeeds Commander Lee as Atlantic Command Medical Officer and Principal Medical Officer, H.M.C.S. "Stadacona", Halifax. Surgeon Lieutenant-Commander (P) Edward L. G. Alford, R.C.N., of Ottawa, has been appointed Principal Medical Officer of the Naval Air Station, H.M.C.S. "Shearwater", Dartmouth, N.S.

Students' Summer Jobs: The annual survey by the Department of Labour to uncover thousands of summer job openings for university undergraduates is now underway, it has been announced by the Minister of Labour, Mr. Mitchell.

The number of jobs needed would at least equal the 1947 figure which was estimated at 40,000. The campaign is being directed, as in former years, by the Technical Personnel Division, of the Department, and the Executive and Professional Division of the National Employment Service.

Border Traffic: Highway traffic between Canada and the United States was five per cent higher in November than in the corresponding month of 1947, according to the Bureau of Statistics. The cumulative increase for the first 11 months of the year over the same period of 1947 was seven per cent.

McNab Appointment: The appointment of Group Captain Ernest A. McNab, OBE, DFC, of Regina, Sask., as Director of Personnel Administration at Air Force Headquarters, Ottawa, was announced January 10 by the Minister of National Defence, Mr. Claxton. G/C McNab was previously Senior Air Staff Officer, North West Air Command, Edmonton.

Across Canada: Andrew Thomson, of Toronto, Controller of the Meteorological Service of Canada, has been elected President of the Royal Astronomical Society of Canada, succeeding Dr. J. W. Campbell, President for the last two years, the Canadian Press reports from Toronto.... Eastern Canada's abnormally mild weather, which has been the subject of radio and newspaper special commentaries, ended for all but the Maritimes today, as temperatures returned to normal in Ottawa, Montreal and districts.





## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, January 12, 1949.

Mr. Claxton's Address: St. Lawrence Waterways: - The Minister of National Defence, Mr. Claxton, delivered an address at a dinner given at Sault Ste. Marie by the Sault Ste. Marie Regiment on January 11. He mentioned the importance of adequate protection against sabotage or other damage of one of the "vital points in Canada and the United States;" outlined the current and impending development of Army accommodation; and declared that the St. Lawrence Waterways project should be started as soon as possible and pressed to completion in the interests of national defence and international security.

He said that general economic benefits, transportation and communication, and the development of power and iron-ore reserves were reasons which gave the completion of the St. Lawrence urgent priority in joint defence. Completion of the system, he said, would lead to the expansion of civilian economy, which, in turn, would lead to increased ability to arm ourselves for our own defence. Full use of the St. Lawrence would bring the resources of the interior of the continent closer to any possible fighting front and would permit more effective mobilization of the industrial potential of the continent.

Further, he said, the United States and Canada needed the full power potential of the St. Lawrence now. Completion of the waterways would make it possible for the great resources of iron-ore in northern Quebec and Labrador to be made safely available to the smelters of Canada and the United States. (Final text of Mr. Claxton's speech is not yet available.)

Mr. Martin's Speech On Cancer: The Minister of National Health and Welfare, Mr. Martin, on January 11, addressed the Kinsmen Club of Windsor on the subject of, "Canada's Campaign Against Cancer." He said that up until the present time the cancer control program in Canada had fallen short of meeting the problem, and proceeded in part as follows:

"We have reached the turning point in this fight. From now on we are intent on bringing - with the best equipment obtainable and with the mobilization of the most highly skilled personnel that we can muster - every possible aid to the sufferers from cancer to assist in their cure, to alleviate their pain and to improve their chances of survival. In Canada, a vast cooperative effort is now shaping up to build a cancer control program of which we can all be proud."

Construction Records: With an increase of nearly 45 per cent over the preceding year, the value of work performed by the Canadian construction industry soared to an all-time record figure of \$1,256,536,000 in 1947. While increased costs of labour and materials accounted for part of the rise, the number of builders and contractors reporting to the Bureau during the year also climbed to a record total of 26,542, or 2,749 more than in 1946, the Bureau of Statistics reports.

In keeping with the sharp rise in the value of the year's work, employment and salary and wage payments rose steeply. The number of salaried employees and wage-earners increased from 198,851 to 250,330, and the salaries and wages from \$344,893,000 to \$482,907,000. General, trade, sub-contractors and builders reported 204,954 employees as compared with 165,518 in 1946, and salaries and wages totalling \$403,251,000 compared with \$295,283,000.

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All provinces shared in the construction boom in 1947, Ontario and Quebec together accounting as in 1946 for two-thirds of the value of work performed. Ontario's total for the year rose to \$501,651,000 from \$347,616,000, and that for Quebec advanced to \$338,515,000 from \$225,582,000.

New construction was reported to the value of \$1,001,909,000 in 1947, climbing \$424,537,000 or 73.5 per cent over the 1946 valuation of \$557,372,000. Additions, alterations, maintenance and repairs, on the other hand, fell from \$291,289,000 to \$254,626,000, or by 12.6 per cent.

Employment Record: Industrial employment and payrolls both reached record levels at the beginning of November, according to data received by the Bureau of Statistics from 19,488 establishments in the eight major industrial divisions. As compared with October 1, the gain in employment was 0.1 per cent, accompanied by a rise of 0.9 per cent in the weekly salaries and wages.

Based on the 1926 average as 100, the general index number of employment in the eight leading industries at the beginning of November was 203.5 as compared with 203.3 at October 1, and 197.8 at November 1, 1947. As compared with November 1, 1947, there was an increase of 2.9 per cent, accompanied by that of 14.8 per cent in the index of payrolls. Both indexes were at all-time maximums. The indicated weekly earnings averaged \$42.16 as compared with \$41.80 at October 1, and \$37.79 at November 1, 1947.

Radio Station CFHR: Radio station CFHR, newest of the Canadian Army's six radio broadcasting stations in the far north, is now in operation at Hay River, Northwest Territories, Army Headquarters announced on January 11.

Licensed as a 100-watt station by the Canadian Broadcasting Corporation, CFHR takes its place with four other stations of the Royal Canadian Corps of Signals' Northwest Territories and Yukon Radio System in presenting entertainment for military personnel and civilians in isolated northern regions.



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Thursday, January 13, 1949.

Appointments And Transfers: The Department of External Affairs announced on January 12 the following appointments and transfers:

Mr. D. M. Johnson, now head of the American and Far Eastern Division, is being posted to Dublin as Acting High Commissioner in the absence of the Honourable W. F. A. Turgeon who was recently appointed Chairman of the Royal Commission on National Transportation.

Mr. A. F. W. Plumtre will join the Department on January 17. He will be Head of the Economic Division. This post has been vacant since October, when Mr. H. O. Moran was appointed Special Assistant to the Acting Under-Secretary.

Mr. Leon Mayrand who is now Head of the European Division will become the Head of the American and Far Eastern Division. He will be replaced as Head of the European Division by Mr. T. W. L. MacDermot, the Head of the Personnel Division.

Mr. M. Cadieux, of the Personnel Division, has been appointed Acting Head of the Personnel Division.

Canada - U.S. Inquiry: The Department of External Affairs announced on January 12 that the Governments of Canada and the United States have agreed on terms of reference to the International Joint Commission requesting it to investigate complaints of air pollution along the International Boundary in the vicinity of Detroit and Windsor.

The terms of reference request the Commission to investigate complaints that vessels passing through the Detroit River are causing the pollution of air in the vicinity of those two cities. The reference also requests the Commission to ascertain other major factors which might be contributing to this air pollution by the discharge of smoke, soot and fly ash in quantities sufficient to be detrimental to the public health, safety and general welfare of citizens.

The reference, which is made under the provisions of Article IX of the Boundary Waters Treaty signed January 11, 1909, asks the Commission to conduct inquiries and to report to the two Governments upon a number of questions, and also calls for recommendations as to remedial or preventive works which may be considered necessary to prevent pollution of the air in the vicinity of the International Boundary.

Signatories To Convention: The three Scandinavian nations have now become signatories to the Convention on the international recognition of rights in aircraft, according to an announcement made in Montreal on January 13 by Dr. Albert Roper, Secretary General of the International Civil Aviation Organization. Signing of the Convention by Denmark, Norway and Sweden, which were represented by their Ministers to Canada at the ceremony which took place at ICAO headquarters in Montreal, brings the total number of signatory powers to 23.

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The Convention is designed to ensure that legal title and properly-recorded claims against an aircraft will follow it wherever it goes. The terms of the Convention ensure, among other things, that a mortgage placed upon an aircraft in any of the ratifying states will be generally enforceable in all other such states. This is expected to increase the readiness of investors to accept these highly mobile properties as security in financing arrangements.

Nations now signatory to the Convention are: Argentina, Belgium, Brazil, Chile, China, Colombia, Denmark, Dominican Republic, France, Greece, Iceland, Ireland, Italy, Mexico, Netherlands, Norway, Peru, Portugal, Sweden, Switzerland, United Kingdom, United States, Venezuela.

Farm Prices Index: The index number of farm prices of agricultural products moved downward in November for the third successive month. Lower prices for some livestock products and grain largely accounted for a two-point drop to 250.1 from the revised October figure of 252.1. This index reached its peak of 256.0 in August and since that time has declined steadily. While the November figure is below that of the preceding month, it is substantially above the 212.1 established in November, 1947.

Stocks of Dairy Products: Stocks of creamery butter were lower on January 1, totalling 27,129,000 pounds as compared with 46,710,000 on December 1 and 43,818,000 on the corresponding date last year, according to the Bureau of Statistics. The figure for January 1 this year included 5,001,000 pounds of imported butter. Cheese stocks amounted to 34,566,000 pounds as compared with 37,546,000 on December 1 and 30,721,000 a year ago.

Creamery Butter Production: For the second successive month, Canadian production of creamery butter showed an increase in December, gaining 16.4 per cent over the same month of 1947. In November, output was nine per cent greater than a year earlier. The only other increase last year was in June. The month's output amounted to 11,936,000 pounds as compared with 10,254,000 in the corresponding month of 1947.

Department Store Sales: Department store sales increased 18 per cent in December over the corresponding month of 1947, according to preliminary figures released by the Bureau of Statistics.

Across Canada: Ottawa, it was reported in this morning's newspapers, may shelve its plan to annex 13,000 acres of Nepean township. Leave has been granted to Carleton County to appeal the Municipal Board's annexation order, which was to have become effective only if there were no appeals.



# AIRMAIL BULLETIN

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Vol. 7, No. 5

Friday, January 14, 1949.

Army Staff College: Fifty-nine students have been selected to attend the 1949 course of the Canadian Army Staff College which opens at Kingston on Monday, January 17, it was announced on January 14 by the Minister of National Defence, Mr. Claxton.

In addition to 55 officers of the Canadian Army, the list includes two RCAF officers and two British Army officers.

Object of the course is to qualify officers for second grade staff appointments in all branches of the staff and in both field and static formations. The course has been divided into theoretical and practical phases, the first emphasizing tactics and the second half concentrating on the preparation of training syllabi and tactical exercises with and without troops.

A change in command of the college will take place mid-way through the course when Lt.-Gen. G. G. Simonds, CB, CBE, DSO, returns in August from the United Kingdom to replace the present commandant, Maj.-Gen. J.F.M. Whiteley, CB, CBE, MC. These two high-ranking officers figured in a two-year exchange in 1947.

Several changes on the directing staff have been announced. Lt.-Col. A.J.B. Bailey, DSO, MBE, ED, RCA, replaces Lt.-Col. E.S. Tate, RCA; Lt.-Col. R.L. Rutherford, OBE, RCIC, replaces Lt.-Col. N.G. Wilson-Smith, MBE, RCIC; Lt.-Col. P.G.F. Young, British Army, replaces Lt.-Col. T.G.V. Stephenson, OBE, Royal Signals; W/C H.G.M. Colpitts, RCAF, replaces W/C F.W. Hillock, RCAF. Named as an additional member of the directing staff is Lt.-Col. W.T. Shirreff, OBE, RCCS. Other members of the directing staff are Col. W.C. Dick, OBE, director; Lt.-Col. R.T. Bennett, OBE, RCOC; Lt.-Col. E.D. Danby, DSO, RCIC; Lt.-Col. W.B. Kern, U.S. Army; Lt.-Col. J.K.S. Manuel, RCASC; Lt.-Col. C.M. Paradis, OBE, RCAC; Lt.-Col. G.H. Spencer, OBE, RCE. Continuing as general staff officer (grade 2) of the college is Maj. H.L. Brown, RCAC.

Included in the course will be two weeks of joint study with students of the RCAF Staff College from Toronto, three weeks of amphibious and combined operations study, a trip to the Canadian Joint Air School at Rivers, Man., and visits to industrial plants at Ottawa and Montreal. Tactical exercises in the field will be carried out in areas near Napanee, Smiths Falls and Gananoque.

Sir Stafford On Canada: Sir Stafford Cripps, Chancellor of the Exchequer, yesterday said that Canada alone among the hard-currency countries has steadily increased its imports from the United Kingdom since mid-1947, the Canadian Press reported from London, England.

In a review of 1948 achievements in bettering Britain's trade balance, Sir Stafford said further export efforts will be needed in 1949.

"The most important markets to which we must give more attention are the United States and Canada, followed by Argentina in the Western Hemisphere and Belgium and Switzerland in Europe . . ." the Chancellor said in a press conference, the report continued.

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"Only in the case of Canada has there been a steady rise, quarter by quarter, since mid-1947, while exports to Belgium and Switzerland have actually declined in recent months...."

Across Canada; The Board of Transportation Commissioners, reviewing the railway application for higher freight rates, heard conflicting views yesterday on the Canadian Pacific Railway's depreciation allowance charges....Sale and manufacture of margarine was banned in Prince Edward Island yesterday, for the time being at least, by proclamation of the Province's Dairy Industry Act, passed in 1937, but never put into force until yesterday. Premier J. Walter Jones, the Canadian Press reported, said the Act would be referred immediately to the Prince Edward Island Supreme Court for a ruling on its validity.... Premier Douglas of Saskatchewan announced yesterday that the first session of the Saskatchewan's 11th Legislature will commence February 10, according to Canadian Press report from Regina....The Prince Edward Island Legislature will open on February 22, the Canadian Press reported from Charlottetown.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 6

Monday, January 17, 1949.

Surplus \$609,900,000: The Minister of Finance, Mr. Abbott, on January 15, released the statement of the Comptroller of the Treasury covering revenues and expenditures of the Government of Canada for the period April 1 - December 31, 1948.

According to this statement the total revenues of the Government for the month of December, 1948, amounted to \$220.2 millions, while total expenditures amounted to \$170.3 millions, resulting in a surplus of revenues over expenditures for the month of \$49.9 millions. This brings the Government's total "budgetary surplus" for the first nine months of the current fiscal year up to a figure of \$609.9 millions, which compares with a similar surplus of \$646.2 millions accumulated by this same date a year ago.

Commenting on the Comptroller's statement, Mr. Abbott again stressed the interim nature of these monthly figures and pointed out that although further increases in the "budgetary surplus" are expected in each succeeding month between now and next March it is likely that such increases will be wholly or at least largely offset by certain expenditures of substantial amount which are ordinarily not recorded in the Government's accounts until right at the end of the year.

Credit Balance With U.S.: Canada's unfavourable trade balance with the United States in 1948 -- already substantially cut from 1947 -- was whittled slightly lower in November when domestic and foreign exports to that country exceeded Canadian purchases by approximately \$1,500,000 to reduce the debit figure from \$275,400,000 at the end of October to \$273,700,000. This compares with an adverse balance of \$884,200,000 at the end of November, 1947, reports the Bureau of Statistics.

Both import and export trade with the United States in November reached the highest value for any month in 1948, but imports were below the corresponding month of 1947 while exports were sharply higher. The former were valued at \$163,500,000 as compared with \$174,400,000 a year earlier, and exports at \$163,300,000 against \$92,900,000. Re-exports of foreign produce at \$1,700,000 accounted for the slight excess of Canadian sales over imports. The latest result compares with an adverse balance of \$79,800,000 in November, 1947.

In trade with the United Kingdom, Canada had a favourable balance of \$28,600,000 in November as compared with \$36,500,000 in October and \$51,600,000 in November, 1947. For the 11 months ending November, the credit balance aggregated \$365,200,000, down from \$511,800,000 for the similar period of the previous year.

Canada's total merchandise trade in November amounted to \$534,500,000. Imports were valued at \$238,200,000, domestic exports at \$293,900,000 and foreign exports at \$2,400,000, making the favourable balance of trade with all countries slightly above \$58,000,000.

During the 11 months ending November, total trade reached \$5,195,700,000 as against \$4,920,700,000 in 1947.

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Merchandise Imports Up: Imports entered for consumption were valued at \$238,200,000 in November, down slightly from the year's monthly high total of \$243,400,000 for October, but \$9,100,000 higher than in November, 1947. This brought the cumulative total for the 11 months ending November to \$2,405,000,000, slightly above the \$2,379,800,000 shown for the similar period of 1947, according to the Bureau of Statistics.

Merchandise imports from the United States were again lower in November, falling to \$163,465,000 from \$174,388,000 in the corresponding month of 1947, bringing the aggregate for the first 11 months of the year to \$1,646,409,000 as against \$1,833,016,000 in the like period of 1947.

Continuing the recent upward movement, imports from the United Kingdom advanced to \$28,319,000 in November from \$17,846,000 in the same month of 1947, and in the 11 months to \$274,869,000 from \$169,115,000 a year ago.

Across Canada: The Prime Minister, Mr. St. Laurent, on Saturday, addressed Army officers at the inauguration of the Royal 22nd Regiment's new quarters in Quebec Citadel, after a tour of the defence establishments in Quebec district in company with the Minister of National Defence, Mr. Claxton....The Minister of Finance, Mr. Abbott, addressed the Canadian Women's Club of New York at its fifth annual luncheon Saturday....Maximum temperatures on Sunday reached new record highs for that date at Toronto, Montreal and other stations. The high at Toronto was 52, at Ottawa, 40....Five stores, a hotel, a Roman Catholic church and a private residence were destroyed by fire Sunday in the heart of the business section of Coaticook. Unofficial estimates of damage ranged between \$750,000 and \$1,000,000.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, January 18, 1949.

**New High Wage Average:** Average weekly wages of the hourly-rated personnel employed by leading Canadian manufacturers rose to a new high figure of \$41.16 during the week ending November 1. This was 48 cents higher than the October 1 figure of \$40.68, previously the maximum, and \$4.82 in advance of the November 1, 1947 average of \$36.34, according to the Bureau of Statistics.

A new high figure was also shown for hourly earnings, the general average for the week of November 1 standing at 95.5 cents as compared with 94.6 during the week of October 1 and 84.7 a year ago. Revisions in the wage rates in animal food products, lumber products, beverages and other industries, together with the release of lower-paid seasonal labour in canneries, contributed to the increase over October 1.

Wage-earners worked an average of 43.1 hours during the week ending November 1 as compared with 43 hours in the week of October 1 and 42.9 a year earlier.

**ICAO Trainee Program:** Six men have been chosen from the International Civil Aviation Organization's 51 member nations to participate in ICAO's second trainee program, Dr. Albert Roper, Secretary General, has announced at Montreal. The successful candidates will report to ICAO headquarters in Montreal on January 17, and will spend a six-month period studying and taking part in the work of the Organization. Upon completion of the half-year term, they will return to the service of their home governments, and there will help in maintaining liaison with ICAO.

The new trainees are:

- |                     |   |
|---------------------|---|
| Bolivia:            | V. E. Soliz Rodriguez, now chief of the Commercial Section of the Bolivian Directorate-General of Civil and Commercial Aeronautics. |
| Denmark:            | Einer Rasmussen, Secretary to the Danish Directorate of Civil Aviation.   |
| Dominican Republic: | Juan B. Cambiaso V., Meteorological Member of the Dominican Civil Aeronautical Commission.  |
| Haiti:              | Gérard J. Nau, attached to the Economic and Commercial Division of the Haitian Department of Foreign Affairs.                       |
| India:              | T. K. S. Murthy, Aviation Student.  |
| Italy:              | Paoletti Arcangelo, Airport Director, l'Urbe Airport, Rome.   |

The first trainee program conducted by the International Civil Aviation Organization was completed in June, 1948, and included trainees from Argentina, Bolivia, France, Greece and the Netherlands.

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Dental Officers In U.S.: Two officers of the Royal Canadian Dental Corps are attending special courses in the United States.

Major I.A.L. Millar, senior dental officer at HMCS Naden, Esquimalt, B.C., is a candidate on the general post-graduate course at the United States Dental School, National Naval Medical Centre, Bethesda, Md.

Major T.L. Marsh, of the Royal Canadian Dental School, Ottawa, is attending the advanced dental course at the United States Army Medical Department Research and Graduate School, Walter Reid Hospital, Washington, D.C.

These courses are designed to acquaint experienced dental officers with recent advances and newly developed specialized procedures in dentistry. In addition, advanced instruction is provided in highly technical aspects of the profession.

Wheat Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on January 6 amounted to 169,702,000 bushels, down 1,243,000 bushels from the December 30 total, but up 32,657,000 bushels over last year's corresponding total of 137,045,000 bushels, according to the Bureau of Statistics.

Unemployment Up 40,000: Total nonagricultural employment in Canada increased about 75,000 from the first week of September to the week ending November 20, while, as a result of the seasonal decline in farm activity, employment in agriculture fell about 260,000. Unemployment reached 106,000, about 40,000 higher than in early September. At the same time the civilian labour force, made up of the employed and unemployed, declined about 45,000, dropping below 5,000,000 for the first time since the survey in February, 1948, the Bureau of Statistics reports.

Foreign Vehicles Record: The number of foreign vehicles entering Canada on traveller's vehicle permits in 1948 was 1,824,000, a new record for this type of traffic and 10 per cent higher than the previous high mark established in 1947. All provinces shared in the increase over the preceding year except British Columbia which suffered from the effects of floods in May and June.

Across Canada: Roman Catholic lay teachers closed up 25 Montreal schools yesterday in a wage strike in defiance of suspension threats by the Catholic School Commission and a warning from Premier Duplessis that their walk-out was unlawful and an "act of sabotage," the Canadian Press reported from Montreal....Senator C.P. Beaubien died in his Outremont home last night, aged 78....The Minister of Agriculture, Mr. Gardiner, said in an interview last night that while British Canadian negotiations have not been completed, it was expected the 1949-50 wheat price would be "not less than \$2 a bushel," the Canadian Press reported.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, January 19, 1949.

U.K.-Canada Trade Committee; The United Kingdom-Canada Continuing Committee on Trade and Economic Affairs, which was formed following Sir Stafford Cripps' visit to Canada last September, will hold its first meeting in London on January 25 under the Chairmanship of Mr. N. A. Robertson, Canadian High Commissioner in the United Kingdom.

The Committee is to meet alternately in London under the Chairmanship of the Canadian High Commissioner in the United Kingdom, and in Ottawa under the Chairmanship of the United Kingdom High Commissioner in Canada.

This Committee was established as a means of ensuring continued and close liaison between official representatives of the two countries. Through this Committee consultation will take place on commercial and economic matters of mutual concern, and especially on measures which both countries might adopt to ensure the greatest trade possible between them. Consequent upon such consultation, the members of the Committee will report to their respective Governments.

The Canadian members are:

Mr. N. A. Robertson, Canadian High Commissioner in the United Kingdom  
Mr. M. W. Mackenzie, Deputy Minister, Department of Trade and Commerce  
Dr. G. S. H. Barton, Deputy Minister, Department of Agriculture  
Mr. J. J. Deutsch, Director, International Economic Relations,  
Department of Finance

The United Kingdom members are:

Sir John Woods, K.C.B., M.V.O., Permanent Secretary of the Board  
of Trade  
Sir Henry Wilson Smith, K.C.B., K.B.E., Second Secretary at the  
Treasury  
Mr. F. G. Lee, C.M.G., Permanent Secretary, Ministry of Food

.....

Sir Percivale Liesching, K.C.B., K.C.M.G., Permanent Under-Secretary  
of State, Commonwealth Relations Office, will  
also attend.

Payroll Savings Record: A new Payroll Savings record of \$118,000,000 was achieved in the sale of Canada Savings Bonds Series Three, it was announced on January 19 by the Minister of Finance, Mr. Abbott. The Payroll Sales record, coupled with general sales totalling more than \$121,000,000, brought the total of Series Three Bonds sold in 1948 up to nearly \$240,000,000. In all, 815,000 individuals had purchased these bonds up to December 31, including 566,000 who subscribed on the Payroll Savings Plan.

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The fact that Payroll Sales were higher than in either 1946 or 1947, Mr. Abbott said, could be regarded as testimony to the desire of Canadians to continue the habit of thrift which was so widely developed in this country during the war years. He pointed out that, for the third year in succession, the number of applications received through the Payroll Savings Plan represented more than 40% of all employees in those establishments which made the plan available. No other country offering similar savings plans has enjoyed such substantial participation from its citizens.

It is expected that the Third Series will remain on sale until the summer of 1949.

Aid For Crippled Children: Increased medical services for crippled children in northern Ontario are being planned and will be financed with funds from the federal Government's health grants.

This was announced on January 19 by the Minister of National Health and Welfare, Mr. Martin, who said that the federal Government had concurred in a project submitted under the terms of the crippled children's grant of the National Health Plan by Hon. Russell T. Kelley, Ontario's Minister of Health.

The plan calls, first of all, for a survey of the more remote areas of the northern section of the province to determine the number of children suffering from crippling diseases. Then a clinic team will be sent to strategically located centres to examine crippled children from that district and to advise on proper treatment.

Electricity Output: All-Canada production of electric energy by central electric stations was slightly greater in November than in the corresponding month of 1947, while in the 11 months to the end of November it was slightly less than in 1947. Among the principal power-producing provinces, Quebec and Manitoba showed decreases in the month; in the 11 months, Quebec alone registered a decline, the Bureau of Statistics reports.

Total for the month amounted to 3,638,095,000 kilowatt hours compared with 3,780,796,000 in October and 3,613,726,000 in November, 1947. The cumulative total for the 11 months ending November was 40,931,797,000 kilowatt hours as compared with 41,256,633,000 in the similar period of 1947.

Civil Aviation In September: Canadian scheduled and non-scheduled air carriers both had credit balances on their September operations, according to figures for the month released by the Bureau of Statistics.

Earnings of scheduled carriers amounted to \$2,826,450, showing an increase of 32 per cent over the September, 1947 figure of \$2,138,550. Operating expenses also increased but by a smaller amount and net operating revenues were increased from \$14,544 to \$251,578. This wiped out the operating loss for the first eight months and produced a credit of \$24,589 as against a debit of \$2,002,061 for the corresponding period in 1947.

Special Radar Unit: Formation of a special radar and communications unit of the R.C.A.F. in Montreal, the first of a series of technical training units planned to provide Canada with a reserve of trained radar and communications technicians, was announced in Montreal on Tuesday by the Minister of National Defence, Mr. Claxton, the Canadian Press reported.

Across Canada: W.F.A. Turgeon, High Commissioner at Dublin, will sail for Canada on Friday to take over the chairmanship of the Royal Commission of inquiry on national transportation, the Canadian Press reported from Dublin....New Brunswick's ninth consecutive surplus, \$2,032,418 on ordinary account for the fiscal year ended October 31 last, was revealed in the annual financial statement released last night from Fredericton, the Canadian Press reported...Henry Fraser Munro, Nova Scotia Superintendent of Education for nearly a quarter of a century, died at Halifax last night at the age of 71, the Canadian Press reported.



## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS  
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Thursday, January 20, 1949.

Appointments And Transfers: The Prime Minister, Mr. St. Laurent, on Wednesday, January 19, announced the following appointments and transfers:

Parliamentary Assistants:

Hugues Lapointe, M.P., Lotbinière, Que., to External Affairs  
(from National Defence);

Joseph Adeodat Blanchette, M.P., Compton, Que., to National  
Defence;

James Sinclair, M.P., Vancouver North, to Finance;

Loran Ellis Baker, M.P., Shelburne-Yarmouth-Clare, N.S., to  
National Defence.

Public Service and Diplomatic:

A.D.P. Heeney, as Under-Secretary of State for External  
Affairs, effective March;

Norman A. Robertson, as Clerk of the Privy Council and Secretary  
to the Cabinet, effective March;

L.D. Wilgress, as High Commissioner in the United Kingdom,  
effective March;

E.H. Coleman, to be head of a diplomatic mission;

Charles Stein, as Under-Secretary of State;

Gordon Mills, as Associate Deputy Minister of National Defence  
(Controller General of Inspection  
Services);

C.M. Drury, as Deputy Minister of National Defence;

J.R. Baldwin, as Chairman of the Air Transport Board;

James Y. Murdoch, Toronto, and

William Q. Stobo, Quebec, to National Battlefields Commission.

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William E. Mitchell, barrister, to be a Judge of the Superior  
Court for the District of St. Francis (P.Q.)

Wheat Agreement: Representatives of the United Kingdom and Canadian Governments have had discussions on the price to be paid by the United Kingdom for Canadian wheat in 1949-50, the fourth and final year under the United Kingdom-Canadian Wheat Agreement of 1946. After taking into account all

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relevant considerations, including but without attempting to reach a final settlement of the United Kingdom obligations under Clause 2 (b) of the agreement, the two Governments have agreed upon a price of \$2.00 per bushel, the Government announced on January 20.

The two Governments have also agreed that their representatives shall meet not later than 31 July, 1950, to settle any obligations of the United Kingdom which may then still be outstanding under Clause 2(b) of the Agreement. The extent to which any such obligations will remain will depend largely upon the actual prices ruling for wheat during 1949-50.

Canadian Military Observers: The nomination of four Canadian military observers to the United Nations' Kashmir Commission was announced on January 20 by the Minister of National Defence, Mr. Claxton, and the Secretary of State for External Affairs, Mr. Pearson.

Mr. Claxton said four Canadian Army officers had been selected. They are Brig. A.V. Tremaine, CBE, 52, Ottawa; Lt.-Col. H.H. Angle, DSO, ED, 45, Kelowna, B.C.; Major W.H.L. Sellings, 37, Winnipeg, and Major M.F.P. Vallee, 32, Quebec City.

Eight countries, including Canada, have been invited to send observers and are doing so, Mr. Pearson stated. They are the Argentine, Belgium, Brazil, Canada, Mexico, Norway, Sweden, and the United States of America. The requirements were that all such observers should be English-speaking officers and from countries not immediately concerned with the differences between Pakistan and India. Further, they would be selected from countries having no colonial possessions in the Far East.

The principal duty of the observers will be to assist the military adviser to the Commission, Lt.-Gen. Maurice Delvoie of Belgium, in the supervision of cease-fire arrangements in the State of Jammu and Kashmir.

All four Canadian observers have been called out to active duty with the Canadian Army and seconded to the Department of External Affairs. They will assemble at Ottawa next week before leaving for the United Nations' headquarters, New York. From there they will travel by air to Kashmir via New Delhi.

Across Canada: The British Columbia Electric Company last night put Vancouver and the rest of British Columbia's lower mainland on a power ration, the Canadian Press reported from Vancouver....The Quebec Government introduced at the opening of the Provincial Legislature yesterday a draft labour code which would ban Communists and sponsors of subversive doctrines from executive positions in labour unions in the province, according to the Canadian Press report....A gale which swept across southern Ontario caused an estimated million dollars damage.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, January 21, 1949.

"A Policy For Peace": The Secretary of State for External Affairs, Mr. Pearson, on January 20, delivered an address over the Trans-Canada network of the CBC, entitled, "A Policy For Peace." He spoke of the "limitations" of the United Nations, caused, he said, by the members of the United Nations having fallen into two conflicting and suspicious groups, one of which was the communist group led by Soviet Russia, which, he added, "does not wish to see the United Nations used in a manner which will promote a peaceful reconstruction of the free world." He then proceeded, in part, as follows:

"We must, however, make the best of this difficult situation. Sooner or later, if not on any basis of genuine friendship, at least on one of mutual toleration, the issues between the Western world and the U.S.S.R. may be reduced to the extent where genuine co-operation is possible. On our part, we must do nothing to hinder the arrival of that day. At the same time, let us not be deceived by those phony olive branches, which now seem to be waving here and there in Europe on orders from Moscow. Communism is never so dangerous as when it begins to appease. Let us not forget that while communists change their tactics, their deadly strategy of revolution is fixed and permanent. Their own leaders have made that clear by their own words, designed to be read not by a gullible public abroad but by their own people at home.

"Our foreign policy, then, must be based on the realities and dangers of the existing situation. One of these is the communist menace. Another is the fact that we cannot now rely on the Security Council of the United Nations to take effective action to deal with serious threats to the peace or major acts of aggression from the only source from which they are likely to come. Without sacrificing our long term objectives, therefore, we must take other means to deal with the immediate position. This is why the Canadian Government has given its full support to the discussions which are now taking place regarding a North Atlantic Security Pact...."

Fisheries Conference: The Secretary of State for External Affairs and the Minister of Fisheries announced today the composition of the Canadian Delegation to the Northwest Atlantic Fisheries Conference to be held in Washington beginning January 26, 1949.

Head of Delegation

Mr. Stewart Bates, Deputy Minister of Fisheries

Alternate

Dr. A. W. H. Needler, Assistant Deputy Minister of Fisheries

Advisers

Mr. S. V. Ozere, Department of Fisheries

Mr. F. M. Tovell, Department of External Affairs

Secretary to the Delegation

Mr. F. H. Wooding, Department of Fisheries

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The Conference is being convened by the United States Government to discuss joint international co-operation in the investigation and, where necessary, the conservation of the fishery resources of the Northwest Atlantic.

Invitations to the Conference have been extended to the following countries which are actively engaged in fishing operations in the waters of this area: Denmark, France, Iceland, Italy, Newfoundland, Norway, Portugal, Spain, and the United Kingdom.

Value Of Inventories: Advance information points to a very slight rise in the value of inventories held by Canada's manufacturing industries during November, states the Bureau of Statistics. Of the main industry groupings, inventories in the consumers' goods industries appear to have decreased in value to a small extent. Inventories in the producers' goods industries have risen, though not as much as in October. Stocks held in the capital goods industries have also increased, reversing a two-month fall in this group.

Cigarettes Released Higher in November: Releases of cigarettes for consumption in Canada increased to 1,479,000,000 in November from the preceding month's figure of 1,429,000,000, and 1,366,000,000 in the corresponding month of 1947, according to the Bureau of Statistics. This brought the cumulative total for the first 11 months of 1948 to 14,492,000,000, an increase of almost five per cent over the similar period of 1947.

Cigar releases in the month, at 20,800,000 were the highest since October, 1947, when 21,200,000 were released. The November figure compares with 17,900,000 in October, 1948 and 19,000,000 a year earlier. Cut tobacco releases in November rose to 2,343,000 pounds from 2,301,000 in October and 2,120,000 a year earlier, while plug tobacco at 217,000 pounds increased from 199,000 in October but fell from the November, 1947 total of 230,000 pounds.

Strikes Summary: Time loss through work stoppages arising from industrial disputes in Canada during 1948 was only a little more than one-third of the total time loss in 1947, it was shown by a preliminary summary of strikes and lockouts for 1948, issued on January 19 by the Minister of Labour.

Preliminary figures show 148 strikes and lockouts in 1948 involving 41,234 workers, with a time loss of 898,405 man-working days--a drop in time loss of 1,498,935 man-work days from the 1947 figure. There were 236 strikes in 1947, involving 104,120 workers and a time loss of 2,397,340 days.





## AIRMAIL BULLETIN

INFORMATION DIVISION  
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Monday, January 24, 1949.

International Trade Fair: Preliminary review of initial applications received for exhibitors' space at the 1949 Canadian International Trade Fair indicate that the Textile and Apparel group will again occupy greater floor space than any other of the twenty-one trade classifications in the mammoth show. It will be held again in the Exhibition Grounds, Toronto, from May 30 to June 10.

Special interest will be roused by the composite exhibit of British textiles which is expected to occupy from 15,000 to 20,000 square feet, according to Sir E. Raymond Streat, CBE, Chairman of the British Textile Committee on Exhibitions and Fairs. Among the associated groups said to be reserving substantial space are 25 members of the National Wool Textile Export Corporation, and members of the Furnishing Fabric Federation and the rayon industry in the United Kingdom.

The Czechoslovak textiles which attracted so much attention, and were reported to have done very substantial business at the first Trade Fair, will be back in full force. Particularly noteworthy among the newcomers will be the 1200 square feet reserved for the Union Textile of France, whose famous fashion fabrics were not represented at the 1948 Fair. Up until this date there have been reservations for space to exhibit textiles from three countries not represented in this classification last year, and several additional newcomers are expected. It would appear now that Canadian textiles, which led the field in point of space occupied last year, will probably take second place to the United Kingdom in 1949.

Steel Ingot Increase: For the first time in history, Canadian production of steel ingots last year exceeded 3,000,000 tons. With December output, in spite of the holiday season, well up to the level of the preceding months, the year's total reached 3,089,027 tons, according to the Bureau of Statistics, showing an increase of 234,495 tons over the 1947 aggregate of 2,854,532 tons.

Last year's record output compares with the previous top figure of 2,958,906 tons in the wartime year 1942. Production amounted to 2,846,736 tons in 1943, advanced slightly to 2,878,407 in 1944, then declined to 2,747,206 in 1945 and still further to 2,253,437 in 1946. During the last two years production has thus risen about 37 per cent. Indicative of the year's gain, the daily average for 1948 increased to 8,440 tons from 7,821 in 1947.

Wholesale Sales Up: Dollar volume of wholesale sales in November was two per cent below the October level, but seven per cent in excess of November 1947, according to the Bureau of Statistics. Cumulative sales for the 11 months ending November were four per cent higher than in the similar period of 1947. The general unadjusted index of sales, on the base 1935-39=100, stood at 316.2 compared with 321.9 for October and 295.0 for November, 1947.

68,103 Dwellings: During November an estimated 9,701 dwelling units were completed in Canada, bringing the estimated total for the 11 months of 1948 to 68,103 units. November completions were the highest for any month in 1948, comparing with the previous high of 8,164 in October.

During the 11 months of 1948, construction was commenced on 86,348 units and at the end of November the number under construction stood at 61,093. In November, 7,795 units were started as compared with 7,437 in October.

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Wheat Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on January 13 amounted to 156,687,000 bushels, showing a decline of 3,015,000 bushels from the January 6 figure of 169,702,000, but up 31,837,000 bushels over last year's corresponding total of 134,850,000, according to the Bureau of Statistics.

Physical Fitness Appointees: J. H. Ross of Calgary, Ernest Lee of Vancouver and Dr. W. C. Ross of Halifax have been re-appointed members of the National Council on Physical Fitness, the Minister of National Health and Welfare, Mr. Martin, announced on January 22.

Rail Earnings Up: During October last year Canadian railways earned a record \$82,839,900 from operations, an increase of 4.2 per cent over the previous monthly high of \$79,481,743 in September and of 13.6 per cent over the earnings of \$69,820,158 in October a year earlier. Normally, October is the most active month of the railway year in Canada.

Across Canada: Right Hon. Anthony Eden told a news conference in Ottawa on Sunday, according to a Canadian Press report, that exchange problems, no matter how vexatious, will never alter the widespread and deep affection for Canada that exists in Great Britain....The Newfoundland Supreme Court on Saturday rejected an appeal from a judgment by Mr. Justice Dunfield, who recently dismissed a case in which former members of the last Newfoundland Legislature sought to prevent confederation with Canada, The Canadian Press reported from St. John's....Regina's municipal transportation system was crippled Sunday when a fire destroyed 75 per cent of the rolling stock.



# AIRMAIL BULLETIN

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Tuesday, January 25, 1949.

Appointments: The Secretary of State for External Affairs announced today the following appointments:

Mr. Charles Pierre Hébert, who has been Envoy Extraordinary and Minister Plenipotentiary of Canada in Cuba, has been appointed Ambassador Extraordinary and Plenipotentiary of Canada in Mexico, to succeed Mr. Sydney David Pierce, who was recently appointed Associate Deputy Minister of the Department of Trade and Commerce.

Mr. R. G. Riddell, Head of the United Nations Division, has been appointed Special Assistant to the Secretary of State for External Affairs.

Mr. John W. Holmes, who was First Secretary and Chargé d'Affaires at the Canadian Embassy in Moscow from November, 1947, to September, 1948, has returned to Ottawa and has been appointed Acting Head of the United Nations Division.

Liverpool Office: The Minister of Mines and Resources, Mr. MacKinnon, on January 21, announced the re-establishment of Canadian immigration facilities at Liverpool, England.

Pointing out that immigration offices are already in operation at London, and at Glasgow, Scotland, the Minister said that the re-opening of an office at Liverpool would facilitate the movement to Canada of residents of the United Kingdom. The Liverpool office was closed during World War II. The new immigration quarters are at 34 Moorfields Street.

Mr. MacKinnon stated that the opening of additional immigration offices in the British Isles is under consideration.

Anti-Submarine Course: Twelve R.C.N. pilots and observers who, as aircrew of the navy's Firefly planes are specializing in anti-submarine operations, are attending a five-week anti-submarine course at the United States Naval Air Station at San Diego, California, Naval Headquarters announced on January 25. The course, which commenced January 24, will be devoted largely to familiarization with anti-submarine equipment with which the R.C.N.'s Firefly Mark V aircraft are to be fitted. The first of these are to be embarked by H.M.C.S. "Magnificent" in the United Kingdom early next month.

Concurrently with the San Diego course, another of three weeks' duration will be conducted at the Royal Navy's Anti-submarine School at Londonderry, Northern Ireland, for pilots and observers of 825 Squadron who are to man the new Firefly V's. This course will also be attended by two R.C.A.F. officers, one from 10 Group Headquarters, Halifax, and the other from the Search and Rescue unit, Greenwood, N.S., who have made the overseas trip in the "Magnificent".

Prices and Price Indexes: Price movements in Canada during the nine years 1939 to 1947, embracing war and postwar years, will long remain a fertile field for students of prices, states the Bureau of Statistics in its publication "Prices and Price Indexes, 1944-47" -- the 21st in a series dating from 1918-1922.

Although the over-all increase in the cost-of-living index between August, 1939 and December, 1947 was 44.8 per cent, advances in indexes for budgetary groups varied widely from this average increase, the publication reports. Comparable figures showing the average price rise recorded for principal budget groups were as

(over)

follows: foods, 80.0; rent, 15.5; fuel and light, 21.5; clothing, 59.1; homefurnishings and services, 53.5; and miscellaneous items, 18.3.

Taking account not only of the increases shown by these groups, but also of their comparative importance in calculating the rise of 44.8 per cent in the total index, price changes in each budget group made the following contributions to the over-all increase: foods, 24.5; rent, 2.9; fuel and light, 1.3; clothing, 7.1; homefurnishings and services, 4.8; and miscellaneous items, 4.2.

Across Canada: Two round trips by a light RCAF plane completed the rescue Saturday of 12 men who had spent 34 hours on an ice floe in Hudson Bay after a crash landing in the course of a 4,000 mile round-trip mercy flight into the Arctic, the Canadian Press reported from Churchill.... Freezing rain, causing ice-coated streets and sidewalks throughout southern Ontario, sent 220 persons to hospitals for broken bones and bruises in Toronto alone yesterday.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 13

Wednesday, January 26, 1949.

Opening Of Parliament: The Speech from the Throne, read by His Excellency, the Governor General, at the opening of Parliament today, mentioned in the opening paragraph the negotiation of a North Atlantic Security Pact, touched upon the economic progress being realized in Western Europe, noted Canada's good crops and the impending entry of Newfoundland into Confederation, then outlined the legislative programme of the current session as follows:

"...Amendments to the Supreme Court Act to make the Supreme Court of Canada the court of last resort for Canada will be submitted for your consideration.

"You will be asked to approve, subject to the approval of the United States authorities, the agreement concluded in 1941 for the Development of Navigation and Power in the Great Lakes-St. Lawrence Basin.

"You will be asked to make the further legislative provision necessary to implement the agreements for the sale of agricultural products to the United Kingdom.

"With a view to assisting in the restoration of world trade, so vital to general security and our own prosperity, Canada participated in formulating the Charter for the International Trade Organization and the General Agreement on Tariffs and Trade, which will be submitted for your approval. Within the next few months Canada will engage in further negotiations with thirteen other countries to broaden the scope of the tariff concessions which we obtained at Geneva in 1947. The Government will continue to press vigorously for the lowering of tariff and other barriers and, as quickly as possible, the expansion of trade on a multilateral basis.

"Meanwhile the Government is seeking to remove specific obstacles to the continued sales of Canadian products in our traditional export markets, and to that end is co-operating closely with the nations concerned in the implementation of the European Recovery Programme.

"The Continuing Committee established by the Governments of Canada and the United Kingdom to review the progress of trade between the two countries is presently meeting in London.

"In the interests of both domestic and foreign trade, legislation will be introduced with the object of promoting extensive and adequately safeguarded use of the national trade mark "Canada Standard" associated with goods which conform to prescribed standards, and of requiring proper labelling of goods to prevent deception of the public.

"Improvement in our United States dollar position has resulted in the removal of certain restrictions imposed in November, 1947. Further restrictions will be removed as the position improves. So long as trading and financial conditions remain unstable, a degree of control over foreign exchange will be required. You will, accordingly, be asked to extend the Foreign Exchange Control Act for a further period.

"The Report of the Royal Commission on Prices will be laid before you as soon as it has been submitted to the Government.

"Your approval will also be sought for legislation to continue in force steel control and a limited number of price controls including control over the rental of housing accommodation.

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"You will be asked to make legislative provision for governmental assistance by loan to the producers of basic steel for the purpose of increasing production.

"The Governments of the provinces have been advised that the Federal Government is prepared to discontinue rent control in any province in which the Government expresses the desire to assume the jurisdiction.

"The provision of housing has received and continues to receive close attention. More new housing units were provided during the last calendar year than ever before.

"Your approval will be sought for the establishment of a Department of Reconstruction and Development to continue the functions now vested in the Department of Reconstruction and Supply, including the ministerial responsibility for the Central Mortgage and Housing Corporation.

"A measure for assistance in the provision of a transcontinental highway will also be laid before you.

"A Royal Commission has been appointed to enquire into and report upon all questions of economic policy within the jurisdiction of Parliament arising out of the operation and maintenance of national transportation. Together with the findings of the investigation by the Board of Transport Commissioners, the Report of the Royal Commission should furnish Parliament and the Government with the basis for a sound transportation policy.

"The National Health Programme, inaugurated by the Government last year, is receiving co-operation from all the provinces. In supplementing provincial health measures, the programme has already made a contribution to the health facilities of Canada and will thereby bring increasing benefit to our people.

"A Bill will be introduced to broaden the scope of the Family Allowances Act, as a further instalment of the policy of the Government to provide a national standard of social security and human welfare designed to assure the greatest possible measure of social justice for all Canadians.

"The organization of the armed forces to provide for unification and coordination has been pressed forward. Steady progress has been made in the recruitment and training of officers and men of the active and reserve forces, so that the Navy, Army and Air Force may be in a position to meet the defence needs of Canada as these may change from time to time.

"Conditions of service in the armed forces are being further improved, and as rapidly as the results of research can be adequately tested, additional equipment is being made available. Amendments to existing legislation with respect to the armed forces will be recommended for your consideration.

"Other measures to which your attention will be directed include Bills respecting Forest Conservation, Overseas Telecommunications, the Control and Regulation of Interprovincial and International Pipe Lines, and assistance for the Canadian Shipbuilding Industry. Your approval will be sought for measures to amend the Industrial Development Bank Act, the Emergency Gold Mining Assistance Act, and the Prairie Farm Assistance Act.

"It is the view of my Ministers that there should be an examination of the activities of agencies of the Federal Government relating to radio, films, television, the encouragement of arts and sciences, research, the preservation of our national records, a national library, museums, exhibitions, relations in these fields with international organizations, and activities generally which are designed to enrich our national life, and to increase our own consciousness of our national heritage and knowledge of Canada abroad. For this purpose, the Government intends at an early date to establish a Royal Commission...."

Across Canada: The Prime Minister, Mr. St. Laurent, announced yesterday the appointment of three new Senators. They are J. Gordon Fogo, K.C., of Halifax; J.C. Davis, of Winnipeg; and Thomas Wood, Regina....Salary boosts of ten to twenty dollars a month for 4,300 civil servants in lower grades were announced yesterday, constituting the fourth batch of increases since announcement last December of general salary increases for members of the armed forces and the public service.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, January 27, 1949.

**Dr. Coleman's Appointment:** The Secretary of State for External Affairs announced on January 26 the appointment of Dr. E. H. Coleman, former Under-Secretary of State, as Envoy Extraordinary and Minister Plenipotentiary of Canada in Cuba. This announcement was made as soon as the Canadian authorities had received a reply to the request which it is customary to address to a foreign Government for their agreement to a proposed appointment of a Head of Mission.

A brief biographical sketch of Dr. Coleman is as follows:

Born in Renfrew County, Ontario, in 1890. Educated at the University of Manitoba (LL.B. and LL.D.). Called to the Bar of Manitoba in 1922 and made a King's Counsel in 1929. Served as Private Secretary to the late Honourable Sir James Aikins, 1911-1918; Secretary-Treasurer of Canadian Bar Association, 1919-1933; Dean of Manitoba Law School, 1929-1933. Appointed Under-Secretary of State and Deputy Registrar General of Canada in 1933. Was Canadian representative at the Conference on Enemy Patents in London, 1946, and at the Commonwealth Conference of Nationality in London, 1947. Was made C.M.G. in 1944.

**Farm Cash Income Record:** Canadian farmers received an estimated record cash income of \$1,762,814,000 from the sale of farm products during the first nine months of 1948, an increase of more than 37 per cent over the \$1,282,112,000 shown for the same period of 1947, according to the Bureau of Statistics. With the inclusion of supplementary cash payments made under the provisions of the Prairie Farm Assistance Act of 1946, 1947 and 1948, the Wheat Acreage Reduction Act of 1946 and 1947, and the Prairie Farm Income Act of 1946, amounting to \$15,821,000, their cash receipts aggregated \$1,778,635,000 as against \$1,292,306,000 for the same period of 1947.

The gain can be attributed in large part to a significant increase in the prices paid for farm products and to the substantial sums paid out as grain equalization and adjusting payments by the Canadian Wheat Board and western grain companies. During the first nine months of 1948, the Canadian Wheat Board paid out in the form of equalization and adjusting payments \$153,560,000 on wheat, \$3,762,000 on oats and \$4,684,000 on flaxseed. In addition, western grain companies paid out a total of \$7,625,000 on oats and barley delivered to them by farmers during the period, August 1 to October 21, 1947.

According to the index number of farm prices of agricultural products, the general level of farm product prices during the first nine months of 1948 was approximately 20 per cent higher than for the corresponding period a year earlier. Generally higher prices for grains, together with increased marketings of wheat and flaxseed, have more than offset smaller deliveries of coarse grains to give an increased cash income from this source in 1948.

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**Securities Transactions:** Canada had a sales balance on her international security transactions in November for the first time since July, and only the fourth time in the 24 months to the end of November, according to the Bureau of Statistics.

Net sales to all countries in the month amounted to \$1,600,000, with sales at \$21,800,000 and purchases at \$20,200,000. Transactions with all countries in the first 11 months of 1948 resulted in net purchases of \$17,200,000, compared with net purchases of \$13,900,000 in the same period of 1947 and net sales of \$137,400,000 in the first 11 months of 1946.

The sales balance in November was due for the most part to an excess of \$1,500,000 in purchases by the United Kingdom over sales to that country. All other sales balances in the past seven years have resulted from net sales to residents of the United States and other foreign countries. In trade with the United States in the month the purchase balance was \$100,000. With other countries there was a purchase balance of \$200,000.

**\$80,687,448,000 Record:** Reflecting the high level of economic activity and advances in prices, cheques cashed against individual accounts during 1948 exceeded all previous years. Total for the year was \$80,687,448,000, according to the Bureau of Statistics, as compared with \$74,498,903,000 in the preceding year, a rise of 8.3 per cent. The country-wide total has shown advances year by year since 1938, the figure for that year amounting to \$30,924,363,000.

A sharp increase of 14.5 per cent was also shown in the amount of cheques cashed in December. The total for the month was \$7,800,091,000 as compared with \$6,811,076,000 a year earlier. All five economic areas, and all but four of the 33 clearing centres showed advances.

**Across Canada:** Ontario Highways Minister Doucett was quoted by the Canadian Press as having said at Toronto that nearly \$20,000,000 would be distributed amongst more than 1,000 municipal units in Ontario in 1949 for street and road work through the provincial grant-in-aid system... Harold Dunne, of Ottawa, Transport Department radio operator, whose illness launched a 2,000 mile mercy flight to Arctic Bay, reached Winnipeg by RCAF aircraft last night and was taken to hospital.





# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Friday, January 28, 1949.

P.M. To Washington: The Prime Minister, Mr. St. Laurent, on January 27, made the following statement in the House of Commons on his proposed trip to Washington:

"I hope it will be of interest to Honourable Members to learn that the President of the United States announced today that he had invited me to visit Washington on February 12, 1949, and that I had accepted his invitation.

"The United States Ambassador called on me yesterday morning to extend the invitation. I told Mr. Steinhardt I would naturally be pleased to accept President Truman's invitation.

"The President was kind enough to indicate that he would like to renew our acquaintance and to discuss the matters which are of common interest to our two countries as neighbours, and also the world situation as it affects our two countries.

"Everyone knows the friendly personal relations between the late President Roosevelt and our Prime Minister were of inestimable advantage to this continent and the world. President Truman has expressed the desire which I fully share to maintain these friendly personal relations between the leaders of the governments of our two countries. Honourable Members will recall that President Truman visited Ottawa in June 1947 at the invitation of my predecessor and that his visit was both pleasant and beneficial."

Employment Again Up: Industrial employment and payrolls showed further small increases at December 1, in spite of seasonal contractions in manufacturing, construction and some other classes, to bring both to new high record levels. Seasonal expansion in trade and logging in Canada as a whole was the main factor contributing to the small increase.

Preliminary figures released by the Bureau of Statistics show that the movement of employment was moderately upward in six of the provinces, the largest increases being 0.8 per cent in Ontario and 1.5 per cent in Nova Scotia. Curtailment was indicated in Prince Edward Island, Saskatchewan and British Columbia. The most noteworthy decline -- 2.5 per cent -- was in British Columbia, where manufacturing, logging and some other divisions released employees.

The advance index number of employment rose to 204.1, slightly higher than the November 1 figure of 203.6, and 4.5 points or 2.3 per cent above that of December 1, 1947. Salaries and wages reported were 0.4 per cent higher in the week of December 1 than at November 1 and 12.8 per cent above December 1, 1947. Average weekly earnings at December 1 stood at \$42.20 compared with \$42.15 a month earlier, and \$38.28 at December 1, 1947.

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Sea Fisheries: Catch and landed value of the products of the sea fisheries of Canada both showed substantial increases in 1948 over the preceding year. The year's catch totalled 1,276,300,000 pounds, showing an increase of 134,000,000 pounds or about 11 per cent as compared with 1947, while the landed value was \$59,900,000, an increase of 32 per cent over the 1947 figure of \$45,261,000, the Bureau of Statistics reports.

Wheat Flour: Canadian production of wheat flour in the calendar year 1948 was down slightly more than 20 per cent from the 1947 all-time record total. The year's output amounted to 22,386,000 barrels as compared with 28,057,000 in 1947, the amount of wheat ground during the year falling to 101,456,000 bushels from 126,184,000 in 1947. Exports of wheat flour were also down sharply in the year, totalling 12,378,000 barrels as compared with 18,082,000 in 1947.

Across Canada: The Government is prepared to lend money to steel companies on a 50-50 basis to help them expand primary production, the Minister of Trade and Commerce, Mr. Howe, said in an interview, the Canadian Press reported....In moving the Address in reply to the Speech from the Throne in the House of Commons yesterday, Don F. Brown, (L. Essex West) expressed himself strongly in support of the St. Lawrence Seaway.



# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Monday, January 31, 1949.

U.K.-Canada Committee: The Department of External Affairs has announced that the United Kingdom-Canada Continuing Committee on Trade and Economic Affairs which met in London on January 25 under the chairmanship of Mr. Norman Robertson, the Canadian High Commissioner, concluded its sessions on January 28. During the course of the meetings the opportunity was taken to review the whole range of United Kingdom-Canadian economic and trade relations, with special emphasis on the need to maintain trade between the two countries at the highest possible level. The members of the Continuing Committee will report to their respective Governments. The next meeting of the Continuing Committee will be held in Ottawa.

Domestic Exports \$3,075,800,000: Topped off by a record monthly value for December, Canada's domestic exports in 1948 exceeded the \$3,000,000,000 mark for the first time in a peacetime year. Feature of the year's trade was a steep rise of 45 per cent over 1947 in the value of shipments to the United States, which more than offset generally lower sales to other markets.

Aggregate value for the 12 months, according to figures compiled by the Bureau of Statistics, was \$3,075,800,000 as compared with \$2,774,900,000 in 1947, a rise of 10.8 per cent. Last year's total has been exceeded only in the two war years, 1944 and 1945, when exports were valued at \$3,440,000,000 and \$3,218,300,000, respectively.

Exports in December reached a value of \$316,800,000 as compared with \$293,900,000 in November and \$266,200,000 in December, 1947. It was the highest monthly figure since the wartime month of June 1945, when the total was \$322,800,000.

Sales to the United States in 1948 rose in value to \$1,500,987,000 as compared with \$1,034,226,000 in 1947, accounting for approximately half the total to all countries. In December, the value was \$147,832,000 as compared with \$105,972,000 in the corresponding month of 1947, a rise of 39.5 per cent.

Shipments to the United Kingdom in the year fell off to \$686,914,000 as compared with \$751,198,000 in the preceding year, a decline of 8.6 per cent. The December total was down from \$72,542,000 in 1947 to \$48,515,000, or by 33.2 per cent. The year's export trade with other British countries also fell from \$417,303,000 in 1947 to \$345,477,000, but rose in the month from \$34,789,000 to \$46,597,000.

T. & C. Promotions: Three promotions in the Trade Commissioner Service were announced on January 28 by the Minister of Trade and Commerce, Mr. Howe.

A.W. Evans, formerly Assistant Trade Commissioner in Port-of-Spain, Trinidad, has been appointed Commercial Secretary at Havana, Cuba. E.H. Maguire, formerly acting Commercial Secretary at Santiago, Chile, has been appointed Commercial Secretary at that post. H.W. Richardson, acting Trade Commissioner at Bogota, Colombia, since May, 1947, has been appointed to the position of Trade Commissioner in that office.

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World War II Prize Money: The Government will put before Parliament a proposal by the Royal Canadian Navy and the Royal Canadian Air Force that prize money from the Second World War be placed in the Canadian Naval Service and R.C.A.F. Benevolent Funds, it was announced by the Minister of National Defence on January 28.

Distribution of prize money is based on an agreement between the nations of the Commonwealth by which the proceeds of all prizes taken during the war would be put in a common pool and allocated to the nations on a basis of comparative military strengths. Because they had to do with sea-captures, the Air Forces of the Commonwealth are participating as well as the Naval Forces.

The total amount available to Canada has not yet been determined. The Navy's share will be two-thirds of the allocation and the remaining one-third will go to the Royal Canadian Air Force.

Cruise To Far East: The Minister of National Defence, Mr. Claxton, announced on January 28 that the destroyer "Crescent" would undertake a cruise to the Far East. The ship which had previously been scheduled to participate in exercises with other units of the Canadian fleet will sail in the next few days from Esquimalt.

The Minister said that if an emergency arose out of disturbed conditions in the Far East, the "Crescent" would be available to assist in the evacuation of Canadian citizens.

Visit To Joint Air School: Foreign naval, military and air attaches accredited to Canada, and military representatives of the United Kingdom in Ottawa, will visit the Joint Air School at Rivers, Man., this week, at the invitation of the Minister of National Defence.

Across Canada: In the House of Commons Friday evening the Minister of Justice, Mr. Garson, said, in reply to a question, that in the absence of deportation proceedings Canada would take extradition proceedings in the case of Sam Carr, arrested in New York City... Norman Jacques, Social Credit member of the House of Commons for Wetaskiwin, Alta., died in Ottawa early this morning... The section of the Trans-Canada Highway between Hearst and Port Arthur was opened Sunday for the first winter traffic since its construction, the Canadian Press reported.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, February 1, 1949.

In Parliament Yesterday: In the House of Commons yesterday the C.C.F. Leader, Mr. Coldwell, moved an amendment to the no-confidence motion presented on Friday last by the Leader of the Progressive Conservative Party, Mr. Drew, in the debate on the Address in Reply to the Speech from the Throne.

Mr. Drew's amendment is recorded in Hansard as follows:

"That the following words be added to the said address:

'We respectfully submit to your Excellency that your Excellency's advisers do not possess the confidence of this house.'

The amendment to the amendment presented by Mr. Coldwell yesterday was recorded as follows:

"That the following words be inserted in the amendment between the word 'address' and the word 'we':

'We regret that Your Excellency's advisers have failed to make provision for the orderly marketing of our natural products, and for their exchange for goods needed in Canada, and for the elimination of speculation in foodstuffs:

'We regret further that Your Excellency's advisers have failed to make provision for national health insurance:

'Therefore . . .' Then the amendment moved by my friends of the Progressive Conservative opposition will follow."

Historic Sites Board: The Minister of Mines and Resources, Mr. MacKinnon, on January 31, announced the reappointment by Order-in-Council for a five-year period of nine members of the Historic Sites and Monuments Board of Canada, and the appointment of two new members.

The new members are:

The Honourable Thane A. Campbell, M.A., K.C.,  
Charlottetown, Prince Edward Island.

Wm. Kaye Lamb, Esq., M.A., Ph.D., Ottawa, Ontario.

Drive Against VD: More than \$1,000,000 will be spent this year in an intensified drive against venereal disease in Canada, the Minister of National Health and Welfare, said on February 1, on the eve of the National Social Hygiene Day, Wednesday, February 2.

Of this amount \$500,000 represents the venereal disease control portion of the federal Government's new National Health Plan, he pointed out, a sum which is being made available to assist the provinces in extending their present efforts in the control of venereal diseases. This represents an addition of \$275,000 to the annual grant of \$225,000 which the federal Government has been contributing to the provinces since 1943.

The additional funds are being used for such projects as free distribution of penicillin, establishment of new VD clinics, payments to physicians outside free clinic areas, the setting up of new laboratory services, post-graduate training for specialists in the field and many other allied activities.

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Immigrants' Education: The educational and other assistance given to immigrants by provincial educational authorities, local school boards, and welfare organizations throughout Canada was of the greatest importance in bringing to these newcomers an understanding of the Canadian way of life, the Minister of Labour, Mr. Mitchell, stated on January 31.

The Minister reported that at the present time about 14,000 adult immigrants were attending 650 classes across Canada, under the supervision of provincial and local educational authorities, with language difficulties, of course, receiving top priority.

The help given by various agencies, particularly those engaged in adult education, had been of valued assistance in teaching the new citizens the fundamental rights and responsibilities of Canadian citizenship, the Minister said.

Price Decline: Wholesale prices in Canada showed a slight decline in December, after a rise only interrupted in one other month of 1948, according to the general wholesale index compiled by the Bureau of Statistics. Previous recession was in March. Over the period of 12 months the index has shown a rise of 11 per cent.

Vehicle Shipments Record: Canadian manufacturers of motor vehicles established another record in 1948, when they shipped out more new passenger cars, trucks and other commercial vehicles than in any previous peacetime year and in any war year except 1941.

With December shipments rising to 27,305, highest for any month in the year, total for 1948 amounted to 264,178 units as compared with 258,015 in 1947. In 1941 shipments amounted to 270,191, of which 173,588 were commercial vehicles, largely for war use.

Army Recruiting Up: Figures released this week by Army Headquarters show that for the four months - September through December - a total of 1,332 men were enlisted for the Active Force. This figures out at around 11 recruits daily, counting Sundays.

A breakdown of total enlistments for the period shows that recruiting has been steady with 234 applicants "signed on" in September, 396 in October, 348 in November and 354 in December.

The enlistments brought the strength of the Active Force to more than 17,500 all ranks.

Across Canada: Rev. John Foote, V.C., will move the adoption of the Speech in Reply to the Speech from the Throne in the Ontario Legislature which opens February 10, it was announced by the Canadian Press from Toronto.... A three-man commission has been named to revise the Criminal Code, the Minister of Justice, Mr. Garson, announced in the House of Commons yesterday. Its members are Chief Justice W.M. Martin, of Saskatchewan; Mr. Justice Gerald Fauteux, of Quebec, and Mr. F.P. Varcoe, Deputy Minister of Justice.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 18.

Wednesday, February 2, 1949.

In Parliament Tuesday: In the House of Commons yesterday, the Leader of the Opposition, Mr. Drew, moved the adjournment of the House for the purpose of discussing, as recorded in Hansard, the following matter:

"A statement of the Parliamentary Assistant to the Prime Minister, (Mr. W. E. Harris) reported by the press as follows: 'War with Russia may be an outcome of the signing of the North Atlantic pact.'"

The Speaker decided that there was no urgency for the discussion, as the matter referred to was included in the Speech from the Throne, now under debate. From this decision Mr. Drew appealed and the Speaker's ruling was sustained by a vote of 133 to 55.

Mr. Harris subsequently made the following statement, as recorded in Hansard:

"Mr. Speaker, in view of the incorrect impression that might be created as to what I said at Brantford ten days ago, I should like to make it clear that far from suggesting that war might come, I stressed the fact that the signing of the Atlantic pact would be the most effective step that Canada could take to protect herself against aggressors and to ensure the peace of the world. I expressed the opinion that the signing might take place within the next three months. I said that I did not believe that we would have war, nor did I suggest that I had any knowledge about the matter other than what is generally known. I did say that the agreement of the nations which would be evidenced by the signing of the pact would place such a preponderant strength on the side of peace that it was highly unlikely that any aggressor, including Russia, would try to make war after the signing. I emphasized that the pact was essential for the peace of the world and for the protection of Canada and that its signing might even mark the beginning of better relations with Russia."

Naval Training: A new system of training Naval reservists, designed to produce fully qualified seamen specialists in gunnery, torpedo anti-submarine, navigation direction and other branches, will be put into operation in the majority of Naval Divisions across Canada this year, Naval Headquarters announced on February 2.

In addition to providing specialist training in the divisions, the plan will enable R.C.N. (Reserve) Ordinary Seamen to qualify for advancement to Able Seaman in approximately half the time previously required.

Under the new scheme each Division participating has been made responsible for specialist training in a certain branch, in addition to the general training carried on by all Reserve establishments. Geographical location, equipment and accommodation available and, to some extent, individual preference, have been taken into consideration in allocating the responsibility for this training to the Divisions.

It was emphasized that this specialized training will in no way affect the basic training given all new entries into the Reserve or the training available for men in other branches.

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Civil Aviation: Scheduled and non-scheduled air carriers both had small losses on their October operations, according to figures for the month released by the Bureau of Statistics.

In October, scheduled carriers earned \$2,550,631 as compared with \$2,011,525 a year earlier, but operating expenses increased from \$2,162,107 in October, 1947 to \$2,629,626, producing an operating loss of \$78,995 as against a loss in 1947 of \$150,582. The small operating credit at the end of September was wiped out and a loss of \$54,406 was recorded for the 10 months ending October. This, however, showed an improvement over the first 10 months of 1947 when operations resulted in an operating loss of \$2,152,643.

Non-scheduled carriers also failed to earn their operating expenses for the month, their revenues falling to \$513,918 from \$539,736 in 1947, while operating expenses rose from \$475,126 to \$535,476.

Prairie Manufacturing: Gross value of production of the manufacturing industries of the three Prairie Provinces increased in 1946 to \$777,276,000 from \$755,797,000 in 1945, according to the detailed annual report for the region issued by the Bureau of Statistics. The gain contrasts with a general decline during the year in the rest of Canada as the result of the reconversion of industry to civilian production, and reflects the more limited industrialization of the Prairie Provinces, which consequently did not share to the same degree in wartime industrial expansion. The 1946 total was only slightly below the wartime peak of \$780,634,000 in 1944.

Across Canada: A federal Grand Jury investigating alleged subversive activities in the United States yesterday questioned Sam Carr and his wife, Julia, behind closed doors, the Canadian Press reported from New York City.... The Ontario Hydro Electric Commission yesterday lifted its 130-day-old system of placing a quota on power supplies to municipalities.





## AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

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Thursday, February 3, 1949.

Statement On Mindszenty: The following is the text of the statement by the Secretary of State for External Affairs, Mr. Pearson, in the House of Commons on February 2, 1949, on the arrest of Cardinal Mindszenty;

The arrest of Cardinal Mindszenty announced by the Hungarian Government on 27th December has caused deep concern in all democratic nations. The Canadian Government strongly condemns and deplores this further case of religious persecution by the communist government of Hungary as it would any case of religious persecution in any country. In a broadcast on New Year's Day, the Prime Minister stated:-

"Providence will not abandon men of good will. We are fortunate to be living in a land where religion is respected by all, and the religious authorities have the fullest freedom. We are all apt to take such freedom for granted.

"But the increasingly brutal persecutions of religious leaders in countries behind the Iron Curtain have shocked all civilized people.

"Such examples remind us how precious is the personal and religious freedom which is our birthright."

The day after the news of Cardinal Mindszenty's arrest was received, Canada, as a signatory of the Treaty of Peace with Hungary, took immediate steps to secure all the available information on the matter with a view to taking any action under the Peace Treaty which might be effective in halting religious persecution in Hungary.

The value of a joint declaration with other signatories of the Treaty of Peace protesting the action of the Hungarian Government in arresting Cardinal Mindszenty was examined. It was found, however, that such joint action was not possible; and indeed might have had an effect contrary to that which was desired.

In the circumstances, and acting for itself, the Government, having no diplomatic representative in Budapest, instructed our Ambassador in Washington to communicate with the Hungarian Minister there as follows:

"The Canadian Government has learned that the head of the Catholic Church in Hungary, Cardinal Mindszenty, has been arrested on charges of treason, espionage and illegal currency transactions, which, on the basis of the evidence submitted and in the light of Cardinal Mindszenty's previous record as a Hungarian patriot and fighter against oppression and tyranny, do not command respect. The Canadian Government has also learned that the Senior Bishop of the Lutheran Church in Hungary was arrested in September last on charges similar to those levelled at Cardinal Mindszenty and was sentenced to two years in prison; and that the Senior Bishop of the Calvinist Church has been forced by persecution to flee from Hungary to Switzerland.

"The Canadian Government, therefore, wishes strongly to protest against a policy which, on the basis of information which we possess, appears designed to destroy religious freedom in Hungary, and calls attention to the article of the Peace Treaty with Hungary, to which Canada is a party, and which provides that:

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'Hungary shall take all measures necessary to secure to all persons under Hungarian jurisdiction, without distinction as to race, sex, language or religion, the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion and of public meeting.'

The Canadian Ambassador delivered this protest to the Hungarian Minister who undertook to communicate it to his Government. That is how the matter now stands.

RCN Reduces Age Limit: Naval Headquarters announced February 2 that the age limit for entry into the naval forces had been reduced from 17½ to 17 years. Recruits will now be accepted between the ages of 17 and 30. The reduction places the Navy in line with the Army and R.C.A.F. which have already announced the lowering of age limits for entry.

Naval authorities at the same time outlined the Services's policy with respect to educational requirements for entry into the R.C.N. and the educational program carried out by the Navy.

Men possessing high school entrance or the equivalent are accepted for the Seaman, Stoker, Cook and Steward branches. Grade 10 or the equivalent is required for entry into the technical, medical and clerical branches. Insofar as possible, the technical branches are recruited from within the Service, with the Navy providing men with the education and training necessary to qualify them for technical trades.

Jasper Superintendent: The Minister of Mines and Resources, Mr. MacKinnon, on February 2, announced the appointment of Mr. G.H.L. Dempster as Superintendent of Jasper National Park, Alberta.

Across Canada: A short, sharp earthquake shook Ottawa last evening, but no damage was reported. Centre of the shock appeared to be between Aylmer and Westboro....The Minister of Justice, Mr. Garson, made his debut in debate in the House of Commons yesterday, speaking on federal-provincial relations.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, February 4, 1949.

Emergency Air Search: It was announced simultaneously on February 4 in Ottawa and Washington that, with a view to expediting the movement across the international boundary of aircraft and air-crew engaged in emergency air search and rescue operations, the Canadian and United States Governments had agreed in an exchange of notes to give special customs and immigration clearance to such planes and crews of either country when entering the other's territory. As a result of the new arrangements, it will no longer be necessary for the crews of planes involved in air search and rescue operations to make their own arrangements with the Customs and Immigration authorities of the country which they are entering. Instead, completion of these formalities, by telephone or telegraph, has now become the responsibility of the Rescue Coordination Centre in charge of the rescue operation.

In Canada the R.C.A.F. is responsible for coordinating air search and rescue operations, which have been so often in the news since the war as a result of the many spectacular rescues effected. One of the most highly publicized of these was the dramatic "Operation Canon", in the autumn of 1947, when the R.C.A.F., assisted by an Army paratroop team, evacuated Canon John Turner, wounded Church of England missionary, by air from his home in Northern Baffin Land.

Rescue operations are conducted from five R.C.A.F. Coordination Centres at Halifax, Trenton, Winnipeg, Edmonton and Vancouver. In most cases flights are handled by aircraft specially designated for such work; some 25 of these planes are based at different points across Canada, immediately available for rescue missions. In addition the R.C.A.F. maintains a detachment of specially trained "para-rescue jumpers", ready to leap to the aid of those in distress in remote areas. There are also special marine craft available on the East and West Coasts for water rescues.

When the need arises, the combined facilities of the R.C.A.F., of the other two Services, and of other Government agencies can be called upon to assist in rescue operations. The R.C.A.F. maintains close co-operation with all Government departments and municipal agencies and, when the latter are unable to carry out the task with the facilities at their immediate disposal, the Air Search and Rescue organization is brought into play.

Normally, R.C.A.F. Air Search and Rescue planes are only employed in assisting distressed flyers. In exceptional cases, however, - particularly when it is a matter of life or death - "mercy flights" within Canadian territory are also handled. Some fifty operations of all kinds have been carried out during the past twelve months and in three cases the men responsible for effecting the rescues were awarded decorations.

Immigration Statement: The following is partial text of a statement on immigration made by the Minister of Mines and Resources, Mr. MacKinnon, in the House of Commons, on February 3:

"Mr. Speaker, I should like to place on record the following information regarding immigration to Canada during the calendar year 1948.

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"During 1948 a total of 125,414 immigrants entered Canada. This was the largest total of any year since 1929, and is almost exactly twice as many as came in during 1947 when the figure was 64,127.

"Of the 125,141 immigrants, 46,057 came from the British Isles and 7,381 from the United States. Immigrants from northern European races numbered 16,957, including 10,169 Dutch. Other races contributed 55,019 new Canadians, the largest individual groups being 13,799 Poles and 10,011 Ukrainians...."

Barbados Conference: The Minister of Transport, Mr. Chevrier, on February 4, announced the personnel of a delegation to attend a conference in Georgetown, Barbados, on shipping requirements for the Canadian - West Indies trade. The delegation consists of; F.M. MacLennan, of Ottawa, Assistant Deputy Minister and Comptroller of the Department of Transport; Captain R.A. Clarke, of Montreal, Manager of the Canadian National (West Indies) Steamships; and J.M. Gauthier, of Montreal, Freight Traffic Manager of Canadian National (West Indies) Steamships.

The Canadian delegation will be joined in Georgetown by T.G. Major, Canadian Government Trade Commissioner at Port-of-Spain, Trinidad, and M.B. Palmer, Canadian Trade Commissioner at Kingston, Jamaica.

The conference will open in Bridgetown on February 7 and will be attended by officials of the colonies and the Commonwealth Colonial Office.

Stuart Graham Appointment: Following an announcement on February 3 by the International Civil Aviation Organization that an Air Navigation Commission has been established, Mr. Lionel Chevrier, Minister of Transport, has announced the appointment of Stuart Graham, A.F.C., Superintendent of Air Regulations, as Canada's official delegate on that Commission.

The Air Navigation Commission has been formed from the air navigation committee which was established more than a year ago under the Council of ICAO. Mr. Graham has been the Canadian representative on this committee and was elected its Chairman. The Council is the executive body, which conducts all negotiations between the overall organization and the governments, the international organizations and other bodies.

New Deputy Minister: The Prime Minister, Mr. St. Laurent, announced on February 3 the appointment of Mr. Marc Boyer, of Montreal, as Deputy Minister of Reconstruction and Supply.

Across Canada: The new Sudbury General Hospital, Sudbury, Ont., is the first hospital in Ontario to have its application approved for assistance under the federal Government's hospital building program the Minister of National Health and Welfare, Mr. Martin, has announced. The grant will be more than \$168,000.



# AIRMAIL BULLETIN

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Monday, February 7, 1949.

Mr. Pearson's Speech: The Secretary of State for External Affairs, Mr. Pearson, spoke in the House of Commons on February 4 on world affairs. His main theme was to explain and ask support for the North Atlantic Security Pact. An excerpt from his address follows:

"This Atlantic pact, if we can bring it to a successful conclusion, does not give us the certainty of peace. No pact, no human achievement can do that. But it may give us a chance to establish peace in the future; and it is essential to our security in the present. It is certainly our best hope now for the prevention of aggression. It is our best hope for the establishment of relations between the two worlds on a basis, if not of friendship, at least of mutual toleration. That would give us time for men's minds to change and their souls to be freed so that toleration may turn to something better. That is all that we can ask for at this time from an Atlantic pact, but that is much and I think it is within our grasp.

"In this breathing space which we may now secure, there will be time to resolve the eternal struggle that goes on between conflict and co-operation; the paradox of good in the midst of evil, of life in the midst of death. That paradox, and the utter futility of war as a method of resolving it, was never more dramatically illustrated than by the fact that the same bombers and bomber pilots who smashed Berlin and its people in 1945 are keeping those people alive in 1949...."

Living Cost Rise: Exactly offsetting the decline during the previous month, Canada's official cost-of-living index rose from 158.9 at December 1 to 159.6 at the beginning of January. While all budget indexes were firm, more than half of the rise was due to changes in service rates, including health, personal care, laundry and fuel gas, which are priced only at annual intervals because of their characteristic stability.

At the January level, the cost-of-living index is 11.3 points above that shown for the same time last year. From August 1939 to the beginning of January this year the increase amounted to 58.3 per cent, according to the Bureau of Statistics.

The food index rose from 202.0 at the beginning of December to 202.2, with further declines in egg and fruit prices acting as a partial offset to generally firmer levels for other foods. Fuel and light moved up from 129.1 to 130.0.

World Grain Supply: As a result of generally satisfactory 1948 grain harvests in the world's major producing areas, world supplies and requirements of both breadgrains and coarse grains are in reasonable balance for the first time since the war. This balance is associated with substantial improvement in the food and feed situation in most countries. This conclusion is reached by the Office of Foreign Agricultural Relations of the United States Department of Agriculture in a recent report on the world food situation for 1949, reports the Bureau of Statistics.

The increased production of wheat and rye, according to the report, has eliminated bread rationing in some countries; in others the ration has been increased, quality improved and the rigid controls of the previous year relaxed somewhat. The increased production of corn, oats and barley will provide the feed grains needed to make significant progress during the year in restoring the live-stock industry and increasing production of live-stock products in many countries. However, the current balance in grain supplies is a precarious one, it is stated, and large areas of the world are still dependent on current production, particularly breadgrain.

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Tourist Spending Record: American travel expenditures in Canada in 1948 set a new high record of about \$270,000,000, according to preliminary figures announced in the January issue of the Canadian Statistical Review. Only in two other years, 1946 and 1947, have United States spendings on travel in Canada totalled more than \$200,000,000, when they were \$216,000,000 and \$241,000,000, respectively.

Canadian expenditures in the United States in 1948 are placed at \$112,000,000, down sharply from the totals of \$130,000,000 in 1946 and \$152,000,000 in 1947, due mainly to the restrictions on the amount of money available to Canadians visiting the United States and to the suspension -- now removed -- of the customs regulation whereby \$100 worth of goods could be brought into this country free of duty by a traveller remaining out of Canada for more than 48 hours.

War Medals In October: Campaign stars and war medals earned for Second World War service in France, Italy, the Pacific and other theatres of operations, as well as on the high seas and in the air, will start going out to Canadian veterans next October.

The announcement came from the Minister of National Defence and the Minister of Veterans' Affairs. They stated that by September 30 the Royal Canadian Mint expects to have sufficient stocks on hand to meet the first requirements, and medals needed after that date will be more than filled out of day-to-day production.

Canadian Aviation: That Canada is setting a pattern for other nations to follow in the development of international air transport facilities was emphasized by the Minister of Transport, Mr. Chevrier, in a luncheon address delivered before the International Chamber of Commerce, at Toronto, on February 4.

The Minister said that "Canada is at the crossroads of international air travel". He pointed to twelve civil airports stretching from coast to coast which have regular international commercial air services coming in to them. This was in addition to numerous other airports serving domestic needs. "All of these airports", he said, "have been constructed to the standards required for international air operations as established by the International Civil Aviation Organization".

With respect to her international obligations in civil aviation, the Minister said that Canada firmly subscribed to the belief that "the future development of international civil aviation can greatly help to create and preserve friendship and understanding among the nations and peoples of the world".

Across Canada: James Cardinal McGuigan, Roman Catholic Archbishop of Toronto, said on Sunday, as reported by the Canadian Press, that the Government of Hungary is engaged in a policy of persecution and terrorism....The Minister of Trade and Commerce, Mr. Howe, addressed the Newfoundland Board of Trade in St. John's on Saturday....Voting takes place today in the federal by-election in Nicolet-Yamaska.



## AIRMAIL BULLETIN

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Tuesday, February 8, 1949.

Union With Newfoundland: In sentiments voiced by the four party leaders, the House of Commons yesterday gave a warm welcome to Newfoundland on the occasion of its impending entry into Confederation. Yesterday's preliminary debate was on the resolution of the Prime Minister, Mr. St. Laurent, introducing the bill embodying the Terms of Union between Newfoundland and Canada.

After reviewing the events leading up to the signing of the Terms and their broad outlines, the Prime Minister concluded his address as follows:--

"It is my hope that this arrangement will commend itself to the Canadian Parliament, to the vast majority of the Canadian people and also to the vast majority of the people of Newfoundland. We are here now considering a matter of great moment. In the last two wars we realized how close we were to each other and how close we had to be in order to survive. In this troubled world I think we, both in Newfoundland and in Canada, feel that in this way our risks are more apt to be successfully met and any dangers overcome than was possible even with the non-constitutional union of spirits and hearts that united us during the last two wars. I earnestly hope it will be the view of this house that this union of Canada and Newfoundland is desirable in the interests of the people of these two lands, and as a lesson to the whole world of what can be accomplished by men of good will."

Belgian Ambassador: The Department of External Affairs announced on February 8 that Vicomte du Parc presented on that day to His Excellency the Governor General at Government House his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Belgium in Canada.

Mr. Pearson, Secretary of State for External Affairs, was present. Baron Pierre de Gaiffier d'Hestroy, First Secretary of the Belgian Embassy, and Major J. A. Ducq, Military and Air Attache, accompanied the Ambassador. Mr. Howard Measures, Chief of Protocol, Department of External Affairs, presented Vicomte du Parc to His Excellency the Governor General.

Vicomte du Parc was born in Brussels in 1892. He is a Doctor of Law of the University of Louvain. He served in the Belgian Army during the First Great War and was seriously wounded. Vicomte du Parc entered the Diplomatic Service of his country in 1920 and he served in posts abroad as well as at the Belgian Foreign Office. He took an active part in United Nations conferences, in particular U.N.R.R.A. and the Commission on Food and Agriculture.

Prior to his present appointment as Belgian Ambassador in Canada, Vicomte du Parc was Minister of Belgium in Sweden.

Co-Ordinate RCAF Signals: Co-ordination of all RCAF signals activities under one Chief of Signals has been carried out at Air Force Headquarters, the Minister of National Defence, Mr. Claxton announced on February 8.

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Previously each division at Air Force Headquarters was assigned separate signals responsibilities. The Operations and Training division controlled the allocation and usage of radio and radar equipment while the Technical Services division developed and supplied the equipment. Now all RCAF signals functions are amalgamated in one department providing overall co-ordination and control.

Taking over the new post as Chief of Signals is Air Commodore W.A. Orr, CBE, of Wetaskiwin, Alta. and Ottawa, a University of Alberta graduate who was commissioned in the RCAF in 1932 and has been a signals officer since 1937.

**Wheat Exports Up:** Canada's exports of wheat and of wheat flour in terms of wheat during the five months of the 1948-49 crop year ending December 31, show an increase over the similar period of the preceding crop year, totalling 83 million bushels as against 77.4 million bushels, reports the Bureau of Statistics.

The gain in the aggregate was due to substantially increased shipments of the grain. These amounted to 59.6 million bushels compared with 48.2 million in the 1947-48 period. Exports of wheat flour fell off to the equivalent of 23.4 as against 29.5 million bushels.

Shipments of wheat were made to eight British and 13 foreign countries during last five months of 1948. Exports to the United Kingdom accounted for four-fifths of the total, at 48,315,000 bushels. Destinations of next largest quantities were: Italy, 2,449,764 bushels; India, 2,126,232; Egypt, 1,718,248; Norway, 957,830; Union of South Africa, 909,329; Malta, 897,848; Eire, 687,067; Switzerland, 600,000 bushels.

Wheat flour was exported in large and small quantities during the period to no less than 71 different countries, 22 being British and 49 foreign. As in the case of wheat, the United Kingdom was the major destination for flour, with shipments equal to 10,154,021 bushels of wheat.

**More Than 3,700,000 Medals:** The amount of work that has gone into the minting of medals, campaign stars, clasps and oak leaves -- the eagerly awaited Service decorations of hundreds of thousands of Canadian men and women -- is revealed in figures released this week at Ottawa.

They show that to suitably reward all Canadians who served during the Second World War, more than 3,700,000 decorations must be turned out by the Royal Canadian Mint at Ottawa.

**Apprenticeship Booklet:** Publication of a descriptive booklet on Apprenticeship in Canada has been announced by the Minister of Labour, Mr. Mitchell.

The booklet was prepared by the Training Branch of the Department of Labour and was designed as a descriptive, rather than a critical analysis of the subject of apprenticeship, the Minister explained.

The booklet contains, among other subjects, sections on Government apprenticeship training plans in Canada, industrial plans, and basic principles of apprenticeship. Outlines of the systems of apprenticeship in Great Britain, South Africa, New Zealand, United States and Australia are also included.

**Federal By-election:** The result of yesterday's voting in the federal by-election in Nicolet-Yamaska, occasioned by the death of Mr. Dubois, Independent Liberal, was as follows, according to the Canadian Press report this morning:

103 Polls Complete	
Chapdelaine (P.C.) . . . . .	8,295
Trahan (Lib.) . . . . .	7,999
Manseau (Ind. L.) . . . . .	432

**Across Canada:** The Minister of Finance, Mr. Abbott, told the House of Commons last evening that the Government plans to ask for an extension of price ceilings on rents, steel, certain types of timber, flour, bread and butter.





## AIRMAIL BULLETIN

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Wednesday, February 9, 1949.

Union With Newfoundland: With but one dissenting voice, the House of Commons on February 8, gave second reading to the legislation embodying the Terms of Union with Newfoundland, thereby approving in principle Newfoundland's entry into Confederation. Mr. Irene Hamel, of the Bloc Populaire Party, indicated his opposition to the measure by stating, "on division," as the Bill carried. The measure was then discussed in Committee.

Newfoundland Leases: The Prime Minister, Mr. St. Laurent, in the House of Commons on February 8, discussed the 99-year leases by the United States of bases in Newfoundland during the last war. The subject had been introduced by Mr. T. L. Church, Progressive Conservative member for Broadview, in discussing the Bill dealing with the union of Newfoundland with Canada. The Prime Minister said in part:

"There are in process at the present time negotiations looking to variation in the leases to bring them into accord with the joint declaration made by the President and the Prime Minister on February 12, 1947, about the principles which would govern the arrangements for military co-operation between the two countries. Those principles were agreed to by the two Governments. They were announced simultaneously by the President and by the Prime Minister. I believe they have received pretty universal approval throughout the United States and Canada. It is our hope that in our negotiations with the Government of the United States we shall have the actual exercise of the rights provided for by these leases brought into line with the principles which have been set out in this joint declaration. We hope that will be so because of the attitude of the two Governments of Canada and the United States. Their practice has not been to deal with each other at arm's length, but rather to try to make arrangements which would afford the most satisfactory method and degree of co-operation between the peoples of the two countries.

"We hope it will be possible to have the lessees, who by contract have their rights for ninety-nine years in these leases, agree that they should exercise their rights in the manner which the two Governments of Canada and the United States agreed would be the proper way to ensure co-operation between them as set out in their joint declaration of February 12, 1947. The hon. member for Broadview may be assured that I hope to be able to discuss with the President of the United States some aspects of these leases on the occasion of the visit I am to have the honour of paying him on this very week end."

Iron And Steel Record: Canada's iron and steel mills operated at near-capacity levels in 1948 to produce record tonnages of steel, pig iron and ferro-alloys.

Preliminary figures released by the Bureau of Statistics place the year's output of steel ingots and castings combined at 3,202,000 tons, well above the preceding year's total of 2,945,000 tons and three per cent higher than the wartime peak of 3,110,000 tons in 1942. The current total compares with 1,294,000 tons in 1938.

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Public Health Research: Research into the spread and control of infantile paralysis, studies of methods of obtaining information on illness in a community, and ways of reducing infant and maternal deaths will be financed with funds from the federal health grants the Minister of National Health and Welfare, Mr. Martin, announced on February 9.

The infantile paralysis research will be directed by Dr. Andrew J. Rhodes of the Connaught Medical Research Laboratory, Toronto.

Mr. Martin said that a research grant has also been made to the Department of Obstetrics and Gynecology, University of Toronto, for a study of ways of eliminating eclamptic toxæmia as a cause of maternal deaths.

Newfoundland Dissenters: An anti-Confederation group of six former Newfoundland legislators on Tuesday was granted leave to appeal to the Judicial Committee of the Imperial Privy Council for action to prevent Confederation with Canada, the Canadian Press reported from St. John's, Newfoundland.

The Responsible Government League members had taken out a writ against the Commission Government seeking an injunction to prevent the Commission from taking further steps toward Confederation.

The writ had been dismissed by a sitting jurist and later an appeal was dismissed by the full bench. On Tuesday the Supreme Court granted the appeal.

Canada To Share: Canada will share in a \$4,099,000 order for agricultural equipment for Turkey authorized on Tuesday by Economic Co-operation Administration. The equipment will be purchased both in Canada and the United States, the Canadian Press reported from Washington.



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Thursday, February 10, 1949.

Employment Record: Industrial employment and payrolls showed further slight increases at the beginning of December, due for the most part to seasonably heightened activity in logging and retail trade. Curtailment was indicated in manufacturing as a whole, and in mining, transportation, construction and maintenance, and hotels and restaurants. To a large extent, these losses were also seasonal in character.

According to information received by the Bureau of Statistics from 19,561 leading establishments in the eight major industrial divisions, their employees at December 1 totalled 2,118,698, and the disbursements in weekly salaries and wages, \$89,415,000. The rise in employment was 0.2 per cent, and in salary and wage payments, 0.4 per cent. The per capita weekly earnings rose to \$42.20 from \$42.14 at November 1, and \$38.28 a year earlier.

Based on the 1926 average as 100, the general index number of employment at December 1 reached a new all-time maximum, standing at 204.1 as compared with 203.6 in the preceding month and 199.6 at December 1, 1947. The index of payrolls, based on June 1, 1941 as 100, stood at 218.7 as compared with 218.0 at November 1, and 193.9 at December 1, 1947. In the 12 months from December 1, 1947 to December 1, 1948 there were increases of 2.3 per cent in the index of employment, and 12.8 per cent in the payrolls index.

International Trade Fair: Booking of space in the household furnishings section of the Canadian International Trade Fair, to be held at the Exhibition Grounds in Toronto, May 30 to June 10, under the sponsorship of the federal Government, indicates that Canadian and United Kingdom firms will be the heaviest exhibitors. A firm from the Malayan Union, displaying a line of rattans, rattan products, malacca canes and kindred tropical products, is exhibiting at the Fair for the first time. Another initial-exhibitor is from French Morocco displaying a line of household furnishings.

Floor coverings are to be displayed by many firms; metal and plastic kitchen utensils and equipment are being displayed by several Canadian firms in a variety of combinations; an English firm is showing a line of sinks and cabinets of stainless steel and vitreous enamel. The English china firms are returning, as are the Czechoslovakian glass and crystal exhibitors. Included in this section are ten Canadian and English firms exhibiting at the Trade Fair for the first time.

Long Training Flight: Air Force Headquarters on February 9 announced the completion of a non-stop 2900-mile navigation training flight from U.S. Air Force base Mather Field, near Sacramento, California, to Summerside, PEI, by two Lancasters of the RCAF Air Navigation School, located at Summerside.

Carrying nine students and three instructors, the four-engined aircraft left Summerside January 29, on the American tour, stopping at Washington, D.C., U.S. Air Force Base, Wright Field, Ohio, and Mather Field, California.

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The return flight direct from Mather Field is one of the longest non-stop flights flown by the RCAF. The trip gives the students a chance to practice some of the advanced theories they have learned at the school and also to see American developments in this field.

One of the students, Captain W. R. Haughey, Los Angeles, California, is a member of the United States Air Force training with the RCAF on an exchange posting basis.

Gold Production Gains: Gold production in Canada moved upward during November for the second successive month, reaching the highest level for any month in 1948 and the highest since June, 1943, and increasing further the cumulative gain earlier recorded over 1947.

Output for the month, as reported by the Bureau of Statistics, amounted to 311,347 fine ounces compared with 306,928 in October and 252,235 in November, 1947. The figure for June, 1943, was 326,839 fine ounces. There were advances over a year earlier in all producing provinces, except Nova Scotia, the largest increase as in earlier months being in Ontario, followed by Quebec.

During the 11 months ending November, production totalled 3,200,640 fine ounces as against 2,795,468 in the similar period of 1947. Gains were also shown in this period in all producing provinces, except Nova Scotia.

Harbour Traffic High: Harbour traffic continued at a high level in 1948. Traffic returns of the National Harbours Board show an increase in the number and registered tonnage of vessel arrivals, and a moderate gain in aggregate cargo tonnage over the previous year. The preliminary statistics, released on February 9 by the Minister of Transport, Mr. Chevrier, show that in the eight "national" harbours, vessel arrivals in 1948 numbered 43,626, having a net registered tonnage of 32,999,920 as compared with 42,876 in 1947, having a net registered tonnage of 29,856,603. Aggregate cargo tonnage, inward and outward, was 31,326,279 last year, as compared with 31,163,807 in 1947, the increase being 162,472 tons.

Across Canada: The Annual Report of the Auditor-General and the Public Accounts were tabled in the House of Commons yesterday.... Sam Carr and his wife Julia will be deported to Canada, Watson B. Miller, U.S. Commissioner of Immigration, having signed the order for deportation yesterday, the Canadian Press reported from Washington.... Nine Eskimos are dead and eight others seriously ill from a mysterious malady that swept through a small Arctic settlement some 1,740 air miles northeast of Edmonton, the RCAF has learned from a northland trapper over a walkie-talkie set dropped last week by one of two planes sent to investigate.



## AIRMAIL BULLETIN

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Friday, February 11, 1949.

Union With Newfoundland: The granting of the right of appeal to the Privy Council to certain dissenters in Newfoundland should not occasion delay on the part of the Government in asking Parliament to confirm the agreement for Union, the Prime Minister, Mr. St. Laurent, told the House of Commons yesterday, prior to the passage of the Bill through Committee stage. The statement was made in the following report from Hansard of a question by the Leader of the Opposition, Mr. Drew, and the reply of the Prime Minister:

Mr. Drew: Mr. Speaker, I should like to ask a question of the Prime Minister. In view of the announcement that the right to appeal to the Privy Council has been granted to certain appellants in Newfoundland with regard to Newfoundland's part in the agreement for union with Canada has the Prime Minister taken into consideration what effect, if any, that would have upon the discussions now taking place in the House?

Mr. St. Laurent: I have no information other than that gathered from the newspapers. However my understanding of the situation is that an action was instituted in the courts of justice of Newfoundland, and on motion it was dismissed as being frivolous and vexatious. An appeal was then taken to the Appeal Court of Newfoundland, and that appeal was dismissed, the Appeal Court confirming the opinion of the first judge that it was frivolous and vexatious. Now the newspapers report that leave has been granted to appeal to the Privy Council from the decision that the proceedings were frivolous and vexatious. Even if that appeal were heard, and even if it were allowed, it would not mean anything more than that the plaintiffs in the case would have the right to proceed on the merits of their suit; it being merely a pronouncement on a question of procedure. In view of the attitude taken by the Government of Newfoundland as to the terms of this agreement, and the time limit for accomplishing the further proceedings required to bring it into effect, there should be no delay on our part in asking Parliament to confirm the agreement.

Retail Sales Increase: Topped off by an increase of 14 per cent in December and the highest value of Christmas trade on record, retail sales in Canada last year were 11 per cent higher in dollar volume than in 1947. The year's gain was almost exactly the same as that shown in 1947 over 1946. Increases were registered in all regions of Canada both in December and in the year.

Sharpest gains in the month were in department stores, food stores, and shoe stores, all of which had increases of 18 per cent. December sales increases for the three trades in the apparel group -- family clothing, men's clothing and women's clothing -- were similar to the average gain for retail trade as a whole.

Living Costs Rise: The downward tendency in regional city living costs which occurred between November and December was reversed in January when seven of the eight indexes moved to higher levels. Vancouver's index remained unchanged. Index advances were due principally to increases in service costs which, because of their usual inherent stability, are priced for the most part only at annual intervals. In addition, foods, clothing and homefurnishing prices registered moderate gains at most centres.

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Study Air Electrics: Four officers and two men of the Royal Canadian Navy's electrical department are at present undergoing a special course in air electrics and air instruments at the Fairey Aviation Company plant, Hayes, Middlesex, England, Naval Headquarters announced on February 11.

The course will familiarize the group with the R.C.N.'s new Firefly Mark V aircraft and the electrical equipment with which they are fitted. Instructional technique also is part of the course.

R.M.C. Scholarships: More than 70 scholarships, cadetships and bursaries are available to applicants admitted annually to the Royal Military College at Kingston, Ont., and Royal Roads, near Victoria, B.C., the Minister of National Defence, Mr. Claxton, announced on February 11.

The federal Government offers 15 cadetships each year on the basis of not more than five to each of the three services, providing tuition, recreation fee, and uniform expenses for the period of the first academic year at either R.M.C. or Royal Roads. In addition, the Government also offers 14 scholarships on a purely academic basis according to provincial quotas. Candidates for both Dominion Cadetships and Dominion Scholarships are chosen by a joint selection board.

Across Canada: The Ontario Legislature opened yesterday....The problem of being able to mobilize maximum, adequately trained forces as soon as war closely threatens can be solved only by now accepting the procedure of compulsory military training, General Crerar, former Commander of the First Canadian Army Overseas, was quoted by the Canadian Press as saying in Quebec City to the Quebec section of the Canadian Military Institute.



## AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Vol. 7, No. 26

Monday, February 14, 1949.

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

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

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

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

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

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

**Imports From U.S. Down:** Canada's merchandise imports from the United States declined in value last year from the record figure of 1947, while purchases from the United Kingdom and other British countries increased. Further offsetting the United States drop, imports from other foreign countries as a whole were also above 1947. On the commodity side, there were substantial gains in iron and iron products and non-metallic minerals and a small advance by the chemicals group, while all other groups were down.

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

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New Jet Engine Tested: The Minister of National Defence, Mr. Claxton, announced on February 11 that the first test runs have been held of the RCAF's big new jet engine, being developed at the A.V. Roe and Co. plant in Toronto. Running tests were held yesterday (Thursday, Feb. 10) and the engine performed "very satisfactorily".

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

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

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

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

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

Across Canada: Sam Carr and his wife have been returned to Canada under deportation proceedings....The R.C.A.F. will launch a unique airlift today to supply barley to a flock of trumpeter swans, starving to death at Lonesome Lake, 200 air miles north of Vancouver.





## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, February 15, 1949.

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

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

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

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

At the time the Bank discussed this question with the chartered banks early last year, there was reason to believe that the plans for capital investment by business firms in 1948 would involve a substantially greater use of labour and materials than was the case in 1947. Because the available labour, materials and equipment were already fully employed, it seemed likely that an effort to increase the volume of investment would serve only to drive up the dollar cost of capital expansion. In these unusual circumstances, it was particularly undesirable that activity in this field should be stimulated by bank credit.

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

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

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External Relations Officer	E.R. Marlin	United States
Deputy Chiefs, Air Navigation Bureau	Frank Entwistle	United Kingdom
	T.S. Bancs	United States
Chief, Communications Section	H.R. Adam	Australia
Chief, Operations Section	P.M. Norman	United States
Chief, Joint Support Section	Joseph Dubsy	Czechoslovakia
Chief, Facilitation Section	R.J. Moulton	United States
Chief, Conference Section	Poeliu Dai	China
Chief, Statistics Unit Economic Analysis & Statistics Section	Bartholomeus Kortekaas	Netherlands
Technical Officer, Rules of the Air & Air Traffic Control Section	Jacques de Vienne	France
Technical Officer, Accident Investigation Section	J.A. Newton	United Kingdom
Supervisor, French Unit, Language Section	Lucien Brunet	France
Supervisor, Spanish Unit, Language Section	Nicholas Jan	United States
Assistant to Secretary General	John Hutchison	United Kingdom
Translator, Language Section	Leon Boussard	France
" "	Bernardo Meana	United States
" "	G.J. Miret	Argentina
" "	I.P. Mortished	Ireland

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

International Trade Fair: Advance space-booking in the Chemicals and Radium section, of the 1949 Canadian International Trade Fair to be held at the Toronto Exhibition Grounds, May 30 to June 10, under sponsorship of the federal Government, reveals Canada as the dominant exhibitor as was the case last year.

Across Canada: The Leader of the Opposition in the House of Commons, Mr. Drew, yesterday moved an amendment to the resolution on the proposed union with Newfoundland, demanding that before any further steps are taken, the Provinces be consulted....The Supreme Court of Canada yesterday quashed a conviction against a Toronto lumber and hardware merchant, fined \$3,000 eight months ago for selling nails at a price "higher than is reasonable or just," the Canadian Press reported from Toronto. The charge was laid under the Prices Board regulations.

## AIRMAIL BULLETIN



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Wednesday, February 16, 1949.

In Parliament Yesterday: An amendment and a sub-amendment to the formal address which will be sent to the United Kingdom Parliament asking for confirmation of the Terms of Union with Newfoundland were defeated in the House of Commons on Tuesday. By a vote of 191 to 12 the House defeated a move by Mr. Lacroix (L-Quebec-Montmorency) to have Union deferred until the consent of the Provinces is obtained. By a vote of 137 to 66 the House defeated a Progressive Conservative amendment urging that Union be delayed until there were "satisfactory consultations" with the provinces on the procedure to be followed in bringing it about.

Departmental Postings: The Department of External Affairs announced on February 15 the following postings:

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

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

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

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

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

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

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

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

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

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

The number of entries in the month amounted to 32,590 as compared with 28,243 in the corresponding month a year ago.

Hospital Conference: Attended by representatives from Newfoundland and each of the nine Canadian provinces and guests from the United States, a three-day Federal-Provincial conference on hospital statistics held its first session Monday at Ottawa. The conference was opened by the Minister of Trade and Commerce, Mr. Howe, with a welcoming address to the delegates.

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

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

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

Department Store Sales: Aggregate value of department store sales in Canada last year was almost 14 per cent higher than in the preceding year. All sections of the country shared in the rise, gains in the western provinces being larger than in eastern Canada. Among the departments, only radios, musical instruments and supplies showed a lower sales value.

Across Canada: Sixty of Canada's rare trumpeter swans were pecking at a big barley feed last night after the RCAF completed a five-hour mercy flight from Vancouver to Lonesome Lake, 280 air miles north, where the flock was starving to death on the frozen lake. The food was dropped by parachute. Lonesome Lake is a narrow valley surrounded by 6,000 foot mountains and the plane had to drop the parachute and climb at a sharp angle to avoid hitting the face of a mountain.



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Thursday, February 17, 1949.

In Parliament Wednesday: The House of Commons yesterday approved the resolution asking the British Parliament to confirm the Union of Newfoundland with Canada. The final passage involved a division in which the resolution was adopted 140 to 74. Opposing were 61 Progressive Conservative members, nine members of the Social Credit group, and four Quebec members; Messrs. Dorion, Lacroix, Hamel, and Pouliot.

Yesterday's discussions were marked by another address by the Leader of the Opposition, Mr. Drew, in which he again protested the procedure adopted by the Government, and renewed his insistence upon the desirability of consultation with the Provinces. The former Prime Minister, Mr. King, also delivered his first speech as a private member.

At the conclusion of the vote the House rose in a body and sang the National Anthem and, "O Canada."

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

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

Appointments were made to the Commission as a result of nominations received from ICAO contracting states.

The limited-membership Commission succeeds the ICAO Air Navigation Committee, which was open to any interested contracting state of the Organization, and continues the Committee's function of recommending measures to promote the safety of air travel. One of the Commission's main responsibilities is the drafting of standards designed to produce international uniformity in air navigation practices and equipment.

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

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

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

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

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

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

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

Mr. Howe paid tribute to Mr. Gill's contribution to the Department during the past two years, and expressed regret that the government service was losing a man of such ability and experience. Mr. Gill organized the Standards Division by co-ordinating the work of the Weights and Measures and Electricity and Gas Inspection Services, and the Precious Metals Marking Act. He also laid the groundwork for the establishment of other standards which may be considered desirable in the near future.

Across Canada: Five Newfoundlanders were drowned and 21 others reached shore safely in five dories after a storm hurled the 144-ton schooner Marshall Frank on the Merry Joseph Shoals 22 miles south of Sydney, N.S. yesterday.



## AIRMAIL BULLETIN

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Friday, February 18, 1949.

Union With Newfoundland: The Senate yesterday gave final approval to the legislation embodying the terms of the Union of Newfoundland with Canada and the Governor General is expected to give the Bill Royal Assent today.

In the House of Commons the Minister of National Health and Welfare, Mr. Martin, said that the Government would be prepared to make old age pensions applicable to Newfoundland commencing April 1, 1949.

Mineral Production Record: With Ontario -- established leader among the provinces in mineral production -- accounting for almost 33 per cent of the total, Canada's 1948 mineral production reached an all-time high value of \$806,180,000, according to preliminary figures for last year released by the Bureau of Statistics. The 1948 figure shows an increase of 25 per cent over the previous record of \$644,696,000 set in 1947 and compares with \$502,816,000 in 1946.

All provinces shared in the rise. Ontario's output in the year was valued at \$286,658,000 as compared with \$249,624,000 in 1947. British Columbia was again in second position, leading Quebec by a comparatively narrow margin. British Columbia's output -- 18.3 per cent of the all-Canada total -- was valued at \$147,318,000 compared with \$116,773,000 in 1947. Figure for Quebec was \$147,082,000 -- 18.2 per cent of the national total -- as compared with \$115,152,000 in 1947.

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

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

The broadcast was arranged by Gunnar Rugheimer and Sture Persson of International Service's Swedish Section as the result of a recent story in the Falun newspaper, Dala-Demokraten, which said that many people in that city would like to resume acquaintance with the Canadians who had been interned there.

Electric Energy: Production of electric energy by Canada's central electric stations was slightly lower in 1948 than in the preceding year, the decline being due to a large falling-off in the Province of Quebec -- Canada's largest producing province. Output in all other provinces moved higher. The year's decline was due almost entirely to the very light summer and early autumn precipitation over southeastern Canada, resulting in a run-off of only 60 per cent of the 25-year average.

All-Canada output for the year, according to preliminary figures issued by the Bureau of Statistics was 44,568,849,000 kilowatt hours compared with 44,986,364,000 in 1947, a drop of less than one per cent.

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Wholesale Sales Up: Dollar volume of wholesale sales in Canada last year was 4.4 per cent higher than in the preceding year, while the value of year-end inventories rose six per cent. In December, sales were five per cent higher than a year earlier, but 17 per cent below November. The general unadjusted index of sales, on the base 1935-39=100, stood at 263.2 for December, 316.2 for November and 251.1 for December, 1947.

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

Use Pre-war Names: Reserve Force units of the Royal Canadian Armoured Corps are again to be known by their pre-war names, the Minister of National Defence, Mr. Claxton, announced on February 18. During the war each regiment was known by a number, followed by its pre-war title. Today the old name, with its geographic and often historic connotations, comes first.

Across Canada: Donald Gordon, Deputy Governor of the Bank of Canada, addressed the Junior Investment Dealers' Association of Canada in Montreal last night....Bill Shearer, Boston furniture man who lives at Norfolk, Mass., won the \$1,000 International Dog Derby which ended Thursday at Ottawa.





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Monday, February 21, 1949.

**Housing Policy:** The Prime Minister, Mr. St. Laurent, addressed a luncheon given in his honour by the Mayor and City Council of Toronto on February 19. He discussed federal Government policy in respect of civilian housing. Excerpts from his address were as follows:

"It is not part of the present plans of the federal Government to move from veterans' rental projects into rental housing for civilians....

"We feel that the proper policy for the federal Government is one which is limited to extending financial assistance to individuals and corporations, whether home owners or landlords, to provide new housing....

"It is the deliberate policy of the Government to encourage house building by private and local enterprise, so that as much of our housing needs as possible can be provided, without making the National Government the landlord of too many voters....

"The provision of low rental housing is, in some respects, a social welfare activity. The primary responsibility for social welfare, of course, rests with the municipal and the provincial Governments. Whether the subsidization of low rental housing is desirable or necessary is therefore a matter that falls within their responsibility....

"Once the provincial and municipal authorities have decided that publicly financed housing is desirable, financial assistance from the federal Government, in other forms than those now provided for, may appear to be desirable. Detailed consideration can only be given to that question after the provinces have reviewed the needs of the municipalities and formulated plans for a low rental housing policy...."

**Best Recruiting Week:** Strength of the armed forces increased by 1,034 all ranks in January, the Minister of National Defence, Mr. Claxton, said on February 20.

The navy reported a net increase for the month of 218, the army 513, and the air force 303.

It was the best recruiting month the navy and air force have enjoyed since post-war recruiting started in 1946, Mr. Claxton indicated, and for the army it was the biggest and best month since May 1947.

Strength of the navy as of January 31 stood at 7,753, the army at 17,976, and the air force at 13,998, but it is known that since that date the army has passed the 18,000 mark by a considerable number and the air force is well over 14,000.

**Products Withdrawn:** Following the report of four deaths in the United States from the use of salt substitutes containing lithium chloride for those on salt-free diets, the Minister of National Health and Welfare, Mr. Martin, instructed the food and drug divisions of the Department to ask for the recall of all these products from the Canadian market.

Although no deaths are reported in Canada, the Department urged that the use of these products be discontinued at once.

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Wheat Marketings: Stocks of Canadian wheat in store or in transit in North America at midnight on February 10 amounted to 153,869,000 bushels, showing a decline of 3,163,000 bushels from the February 3 figure of 157,062,000, but up 36,442,000 bushels over last year's corresponding total of 117,427,000, according to the Bureau of Statistics.

Dr. Bouchard Chairman: The appointment of Dr. Georges Bouchard, C.B.E., Assistant Deputy Minister of Agriculture, as member and Chairman of the Advisory Board on Wildlife Protection, has been announced by the Minister of Mines and Resources, Mr. MacKinnon.

Across Canada: Fires at Vancouver's international airport and the downtown Coast Warehouse Co. building caused an estimated million dollar loss at the week-end.... Eighteen-year old Suzanne Morrow of Toronto won the ladies' figure skating championship of Canada in Ottawa Saturday.

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Tuesday, February 22, 1949.

Removal Of Controls: Removal of export and import controls on animal, vegetable and marine oils and fats, was announced on February 21 by the Minister of Trade and Commerce, Mr. Howe. This follows a decision by the International Emergency Food Committee to remove international allocations on these items.

During the period that these allocations had been in effect, Canada was committed to maintain a system of import controls in order to ensure that our purchases were kept within the allocations set by the Committee. With the suspension of international allocations, however, the Canadian Government has removed domestic import controls. It has also been found that the retention of export control on domestically produced oils and fats is no longer necessary.

In Parliament Monday: The Minister of Mines and Resources, Mr. MacKinnon, in the House of Commons yesterday, in reply to a question by Mr. Stewart, spoke on the case of Count Jacques de Bernonville. The discussion was, in part, as follows:

Mr. Alistair Stewart (Winnipeg North): I should like to ask a question of the Minister of Mines and Resources. Is the Minister prepared at this time to make a statement about Count Jacques de Bernonville?

Mr. MacKinnon: ....I am not going to make a statement at the present time in connection with this case, except to say that Count Jacques de Bernonville, a citizen of France, did apply in Montreal for permanent admission to Canada. His application was rejected because he did not come within the admissibility clauses, and further, because he was certified as being a prohibited person, on medical grounds.

Count Jacques de Bernonville appealed against that decision, and I dismissed the appeal. He then took habeas corpus proceedings, and the press has informed me that the appeal was granted this morning. I have not seen the judgment, but I have instructed my officials to have the Immigration Board reconstituted and the case proceeded with, on the assumption that what I am informed by the press is correct.

Employment Conditions: In a statement on February 21, the Minister of Labour, Mr. Mitchell, pointed out a number of important facts concerning employment activity during the past year.

Not only had record employment levels been reached throughout the past twelve months, he stated, but workers generally had shown a greater inclination to stay on the job than in any previous postwar year. As a result, both labour turnover and absenteeism had declined markedly.

This greater employment stability, along with large expenditures in most industries on new plant and equipment, helped to increase production. In 1948, employment of paid workers in manufacturing, for example, averaged one per cent more than in 1947 and the volume of manufacturing production rose by almost three per cent.

Total employment in Canada during 1948 averaged just under 4,800,000, Mr. Mitchell said, approximately 100,000 more than in 1947. The expansion was greatest amongst non-agricultural industries while employment in agriculture declined slightly.

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Army Nurses In Arctic: Soldiers undergoing training in arctic warfare at the Services' cold-weather testing station at Churchill, Man., make a point of not referring to Army nursing sisters as members of the "weaker sex". They know better.

The girls not only have volunteered for the rugged 16-day winter training courses given soldiers but are undertaking the most rigorous phases of the training including long snowmobile jaunts and overnight camps. They're sleeping in regular issue sleeping bags and cooking their own meals outdoors.

Three Canadian Army nursing sisters now are at Churchill, Ottawa authorities said. They are being taught how to live, work and sleep comfortably under typical arctic conditions.

22,562 Vets At University: Some 22,562 veterans of the Second World War -- three and a half years after the cessation of hostilities -- still are attending Canadian universities to complete their education, according to figures released by the Department of Labour.

Of the total, 2,076 are first-year students; 5,218 second year; 8,007 third year; 6,340 fourth year or subsequent years. Another 1,890 are taking post-graduate courses in Canada, the U.S.A. or abroad.

Work Stoppages: Time loss through work stoppages arising from industrial disputes in Canada during January, 1949, was the lowest recorded for any month since June, 1945, according to the monthly summary of strikes and lockouts for January, issued by the Minister of Labour, Mr. Mitchell.

Mr. Sifton Honorary Colonel: The Minister of National Defence, Mr. Claxton, addressing the annual meeting of the Royal Canadian Ordnance Association on February 21, announced the appointment of Mr. Victor Sifton, CBE, DSO, as Honorary Colonel Commandant of the Corps.

Across Canada: Sam Carr was remanded until March 1 in Ottawa's police court yesterday....Newfoundland's Commission Government yesterday announced approval of the terms of union with Canada, the Canadian Press announced from St. John's.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, February 23, 1949.

Religious Persecution: The Prime Minister, Mr. St. Laurent, made a statement in the House of Commons on February 22 on religious persecution in Eastern Europe. He said that during the past few weeks, the House and the country had watched with deepening concern, "what appears to be a systematic campaign of religious persecution in all the satellite states of Eastern Europe, but particularly in Hungary...."

"The Government of Canada," he proceeded, "has already indicated in the most positive terms and in language clear beyond all possibility of mistake, its abhorrence of this systematic persecution."

Mr. St. Laurent recalled his New Year's Day statement on the subject, and the declaration made on February 2 in the House of Commons by the Secretary of State for External Affairs. The declaration referred to the official communication which the Canadian Government made to the Hungarian Minister in Washington, "protesting strongly against a policy of repression and religious persecution which appeared to destroy religious freedom in Hungary and appeared also to violate obligations to secure the enjoyment of human rights, including freedom of religious worship, to which Hungary was pledged under the Treaty of Peace in 1947." In the communication mention had been made of the arrest of Cardinal Mindszenty, of the Senior Bishop of the Lutheran Church in Hungary and of the flight into exile of the Senior Bishop of the Calvinist Church in Hungary.

Speaking of the manner in which the trial of Cardinal Mindszenty was conducted, Mr. St. Laurent went on: "It can hardly be said that these proceedings bear any resemblance to what we understand by a 'fair trial....'"

"The trial which involved seven persons and four different charges, including capital charges, was concluded in three days," he proceeded. "No witnesses were called for the defence. The Counsel for the prosecution made no attempt to establish his case but confined himself for the most part to enlarging on the political fairness of the trial. The counsel for the defence put no case for the defence and did not contest easily refutable statements made by the Counsel for the prosecution; and the material evidence consisted of statements taken outside the court before the trial. It may be added that no representatives of non-Communist governments were permitted to attend the trial. We are informed also that the representative of the Government of Australia attempted to visit Budapest for this purpose, but though a visa was promised on six occasions, it was not forthcoming."

The Government was continuing to seek the views of like-minded Governments, signatory to the Treaty, on the character and desirability of any further action that might be taken jointly or independently. It had been suggested, for example, that the Treaty of Peace be invoked.

Mr. St. Laurent mentioned three possibilities of action:

(a) Immediate action under the Peace Treaty; unfortunately, procedures in this case depend for their effectiveness on co-operation of the Soviet Union. It is not likely that the Soviet Union will give assistance to other signatories as it encourages satellite countries in their hostility to religion. However, joint representation by the signatories to the Treaty, even without the support of the Soviet Union, could have some influence upon the Governments responsible for this persecution.

(over)

(b) Establishment, under the Peace Treaty, of a Commission of Three to act in regard to any dispute arising out of the execution or interpretation of the Treaty: The majority decision of this Commission would be binding on the parties to the dispute. In this case, obstruction by the USSR could not become effective until efforts were made to give effect to the decisions of the Commission.

(c) Reference to the United Nations: "It would seem obvious that the spirit of repression and persecution that pervades the events under review is clearly not in keeping with the Charter of the United Nations or the Declaration of Human Rights. In any case it is the view of the Government that a state which fails to carry out its Treaty obligations in letter and spirit, cannot expect to be supported in its application for admission to the United Nations; and indeed might expect formally to be condemned by the world organization."

"But," the Prime Minister added, "in examining these or any other suggestions that may be made, the Government's course will be guided by considerations that are more significant than tactics or gestures. While giving the fullest expression to our profound abhorrence of religious persecution, however it may be disguised, we shall seek to take only such action as appears to offer a reasonable prospect of promoting the principles in which we believe and at the same time of ameliorating the situation with which we are faced in the Communist countries."

He then announced: "The Government has instructed the Canadian Chargé d'Affaires in Prague to apply for visas to visit Hungary and Roumania in order that he may make inquiries on the spot and report to the Government. Canada is not a signatory to the Bulgarian Treaty, but in any joint action that may be considered advisable, this country would find no difficulty in associating itself with such action. The principles of religious freedom and fundamental human rights are not confined to the articles of a Peace Treaty."

"The clear and common sense conclusion, Mr. Speaker, is that the cases of each church, each Bishop, or each group of religious leaders, are horrifying incidents in what appears to be a Grand Design, a calculated policy of persecution aimed not perhaps at the immediate extermination of the Christian Communions, but at their ultimate subjugation and servitude...."

The Prime Minister noted additional cases of persecution in Bulgaria, Poland, Czechoslovakia and in Roumania, adding: "It cannot be expected, I am sorry to say, that the tale is ended. From the Baltic to the frontiers of Greece the ceaseless pressure to impose a total Communist pattern goes forward. The middle way of life....is being steadily cast aside and nowhere is this clearer than in the realm of religious belief. There is no quick or simple solution; the problem is too vast and too many-sided...."

"The Government will continue to use whatever means are available to support every effort to assert the principles of religious and political liberty and to restore their practice."

NOTE: - Full text of the Prime Minister's statement is available in the Speeches and Statements Series and in the Weekly Bulletin.

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Thursday, February 24, 1949.

**Food For Middle East:** The Secretary of State for External Affairs, Mr. Pearson, announced on February 24 that 600 tons of wheat flour are being shipped at once for the relief of refugees in the Middle East. This shipment, which is in response to a resolution of the General Assembly of the United Nations, will be followed by approximately 50,000 cases of canned fish and 50,000 bushels of white beans. Mr. Stanton Griffis, Director of the United Nations Relief for Palestine Refugees, has "acknowledged with deep gratitude" the Canadian Government's offer of wheat flour, fish and beans.

An estimated number of 700,000 refugees, both Arabs and Jews, have been driven from their homes in Palestine. Most of them are women, children and old people and are now living in the adjoining states of Lebanon, Transjordan, Syria and Egypt. People in these states have done a remarkable job of sheltering, clothing and feeding the refugees, but they are now near the end of their resources and cannot carry on unless they receive outside help. Transjordan alone, with a settled population of less than 200,000, is now attempting to care for an estimated 100,000 refugees.

To illustrate existing conditions in these Middle East countries, Mr. Pearson quoted from a press despatch:

"Children are said to be dying of measles in considerable numbers. There is nothing particularly virulent about the measles epidemic itself but the children are so weakened by pneumonia and dysentery that they are unable to resist the disease."

In November the General Assembly of the United Nations passed a resolution asking member countries to contribute money, goods and services to a total of \$32 million, in order to keep the refugees until the next food crop in the Middle East becomes available in August, 1949. Some countries have already made gifts of tents, medicines or clothing, according to what each can offer.

Mr. Pearson said that in Canada there are surplus supplies of several kinds of foodstuffs for which no commercial market exists, and arrangements are being made through the various Commodity Prices Support Boards to donate some of these foodstuffs to the United Nations Director for the Relief of Palestine Refugees.

Several months ago the Canadian Government donated about a quarter of a million dollars worth of such supplies to the Canadian Red Cross Society for relief purposes in the Middle East.

**Mr. Stone's Appointment:** The Secretary of State for External Affairs, Mr. Pearson, announced on February 24 the appointment of Mr. Thomas Archibald Stone as Envoy Extraordinary and Minister Plenipotentiary of Canada in Sweden. Since 1946 Mr. Stone has been Minister at the Canadian Embassy in Washington.

Mr. Stone was born in Chatham, Ontario, in 1900. He obtained his B.A. from the University of Toronto, and graduated from l'Ecole Libre des Sciences Politiques of Paris.

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Mr. Stone joined the Department of External Affairs in 1927 and was posted to Washington in the same year. He remained there until 1932 when he was transferred to Paris. While in Paris, he attended the Disarmament Conference, Geneva, and the Reparations Conference, Lausanne. Mr. Stone left the Canadian Diplomatic Service temporarily in 1935 and returned to the Department of External Affairs at Ottawa in 1939.

In May, 1944, he went to London as Counsellor on the staff of the Canadian High Commissioner in the United Kingdom. In September of that year he became Chargé d'Affaires of the Canadian Legation to the Allied Governments in London. In 1945, he was transferred to the Canadian Embassy in Washington as Counsellor, becoming Minister in 1946.

Supersonic Research: Grants totalling \$350,000 for supersonic research are to be made to the University of Toronto by the Department of National Defence through the Defence Research Board, the Minister of National Defence, Mr. Claxton, and President Sidney Smith, of the University of Toronto, announced on February 24.

Of the total, \$250,000 is to be expended for building modifications and research equipment in establishing a supersonic aerodynamics research laboratory at Downsview Airport, Toronto. The remaining \$100,000 is to be expended over a three-year period to assist in defraying operating costs. The laboratory will be directed and operated by the University but title to the building and equipment will remain with the Department of National Defence.

The laboratory will function as a part of the University's Department of Aeronautical Engineering, headed by Prof. T.R. Loudon, and will be under the immediate direction of Dr. G.N. Patterson who has an international reputation in this field of research.

The main piece of equipment will be a wind tunnel capable of producing supersonic speeds up to Mach 10 (10 times the speed of sound).

Mr. Saint-Amour Re-appointed: The Minister of Finance, Mr. Abbott, announced on February 23 that an Order in Council had been passed approving the action of the Board of Directors of the Bank of Canada in appointing Mr. Leo Paul Saint-Amour to a third term of office as Assistant Deputy Governor of the Bank of Canada. The present appointment, which is for a further period of seven years from February 18, is made by the Board of Directors of the Bank. Under the provisions of the Bank of Canada Act the appointment by the Directors requires the approval of the Governor in Council and this has been given in the Order in Council announced by the Minister.

ICAO Vacancy: Member States of the International Civil Aviation Organization are being asked to submit applications for the position of Chief of the Administrative Bureau, Dr. Albert Roper, Secretary General, announced on February 21. The position will become vacant July 1 through the resignation of Mr. P.A. Cumyn, who is returning to private business.

Across Canada: The Canadian Federation of Agriculture yesterday expressed fears of possible recession and asked the Government to consider plans for supporting consumer food demand and for establishing floor prices under farm products, the Canadian Press reported.... Public works projects are ready for launching in the event of serious unemployment occurring in Canada, the House of Commons was advised yesterday in replies to questions asked by the C.C.F. leader, Mr. Coldwell.





## AIRMAIL BULLETIN

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Friday, February 25, 1949.

Wheat Price \$1.75: In the House of Commons, on February 24, the Minister of Trade and Commerce, Mr. Howe, announced that the initial price for wheat in the five-year period ending August 1, 1950, had been increased from \$1.55 to \$1.75 a bushel. The increased initial price will become effective on April 1, 1949, and will apply on all wheat delivered to the Canadian Wheat Board since August 1, 1945, and all wheat which will be delivered to the Board up to and including July 31, 1950.

Officer Exchange Agreement: Before the end of 1949 some 19 Canadian Army officers will be serving in the United Kingdom under a new exchange agreement which will bring a similar number of British Army officers to Canada, the Minister of National Defence, Mr. Claxton, announced on February 25.

They will exchange duties principally at schools of instruction, research and development establishments, and in staff appointments in either country.

The total of 19 expected to be exchanged this year is over and above the small group of instructors and students normally exchanged between the defence colleges in Canada and the United Kingdom each year. Some British officers are already in Canada and several Canadian officers are now in the U.K. under the new arrangement.

"Canada and the United Kingdom have exchanged officers for many years," Mr. Claxton said. "Both countries also exchange officers with the United States. The practice permits of a free exchange of information and is of particular value to schools of instruction where new ideas and fresh viewpoints are always welcomed."

Exchanges to be arranged this year will be on a two-year basis, and officers involved will be mainly in the ranks of captain and major.

Record Travel Profit: International travel was more profitable to Canada in 1948 than in any other year, resulting in a net credit of \$150 million compared with \$84 million in 1947 and the previous peak profit of \$90 million in 1929.

Expenditures in Canada by travellers from other countries rose to a new height of \$282 million, according to first estimates by the Bureau of Statistics. At the same time, expenditures of Canadians travelling in other countries took a substantial drop from \$167 million in 1947 to \$132 million.

Last year's gain was entirely the result of travel between Canada and the United States. American spendings on travel in Canada -- advance figures for which were released earlier this month -- reached the estimated record total of \$270 million, up 12 per cent over the previous high of \$241 million in 1947, while Canadian expenditures on travel in the United States dropped from the 1947 peak of \$152 million to \$112 million. As a result, the net credit in Canada's favour was \$158 million, 53 per cent above the previous record established in 1929.

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January Exports Up: Canada's merchandise exports showed a slight rise in January over the corresponding month of last year. During the month there was a further increase in the value of shipments to the United States and a sharp rise to India and Pakistan, but the movement of goods to the United Kingdom and European countries was again lower.

Figures released by the Bureau of Statistics place the value of domestic exports at \$237,000,000 as compared with \$235,400,000 in January last year. Exports to the United States were valued at \$116,023,000 as compared with \$104,999,000, and to the United Kingdom at \$55,813,000 as compared with \$64,948,000.

Camp Borden Appointment: One of the most colorful figures of the Second World War, Wing Commander J.H.L. Lecomte DFC, of Acton Vale, P.Q., has been appointed commanding officer of RCAF station Camp Borden, Ont., Air Force Headquarters announced on February 24. W/C Lecomte replaces W/C G.A. Hiltz AFC, Milltown, N.B., who moves to RCAF station Greenwood, N.S., as commanding officer.

War Damage Claims: The Department of External Affairs reminds all persons who have lost property, or suffered damage in Finland on account of the Second World War, that the latest date by which claims can be filed with the Government of Finland is February 28, 1949. Notice of such claims may be sent to the Finnish Legation, Ottawa, Ontario.

Across Canada: Kenneth F. Tupper, a leading Canadian authority on atomic energy, will succeed Dr. C.R. Young as Dean of the School of Engineering at the University of Toronto, it was announced yesterday by The Globe and Mail....Provincial Treasurer Onésime Gagnon, in his Budget Speech yesterday, forecast that Quebec revenues, estimated to have reached their all-time peak of \$193,940,000 in the current fiscal year, will drop in 1949-50, the Canadian Press reported.

# AIRMAIL BULLETIN

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Monday, February 28, 1949.

**British Army Chiefs' Visit:** Five senior officers of the British Army will be in Ottawa this week on short liaison visits, Army Headquarters has announced. They are: Maj. Gen. S.B. Rawlins, CB, CBE, DSO, MC, Director of Artillery, War Office; Maj. Gen. A.P. Lambooy, OBE, Director General of Artillery, Ministry of Supply; Maj. Gen. E.H. Clayton, CBE, Director General of Fighting Vehicles, Ministry of Supply; Maj. Gen. C.B. Packard, CBE, DSO, Director of Military Intelligence, War Office; and Maj. Gen. G.P.B. Roberts, CB, DSO, MC, Director of Royal Armoured Corps, War Office.

**Swedish Air Chief:** At the personal invitation of Air Marshal W.A. Curtis, Chief of the Air Staff, RCAF, Lieutenant General Bengt Nordenskiold, Commander-in-Chief of the Swedish Air Force arrived in Montreal, Saturday afternoon, February 26, for a brief visit to Canada. Air Marshal Curtis visited the Royal Swedish Air Force in April 1948. Accompanying the Swedish Air Chief is Lt. Colonel D.H. von Schinkel, and Group Captain H.G. Richards, Canadian Air Attache to Sweden.

The Swedish Air Force in Europe is considered second to the Royal Air Force in strength and efficiency. Lt. General Nordenskiold is particularly interested in winter operations of jet propelled Vampires, as the Swedish Air Force is equipped with this type of aircraft and their winter conditions are similar to those in Canada. He is also interested in Canadian methods of personnel selection and of personality and aptitude analysis.

**Combat Epidemic:** Medical experts and specialized equipment were flown to Chesterfield Inlet, 1,000 miles north of Winnipeg, to combat an epidemic in that area that has taken four lives, the Minister of National Health and Welfare, said on February 25.

About 25 cases have been reported by Dr. J.P. Moody, medical superintendent of Indian and Eskimo Health Services, Department of National Health and Welfare, at Chesterfield Inlet and the outbreak is said to be similar to that which struck Eskimo Point, several hundred miles south, last fall, Mr. Martin stated.

"The exact nature of the epidemic has not been determined but it is suspected of being of virus origin. Specimens for laboratory examination are being secured and sent to Connaught Laboratories in Toronto. The area north of Eskimo Point east of Baker Lake including Chesterfield Inlet, has been quarantined," the Minister explained.

**Atlantic Flight Record:** Capt. Colin N. Campbell, the transport pilot who last Tuesday set a record for the west-to-east Atlantic crossing, flew his four-motored North Star from Montreal to London in 10 hours and 11 minutes, clipping 19 minutes off the mark set last year. He flew from Gander, Newfoundland to Ireland in four hours and 56 minutes.

**Crude Petroleum Record:** Canadian production of crude petroleum reached an all time record total in 1948, due in the main to the striking developments in the Leduc field of Alberta--now Canada's premier producing area. Output from the Lloydminster field also rose sharply, more than doubling during the year, while production from the Turner Valley--hitherto Canada's main domestic source--was moderately lower.

According to preliminary figures released by the Bureau of Statistics, the year's output of crude petroleum aggregated 12,368,042 barrels, an increase of 60 per cent over the preceding year. December's output was 1,247,565 barrels, only slightly under the record monthly total of 1,264,988 barrels for November, but sharply higher than the December 1947 figure of 766,309 barrels.

**Gold Production:** Canada's gold production in 1948 amounted to 3,527,573 fine ounces, showing an increase of almost 15 per cent over the preceding year's total, and the highest annual output since 1943, according to the Bureau of Statistics. In December, 326,938 fine ounces were produced compared with 311,343 in the preceding month and 274,735 a year ago.

**81,243 Dwelling Units:** The total number of dwelling units completed in Canada during 1948 is estimated by the Bureau of Statistics at 81,243, including 5,146 conversions. This compares with 79,359 units completed in 1947, and makes an aggregate of 276,516 units completed in the last four years.

Activity in the residential construction field in 1948 was considerably greater than in 1947. Although completions in 1948 were only 1,884 units more than in 1947, the number of dwelling units under construction increased from 42,215 units at the end of 1947 to 56,456 at the end of 1948.

Of the dwelling units completed in 1948--excluding conversions--61,787 were one family detached, 4,560 were two family detached, 1,607 were in rows or terraces, 7,836 were in apartments and flats, and 307 other types.

**Record Field Crops:** The gross dollar value of principal field crops produced on Canadian farms in 1948 is now placed by the Bureau of Statistics at \$1,601 million, the highest gross dollar value of production ever recorded. This was \$156 million higher than in the preceding year. Crops making the largest individual contribution to the total value were wheat, oats, hay and clover, and barley.

**Fish Catch Down:** Landings of Canada's sea fish in January were sharply lower than in the corresponding month last year, due in the main to greatly reduced landings of sea herring in the Pacific coast. This reduction was brought about, for the most part, by the cold weather which prevailed throughout the month. On the Atlantic coast, landings of cod and haddock were higher and smelts and sardines lower.

According to the Bureau of Statistics total landings on both coasts fell to 37,073,000 pounds from 110,257,000 a year earlier and the value to \$1,481,000 from \$2,445,000.

**Across Canada:** A Maritime snow storm at the week-end isolated North Sydney, N.S., and transportation and communications were paralyzed.



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Tuesday, March 1, 1949.

Dr. Barton's Appointment: The Prime Minister, Mr. St. Laurent, on February 28, announced the appointments of Dr. G.S.H. Barton, C.M.G., Deputy Minister of Agriculture since 1932, as Special Assistant to the Minister of Agriculture; and Mr. James Gordon Taggart, C.B.E., hitherto Director-in-Chief of Agricultural Services in the Department of Agriculture, and Chairman of the Agricultural Prices Support Board, as Deputy Minister of Agriculture.

In his new position, Dr. Barton will deal with international phases of agricultural development and will represent Canada abroad at conferences and on international organizations, the Prime Minister said.

"Dr. Barton's new appointment reflects Canada's great interest in international food and trade problems," Mr. St. Laurent added. "It is also a recognition of Dr. Barton's wealth of experience gained through work on such organizations as the Combined Food Board, the International Emergency Food Council, and the Food and Agriculture Organization of the United Nations."

Industrial Employment: Industrial employment showed a pronounced seasonal decline between December 1 and January 1, the losses in construction and manufacturing being particularly noteworthy. Reduced industrial activity was indicated in all provinces, reports the Bureau of Statistics.

The advance index number of employment in the major industrial divisions stood at 197.3 as compared with 204.3 at December 1, a decline of 3.4 per cent. The decrease exceeded that indicated at January 1, 1948, but the index number was then 1.9 per cent below the latest figure, which was the highest in the record for the time of year.

The losses from December 1 ranged from 1.8 per cent in Ontario and 2.7 per cent in Alberta, to 5.2 per cent in Saskatchewan and 6.2 per cent in British Columbia, where unfavourable weather was an important factor.

Wholesale Price Index: Wholesale prices in Canada showed a further slight decline in January, according to the general wholesale index compiled by the Bureau of Statistics. The decline in the index during the month was 0.2 per cent, identical to that shown in December. At this year's January level the index was 12.4 points above January last year.

Chairman, Farm Loan Board: The Minister of Finance, Mr. Abbott, announced on February 28 the appointment of Mr. John C. Murray as Chairman of the Canadian Farm Loan Board.

Mr. Murray has been with the Board since its establishment in 1929, at which time he was appointed Branch Manager for Alberta. He was appointed Chief Inspector in 1936 and a Member of the Board on January 1, 1948.

Naval Appointments: Changes in the appointments of four senior officers of the Royal Canadian Navy were announced on March 1 by Naval Headquarters. The new appointments will take effect in the latter part of March.

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Captain E.P. Tisdall, R.C.N., 42, of Victoria and Ottawa, will relinquish his post as Director General of Naval Ordnance to become Director of Weapons and Tactics at Headquarters. New Director General of Naval Ordnance will be Ordnance Commander W.G. Ross, R.C.N., 41, of Westmount, P.Q.

The present Director of Weapons and Tactics, Acting Captain D.L. Raymond, R.C.N., 44, of Ottawa, has been appointed to the cruiser, H.M.C.S. "Ontario," as Executive Officer. He will relieve Commander P.D. Budge, D.S.C., R.C.N., 44, of Halifax and Victoria, who will take up an appointment on the staff of the Flag Officer Atlantic Coast.

Gen. Crerar Honoured: General H.D.G. Crerar, CH, CB, DSO, has accepted the appointment of Honorary Colonel Commandant of The Canadian Intelligence Corps, the Minister of National Defence, Mr. Claxton, announced on February 28.

The wartime commander of the First Canadian Army in Northwest Europe, now retired and living in Ottawa, was nominated for the honorary appointment at the recent annual meeting of the Canadian Military Intelligence Association. His acceptance was made known this week.

RCAF Appointment: The appointment of Wing Commander G.A. Hiltz, AFC, of Milltown, N.B., as commanding officer of RCAF station Greenwood, N.S., replacing W/C R.O. Shaw, Victoria, B.C., who has been transferred to the staff of Air Transport Command Headquarters, Rockcliffe, Ont., was announced by Air Force Headquarters on February 28.

Across Canada: Paul Emile Desroches, of Hull, Que., yesterday demonstrated to local newspapermen a new carburettor which he claimed would give motorists 176 miles to the gallon, and for which, he is quoted as saying, he wanted at least \$5,000,000. He drained his gas tank, says the Canadian Press report, drove the newspapermen 44 miles on a quart of gasoline, and was able to drain some of that quart out of the tank at the end of the trip....The Ontario Appeal Court yesterday dismissed the federal Government's appeal against the acquittal of 18 dental companies charged under the Combines Investigation Act, the Canadian Press reported from Toronto.



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Wednesday, March 2, 1949.

1949 Economic Outlook: Private and public investment outlay for new construction and for new machinery and equipment in Canada is expected to be increased by 8 per cent this year, the Minister of Trade and Commerce, Mr. Howe, announced March 1 in a report tabled in the House of Commons.

In a second report tabled at the same time, the Minister predicts continued improvement in the supply of building materials even though a few items will continue to be in short supply.

In tabling in Parliament his report entitled, "Private and Public Investment in Canada - Outlook 1949", Mr. Howe indicates that public and private investment intentions call for 1949 capital expenditures of \$3.3 billion, as against the \$3 billion spent in 1948. The program will comprise \$2.0 billion for new construction and \$1.3 billion for new machinery and equipment.

After allowing for price rises during 1948 averaging 7 per cent, the 1949 program in terms of volume will involve a slight increase over 1948. In these terms, volume of construction will be higher by about 6 per cent, and equipment lower by about 6 per cent.

Private outlay on capital goods covering expenditures related to privately-owned business, institutions and housing is estimated at \$2.4 billion, 3 per cent higher than in 1948. Corresponding public outlay is expected to reach \$921 million, or 21 per cent above the previous year. Most of this increase is due to expansion of publicly-owned utilities and to greater outlay for housing and for institutions. Expected investment expenditures to be made directly by federal, provincial and municipal governments are 16 per cent above last year's level.

Dollar capital construction outlays contemplated by the business sector of the economy amount to \$1.9 billion or 2 per cent above realized capital construction investment in 1948. With allowance made for higher prices this indicates that business investment, in physical terms, will be lower in 1949.

With respect to some of the principal groups within the economy, the forecast indicates new investment outlays of \$200 million for institutions, representing a 56 per cent increase over the 1948 level; \$607 million for utilities, up 16 per cent; \$741 million for housing, up 9 per cent; \$515 million for the primary and construction industries, up 2 per cent; \$260 million for trade and services, down 2 per cent; and \$522 million for manufacturing, down 8 per cent.

Government Financing: On behalf of the Minister of Finance, Mr. Abbott, it was announced on March 1 that an issue of Government of Canada Deposit Certificates in the amount of \$100,000,000 dated March 4, 1949 due September 2, 1949, and bearing interest at the rate of  $\frac{3}{4}$  of 1% per annum, has been sold to the chartered banks at par. The proceeds of this issue will be used to retire an equal amount of  $\frac{5}{8}$ % Deposit Certificates which mature on that date.

It was also announced that arrangements have been made for the purchase at par by the Bank of Canada of an issue of \$550,000,000 Government of Canada Treasury Notes dated March 1, 1949 due September 1, 1949, and bearing interest at the rate of  $\frac{3}{4}$  of 1% per annum. The proceeds of this issue are being used to redeem Treasury Notes of like amount bearing interest at  $\frac{5}{8}$  of 1% per annum which matured March 1.

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Army Camp Training: Regulations governing the payment of federal Government employees who, as members of the Reserve Force of the Army attend annual summer camps with their regiments, were outlined this week by Ottawa authorities.

Civil servants who use all or part of their annual leave for the purpose of summer training will draw both civil and army pay for time spent at camp.

Those who do not wish to use any part of their annual leave may apply for special leave for the period their regiment will be training. For them it will be optional whether they take such leave with or without pay. Should they take it "with pay" they will not be paid at military rates. If they take it "without pay" they will receive army pay only. The choice of either civil or military pay -- whichever is higher -- will be their own.

Trade And Commerce Appointment: Appointment of Garson N. Vogel, of Winnipeg, as assistant director of the Wheat and Grain Division, Department of Trade and Commerce, has been announced by the Minister of Trade and Commerce, Mr. Howe.

His Majesty's Thanks: The Royal Canadian Army Chaplain Service (Protestant) this week received a letter from Sandringham, England, expressing the King's pleasure in accepting a copy of a history of the Service, forwarded to him earlier this month.

Across Canada: Mr. P. D. Ross, 91-year-old publisher of the Ottawa Journal, has sold all the shares of The Journal Publishing Company standing in his name to senior associates on the newspaper, it was announced in The Journal this morning....Sam Carr was refused bail yesterday following committal for trial on a charge of conspiring to utter a forged passport.... The Leader of the Opposition in the House of Commons, Mr. Drew, was barred yesterday from tabling the 10,000-word letter on Hong Kong which he wrote to the Prime Minister in 1942. Mr. Drew, however, released the letter to the press.





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OTTAWA - CANADA

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Vol. 7, No. 39

Thursday, March 3, 1949.

\$13,024,000 Spent In Canada: John C. McCloy, President of the World Bank, on Wednesday revealed \$13,024,000 from the bank's world-wide loans has been spent in Canada, according to the Canadian Press report from Lake Success published this morning.

McCloy said in a press conference at United Nations headquarters that France used part of her \$250,000,000 loan to buy in Canada \$6,800,000 worth of ships and to make part payment of \$1,800,000 for locomotives acquired from the Montreal Locomotive Works.

The Netherlands, he said, bought about \$2,700,000 worth of lumber in Canada.

The amount spent in Canada was nearly three per cent of the total disbursement of \$504,383,000 from the bank's total loans of \$650,100,000.

Later McCloy presented a report on the bank's activities to the Economic Committee of the Economic and Social Council.

ICAO Airworthiness Division: To improve the economy of air transport, the International Civil Aviation Organization's Airworthiness Division meeting in Montreal is preparing performance and design standards for four separate categories of transport aeroplanes. Technical experts believe that, under certain conditions, it is possible to modify the very high standards now recommended for transport aircraft without in any way reducing either flying safety or efficiency.

The four categories of transport aircraft will include three for passenger-carrying purposes, and one for cargo only. Airway distances, landing fields available en route, and aircraft weight will all play important roles in the determination of the new standards.

New National Atlas: The Minister of Mines and Resources, Mr. MacKinnon, announced on March 2 that plans are under way to provide a new National Atlas of Canada. This Atlas is required to meet a world-wide demand for authentic information on the geography, resources and economy of Canada.

Since the production of the revised Atlas of Canada, in 1915, remarkable progress has been made in the exploration and development of northern and western Canada. Extended surveys of natural resources have been undertaken and industry and commerce has been greatly expanded.

In December 1948, Cabinet approved the production of the new Atlas under the aegis of the Geographical Bureau of the Department of Mines and Resources. The Bureau has already made a preliminary survey of the project.

Officer Exchange: Major E.W.H. Berwick, 40, of Calgary, has been selected for attachment to the Australian Military Forces on an exchange basis, Army Headquarters announced on March 3. He has been promoted acting lieutenant-colonel.

Coming to Canada in exchange is Lt.-Col. H.G. Bates of the Australian Army, who is expected to arrive at Halifax on March 11. He will be attached to the General Staff branch at Army Headquarters and employed in the Directorate of Military Training.

(over)

Exhibitors From Peru: According to C.J. Van Tighem, Commercial Secretary to the Canadian Embassy in Peru a large number of business visitors from that country is expected to visit the Canadian International Trade Fair in Toronto, Canada, May 30 to June 10. He has written asking for 100 application forms for hotel accommodation during the period of the Trade Fair.

Last year Peru was represented at the Trade Fair in the leather goods section.

New 4 Cent Stamp: The Postmaster General, Mr. Bertrand, has announced that the Department is planning to issue a 4-cent postage stamp to commemorate the entry of Newfoundland into Confederation with Canada when the Governments of Canada, Newfoundland and the United Kingdom ratify the union.

Across Canada: In the House of Commons yesterday Maurice Gingues (L-Sherbrooke) urged the Government to cut personal income tax and hold national lotteries....A board meeting of the Canadian Association of Broadcasters will explore every angle of television, T.J. Allard, CAB General Manager, announced last night, according to The Citizen.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 40

Friday, March 4, 1949.

**Atlantic Security Pact:** The text of the North Atlantic Security Pact, which Canada has now received from Washington, is, in substance, quite satisfactory to the Canadian Government, the Secretary of State for External Affairs, Mr. Pearson, stated at a press conference yesterday.

**Combat Arthritis:** Substantial financial assistance from the federal health grants this year will go to the work of the Canadian Arthritis and Rheumatism Society the Minister of National Health and Welfare, Mr. Martin, announced on March 4.

This organization is now planning a nation-wide program of professional and public education on the prevention, diagnosis and treatment of the various forms of arthritis and rheumatism and the promotion of more adequate facilities for the cure of these ailments.

Mr. Martin pointed out that the provinces are allotting one per cent of the grant available to them for general public health services under the federal Health Plan to assist the Arthritis and Rheumatism Society.

**Farm Wages Higher:** Average wages for male farm help in most provinces and for Canada as a whole were moderately higher at the middle of January this year than 12 months earlier, according to reports received by the Bureau of Statistics from farm correspondents in all parts of Canada. Generally, however, the increase was less than between mid-January 1946 and 1947.

With board provided by the employers, the average farm wage-rate per day for all Canada was \$4.04 at January 15 as compared with \$3.62 at the same date in 1948 and \$3.23 in 1947. By provinces, rates ranged from \$2.94 in Prince Edward Island to \$5.57 in British Columbia, and were higher than in January, 1948 in all provinces except Nova Scotia. Without board, the average daily rate for all Canada was \$4.97 against \$4.66 a year earlier and \$4.15 in 1947, rates being somewhat below 1948 levels in Nova Scotia and New Brunswick only.

**Farm Land Values Up:** The average value of occupied farm land in Canada in 1948 is reported at \$39.00 per acre, an increase of 11 per cent over the average indicated in 1947, and an increase of 62 per cent over the 1935-39 average, according to the Bureau of Statistics. Increases over 1947 levels were reported in all provinces with the exception of New Brunswick.

The upward trend in farm land values from pre-war levels reflects, at least in part, the relative changes which have occurred in the price levels of farm products and of the things which farmers buy.

(over)

Feed Grain Supply: With 1948 production of coarse grains in most of the country and particularly in the central provinces at higher levels than in 1947, the current crop year to date has been generally featured by a fairly easy domestic feed-grain supply situation, states the Canadian Coarse Grains quarterly review by the Bureau of Statistics.

So far, a larger proportion of all the 1948 coarse grain crops has been retained on farms than was the case in 1947. In addition to western oats and barley marketed to February 10, it is estimated that some 29 million bushels of oats and 16.5 million of barley remain on western farms to be marketed before the close of the crop year. Fodder supplies are reported to be generally adequate throughout the country, with surpluses indicated in some areas.

Telephone Installations: Reflecting heavy demands both for business and residential telephone service, the number of telephones installed in Canada in 1947 reached an all-time high figure of 204,479, according to the Bureau of Statistics. This raised the total in use to 2,230,597, an increase of 10 per cent over the preceding year, and an increase of slightly more than 64 per cent in the past decade. Total telephones per hundred population increased from 12.1 in 1938 and 16.5 in 1946 to 17.7 in 1947.

Across Canada: In the House of Commons yesterday, the Minister of Transport, Mr. Chevrier, announced that under the Government's "replacement plan" thus far 26 vessels have been sold.... Barbara Ann Scott skated before an Ottawa audience again last night at the opening performance of the 1949 Minto Follies.... The Newfoundland ferry Cabot Strait last night reached open water after four days' imprisonment in an ice field off Cape Breton. None of 81 persons aboard suffered from their isolation.... The Prince Edward Island Legislature yesterday gave second reading to a bill which will restore the right of Islanders to be members of unions with national and international affiliations.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 41

Monday, March 7, 1949.

ICAO London Meeting: International co-operation to finance and operate essential civil air navigation facilities and services in Greece, the Faeroe Islands and on the North Atlantic Ocean will be the object of a special meeting in London, beginning April 20, it was announced at International Civil Aviation Organization headquarters on March 7. ICAO is treating these cases on a "joint support" basis -- that is, nations which benefit from these facilities will be asked to supply the financial support and the technical assistance necessary to operate them.

The joint support request made to ICAO by the Government of Greece involves mainly necessary construction work and new installations which will be required during the next five years to allow the civil airport at Ellinikon, near Athens, to handle safely large modern aeroplanes. Estimates place the cost of this work at approximately \$2,000,000. Also to be considered are other air safety and navigation facilities needed in Greece, such as meteorological and communications services and radio aids to navigation.

The London meeting will take up the request of the Danish Government for air in financing a LORAN (long range radio navigation aid) station in Skuvanes, Faeroe Islands. As the LORAN facilities are used by the airlines of many countries, the Danish Government feels that their maintenance should not be a charge on Denmark alone.

Remaining item on the London agenda is the North Atlantic ocean weather ship network. At present, under ICAO auspices, 10 Atlantic nations maintain these ships, which are primarily used for meteorological reporting, and which play an important part in providing trustworthy weather forecasts for North Atlantic crossings. The ocean stations also provide communications and search and rescue services.

World Wheat Supplies: The combined wheat supply of the world's four major wheat-exporting countries -- the United States, Canada, Argentina and Australia -- amounted at January 1, 1949, to 1,617 million bushels, some 30 million above the supply level at the beginning of 1948. Declines in the two Southern Hemisphere countries were more than offset by increases in available supplies in the United States and Canada, reports the Bureau of Statistics.

While wheat stocks are up only moderately from a year ago, the total supply of all grains at 158 million short tons is 29 per cent greater than the stocks a year earlier and 14 per cent above the average of the past five years. The sharp increase in over-all grain supplies is due principally to the huge 1948 United States corn crop and in a lesser degree to higher total stocks of barley, oats and rye.

Canada's Wheat Supply: With a revised carry-over of 77.7 million bushels of wheat at July 31, 1948, Canada's total wheat supply for the 1948-49 crop year stands at 471.3 million bushels, according to the Monthly Review of the Wheat Situation issued by the Bureau of Statistics. This compares with a total supply of 429.3 million bushels for the 1947-48 crop year.

(over)

Out of the current crop-year total, the quantity available for export or carry-over is estimated at 321.3 million bushels, of which 102.6 million bushels had been exported as wheat and wheat flour during the six months, August to January. The latter figure compares with exports of 97.0 million bushels in the first half of the preceding crop year.

Explore Arctic Islands: One of the most important discoveries that has come out of recent work in the Canadian Arctic is the presence in Foxe Basin, west of Baffin Island, of some large islands which have never yet appeared on any published map. Photographs of these islands taken by the R.C.A.F. show that at least one is over 70 miles in length.

The Minister of Mines and Resources, Mr. MacKinnon, announced on March 4 that during the coming summer a party organized by the Geographical Bureau of the Department will explore these islands.

The party will be under the charge of Mr. T.H. Manning, noted for previous exploratory work in the Arctic; in addition, it will contain two geographers, a botanist and a geologist. It will proceed north from Moosonee at the end of steel in James Bay in a specially constructed 45-ft. boat. It is expected that a great deal of valuable geographic and other scientific information will be obtained.

Arctic Quarantine: In a joint statement issued on March 4 the Minister of Mines and Resources, Mr. MacKinnon, and the Minister of National Health and Welfare, Mr. Martin, warned all persons who may wish to travel to or in the 3,000-square mile area, extending from North of Eskimo Point to and including Chesterfield and westward to Baker Lake, that a strict quarantine is in force in the area and will be continued for at least another two weeks. The quarantine is necessary because of the outbreak of an illness suspected to be poliomyelitis which so far has affected sixty persons and has caused the death of twelve.

The Royal Canadian Mounted Police is co-operating in the enforcement of the quarantine that has been ordered.

Cost of Living Index Eases: With lower food prices slightly overbalancing increases for fuel and light, homefurnishings and services, and miscellaneous items, Canada's official cost-of-living index, as compiled by the Bureau of Statistics, eased one-tenth of a point from 159.6 at the beginning of January to 159.5 at February 1. The latest standing compares with 150.1 a year earlier and is 58.2 per cent above the August, 1939 level.

The food index declined from 202.2 at the beginning of January to 200.4. At the February 1 level it was five points down from the maximum of 205.4 reached at October 1, but 14.3 points above a year earlier.

Across Canada: Twelve poliomyelitis-stricken Eskimos are to arrive in Winnipeg today aboard an R.C.A.F. Dakota from Chesterfield inlet, 1,000 miles north, for medical treatment....The Royal Canadian Navy yesterday reported settlement of what it called a "minor incident" aboard the destroyer "Athabaskan" in Mexican waters, and denied a crew member's assertion that a mutiny had occurred, the Canadian Press reports from Victoria, B.C.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, March 8, 1949.

In Parliament Yesterday: The Prime Minister, Mr. St. Laurent, announced in the House of Commons on March 7 that the Department of Justice is studying legislation dealing with the possibility of taking effective action to counteract the activities of communist parties. His statement was made in response to a question by the Leader of the Opposition, Mr. Drew. The Hansard record is, in part, as follows:

Mr. Drew: I should like to direct a question to the Prime Minister. In view of the statements made during the past two weeks by the national leaders of communist parties throughout the world, to the effect it is their intention to sabotage preparations for defence and assist the Soviet Union in the event of war, is the Government prepared to announce any steps, by way of legislation or otherwise, to deal effectively with this pattern of treason which has been disclosed?

Mr. St. Laurent: The Leader of the Opposition was kind enough to write me a lengthy letter dealing with the background which prompted his question. In answer may I say that these matters are constantly under careful surveillance by the Department of External Affairs. I am sure the Leader of the Opposition will not mind my saying that his letter contained a suggestion that a statement had been made in Canada by Tim Buck. I should like to ask him if he would indicate to me when that statement was made, because I have inquired about it and we have no knowledge of any recent statement by him. The exact form and terms of any such statement would be a matter of concern, because it might constitute an overt act which would come within the existing provisions of the Criminal Code.

I might add that there is a bill on the order paper--it is being carefully examined by the law officers of the Department of Justice--dealing with the possibility of taking effective action to counteract the activities of communist parties. The Department of Justice has not yet made its report on that proposed legislation or on like measures adopted in other countries, and the practical effect of such legislation....

Commonwealth Conference: The Prime Minister, Mr. St. Laurent, in the House of Commons on March 7, answered a question from the member for Vancouver South, Mr. Green, as to whether the adjourned Commonwealth Conference which was to take place in Ceylon in May, might now be held in Ottawa in April. Question and answers were as follows:

Mr. Green: Apparently the Daily Telegraph of London, England, this morning carried a dispatch, which has been reprinted in certain Canadian papers, to the effect that the adjourned Commonwealth Conference to deal primarily with Pacific and Far Eastern questions, which was to take place in Ceylon in May, may now be held in Ottawa in April. Is the Prime Minister prepared to make a statement with regard to that dispatch?

Mr. St. Laurent: I am prepared to state that no such arrangements have been made.

Mr. Green: May I ask the Prime Minister a supplementary question? Can he say whether the Conference is to take place in May? If so, where is it to be held, or is there to be any further meeting?

(over)

Mr. St. Laurent: There was a suggestion that a conference of Ministers of External Affairs might be held in Ceylon some time in May, 1949. It is not to be held in May, 1949. Correspondence is proceeding at the present time to determine whether it will be held at a later date, or whether there will be an opportunity for something that would take its place at the time of the meeting of the United Nations in the autumn of 1949.

Alaska Highway Outlet: Parliament will be asked at the present session, for funds to assist in the construction of a 58-mile, all-weather road as an outlet to the Alaska Highway for the people of Atlin, B.C., the Minister of Mines and Resources, Mr. MacKinnon, announced on March 7. Thirty-two miles of the proposed road are in British Columbia and it is anticipated that an agreement respecting the construction of the road will be reached shortly between the federal and British Columbia Governments.

French Decorations: Two officers and two non-commissioned officers of the wartime Canadian Postal Corps have been granted awards by the Republic of France "for outstanding service to the French cause during the Second World War," Army Headquarters has announced. All four are now in civilian life.

Motor Vehicles Shipments: In contrast with the steady upward climb in evidence since mid-1948, factory shipments of motor vehicles dropped sharply in January to reach the lowest monthly total since September, 1946. The decline in the month from January last year was due to sharply reduced shipments of passenger models. Shipments of vehicles imported from the United States showed a substantial increase over a year ago, according to the Bureau of Statistics.

Across Canada: The debate on the Address in reply to the Speech from the Throne was believed nearing its end in Parliament....Butter prices dropped and sales fell off in several Canadian cities yesterday, the Canadian Press reported....Greater industrial expansion in the Maritimes was forecast by the Minister of Reconstruction, Mr. Winters, in an address prepared for delivery to the Halifax Board of Trade.





# AIRMAIL BULLETIN

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Wednesday, March 9, 1949.

In Parliament Yesterday: P. E. Côté, Parliamentary Assistant to Labour Minister Mitchell, said that no immigrants are displacing Canadians from employment.

Leonard Tremblay (L--Dorchester) accused Progressive Conservative chiefs of engaging in a burlesque on the Atlantic pact.

The Prime Minister, Mr. St. Laurent, said that the Government has not decided whether it will amend the Annuities Act. (CP)

New Stamp for Nfld. Union: Details are now given by the Canada Post Office of the special 4-cent stamp, which the Postmaster General, Mr. Bertrand, has announced will be issued on April 1 to mark the entry of Newfoundland into Canadian Confederation.

The stamp will bear a reproduction of the famous ship "Matthew" the 50-ton vessel in which John Cabot sailed from Bristol, England, in 1497, when he sighted the "New Found Land", which he claimed for his Sovereign King Henry VII.

The design on the stamp shows a mediaeval ship under sail with the St. Georges Cross flying at the main. In the left foreground is shown a forested headland - the Newfoundland Coast.

The commemorative stamp will measure approximately  $1\frac{1}{2}$  by 1 in. or the size of the current Canadian pictorial issue which commemorates the completion of 100 years of Responsible Government. The colour will be green.

"Army Week" In May: "Army Week" -- which last year saw some 50,000 members of the Active and Reserve Forces of the Army play host to more than 6,000,000 interested visitors and spectators at elaborate military displays across the country -- will be held this year from May 15 to 22, it has been announced at Ottawa.

This year, as last, all Army camps, armouries and establishments will be thrown open to the public.

For Canadian Troops In UK: Under a reciprocal agreement between Canada and the United Kingdom, Canadian Army personnel on duty, leave or pass in the UK now are eligible for full medical treatment in either service or civilian hospitals or clinics without cost to themselves or to the Canadian public.

Similarly, British armed forces personnel are afforded the same medical treatment free of charge here in Canada.

Butter Supplies Down: Domestic disappearance of creamery butter in Canada in January was at the low total of 20,591,000 pounds, down approximately 550,000 pounds or  $2\frac{1}{2}$  per cent from the same month last year, according to the Bureau of Statistics.

Creamery butter production during the month, as previously published, increased to 9,696,000 pounds as compared with 8,956,000 a year earlier. The quantity of butter imported during the month under the special duty-free arrangements amounted to 1,511,000.

Stock holdings of creamery butter on January 1, which amounted to almost 37,500,000 pounds, represented a decline of about 20 per cent from December and nearly 15 per cent from the same date last year. The total supply, represented by stocks at the beginning, plus butter produced during the month, fell  $22\frac{1}{2}$  per cent from December and eight per cent from January last year.

(over)

Chemical Industry: Production of Canada's chemicals and allied products industries, which fell off sharply in 1946 following the cessation of output for war purposes, increased in value in 1947 to \$450 million from \$376 million in the preceding year, according to final summary figures issued by the Bureau of Statistics. The year's value was the highest in any peacetime year and, with shell-filling excluded, was greater than in any of the war years.

About two-thirds of the 1947 gain of 20 per cent was due to higher prices for the products of chemicals group of industries, the Bureau estimates, and about one-third to greater volume of production. During 1947 there were 1,031 establishments making chemicals and allied products and a monthly average of 38,491 employees.

Processed Foods: Canadian food processors last year manufactured increased quantities of sweet biscuits, chocolate and sugar confectionery, jellies, foods for infants, pickles and relishes, but turned out fewer soda biscuits, canned meat, and vinegar, according to preliminary figures for the year by the Bureau of Statistics. There was more coffee ground, but less tea was blended and packaged. Greater quantities of tomato products -- soup and catsup -- were canned, but less of other kinds of soup.

Across Canada: A German prisoner of war who escaped in Canada three years ago has been captured near Montreal where he was working, the RCMP at Montreal announced yesterday. He will probably be deported to the Russian occupied sector of Germany, police are reported by the Canadian Press as saying....The War Veterans' Association of Newfoundland, with 3,500 members in 27 branches, is considering the question of joining the Canadian Legion, it was announced at St. John's last night, according to the Canadian Press....A strike vote will be taken April 12 by more than 1,200 gold miners in five British Columbia operations and one at Yellowknife, NWT, it was reported by the Canadian Press from Vancouver....The first poliomyelitis epidemic to strike Canada's 8,000 Eskimos originated with a native named Tutu and was aided by the Eskimo habit of naked, multiple sleeping, the Canadian Press reported after a press conference in Ottawa with health officials.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Thursday, March 10, 1949.

In Parliament Yesterday: By a vote of 174 to 39, the House of Commons, on March 9, defeated a C.C.F. no-confidence motion, presented as a sub-amendment in the debate on the Address in reply to the Speech from the Throne. In the division the Government was supported by the Progressive Conservative party and two Quebec Independents, while the Social Credit group voted with the C.C.F. Still to be voted upon, at this writing, is the no-confidence motion of the Progressive Conservatives.

The C.C.F. sub-amendment, defeated yesterday, would have had the House regret "that Your Excellency's advisers have failed to make provision for the orderly marketing of natural products and for their exchange for goods much needed in Canada and for the elimination of speculation in foodstuffs. We further regret that Your Excellency's advisers have failed to make provision for national health insurance."

In an earlier division on March 9 the Government was upheld by a vote of 146 to 74 on an issue involving the tabling of certain agreements entered into by the Polymer Corporation, as demanded by the Progressive Conservative member for Lambton West, Mr. Murphy. The Minister of Trade and Commerce, Mr. Howe, said that he should not like to establish the practice of laying on the table contracts between Polymer and its customers in all parts of the world.

Support Fish Prices: The Minister of Fisheries, Mr. Mayhew, announced in the House of Commons on March 9 that the Fisheries Prices Support Board has been authorized to buy large quantities of fish at specified prices from prairie province fishermen who are in serious straits with large quantities of fish on their hands because of weather conditions and some softening of the export market.

Restitution Courts: The Department of External Affairs announces that special courts (called "chambers") have been established throughout the French Zone of Occupation in Germany to hear claims for the restitution of property situated in that area.

Canadian citizens or persons residing in Canada who have such claims should submit their requests for the institution of legal proceedings directly to the appropriate court on or before May 15, 1949; otherwise, their claims may be barred.

Full information on the procedure to be followed may be obtained from the Department of External Affairs, Ottawa.

"The Mackenzie Highway": The recently constructed highway from Grimshaw, Alberta, to Hay River on the shore of Great Slave Lake in the Northwest Territories has been named "The Mackenzie Highway", it was announced on March 10 by the Minister of Mines and Resources, Mr. MacKinnon. The road is 386 miles long and was built at a cost of \$4,300,000 under a co-operative arrangement between the federal Government and the Government of Alberta. The federal contribution was \$2,900,000.

(over)

The road is 20-feet wide and has a gravelled surface. It is now linked up with a winter road which runs from Hay River to the flourishing mining town of Yellowknife. It will provide much needed all-year-round transportation facilities into an area in which great developments have taken place in recent years. Active prospecting for base metals as well as gold has been continuing and in recent months spectacular results have been reported.

**Insects Control Board:** The Minister of Mines and Resources, Mr. MacKinnon, commenting on the work of the Forest Insects Control Board, stated on March 10 that annual losses of merchantable timber caused by insects and disease amount to approximately 700 million cubic feet, representing one-fifth of the total average annual depletion of Canada's forest capital. Established in 1945 and now headed by Major General Howard Kennedy, of Ottawa, the Board is actively engaged in a Canada-wide program aimed at preventing the destruction of forest reserves by insect life.

**Fur Industry:** The production of the Canadian fur goods industry in 1947 had a total factory value of \$57,542,000, showing a decline of less than one per cent from the all-time record total of \$57,738,000 in 1946, according to the Bureau of Statistics.

The industry, centred mainly in Quebec and Ontario, provided employment for 6,094 persons as compared with 6,264 in 1946, and paid out a total of \$11,406,564 in salaries and wages compared with \$10,512,674. The materials used were valued at \$36,913,000, comprising furs and skins to the value of \$33,992,000, and other materials at \$2,921,000.

Fur coats account for a major part of the total value of production.

**Across Canada:** John Grierson, formerly head of Canada's National Film Board, is to make a movie on Anglo-Canadian relations, the Canadian Press announced today from London... Herbert James Swetman, executive secretary of the Canadian Save the Children Fund, and for two years manager of the Beaver Club in London during the Second World War, died in Toronto yesterday, the Canadian Press announced.



## AIRMAIL BULLETIN

OF CANADA

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Friday, March 11, 1949.

**In Parliament Yesterday:** The Leader of the Social Credit party in the House of Commons, Mr. Low, on March 10, introduced another "no-confidence" motion into the debate on the Address in reply to the Speech from the Throne. It was the third such amendment proposed during the debate.

Mr. Low's amendment would have the House declare as follows:

"We regret that Your Excellency's advisers have shown such studied indifference to the Social Credit financial proposals put before this House from time to time for bringing social security and freedom to every Canadian, and economic stability and prosperity to the country as a whole;

"We also regret that Your Excellency's advisers have demonstrated such timorous diffidence in their failure to take up Social Crediters' oft-repeated challenge to debate in this House and show honest cause why the social credit proposals would not bring widespread security, happiness and contentment to the Canadian people;

"We regret, further, that Your Excellency's advisers have failed to bring forward legislative and administrative provision for maintaining purchasing power at a level which would make possible the equitable distribution of our total production and thus cushion the Canadian economy against the onset of depression...."

**Extradition:** In the House of Commons yesterday the Secretary of State for External Affairs, Mr. Pearson, made the following statement:

"On Tuesday, March 8, the hon. member for York West (Mr. Adamson) asked whether the Government is negotiating with the Government of the United States for a new treaty of extradition, and whether the principle of dual criminality will remain a part of the treaty.

"The answer to the hon. member's question is that no such treaty is now being negotiated with the United States."

**Industrial Employment:** Industrial employment showed a pronounced seasonal recession between December 1 and January 1. Curtailment of outdoor work, shut-downs during the holiday season and for inventory purposes contributed to the contraction which was common to all provinces. The drop in employment was accompanied by a substantial falling-off as compared with December 1 in the weekly salaries and wages distributed by the co-operating establishments.

The loss of 3.4 per cent in employment reported by the 19,704 firms furnishing information to the Bureau of Statistics in the eight principal industrial groups was larger than at the beginning of 1948 or any earlier year since 1941, but was below pre-war years.

The index number of employment declined from 204.3 in December to 197.3 at the beginning of January -- highest in the record for that date -- and compares with 193.7 a year ago. The sums distributed at January 1 in weekly salaries and wages were lower by 6.1 per cent than at the beginning of December, and the per capita weekly figure declined from \$42.23 to \$41.03.

(over)

Reduce Fur Royalties: Royalties under the Northwest Territories Fur Export Ordinance have been reduced by approximately 30 per cent, as from March 1, 1949, according to an announcement by the Minister of Mines and Resources, Mr. MacKinnon. Prices of fur have been falling and consequently it was considered desirable to revise the royalty, which, while calculated on a basis of 5 per cent, is in the form of a fixed amount for each type of pelt.

The revenue collected under the Fur Export Ordinance for the year ended June 30, 1948 amounted to \$147,887. Under the revised tax rate this would have been \$102,145 or a reduction of \$45,742. In that year 607,376 pelts were exported from the Northwest Territories. The bulk of this fur is harvested by native Indians and Eskimos.

Fundy National Park: Parliament will be asked to approve of "Fundy National Park" as the name of New Brunswick's new 80-square mile scenic and recreational area, in legislation to be presented by the Minister of Mines and Resources, Mr. MacKinnon.

The name was chosen by Hon. J.B. McNair, Premier of New Brunswick, from among entries in an essay contest held throughout provincial schools to select a title for the park.

Stocks Of Butter: Stocks of creamery butter on March 1 amounted to 18,822,000 pounds, showing a seasonal decline from the February 1 figure which stood at 27,695,000 pounds, but only slightly lower than the total of 18,955,000 pounds held on March 1 last year, according to the Bureau of Statistics. The February "out-of-storage" movement was 8,900,000 pounds as compared with a similar movement of 12,600,000 pounds in the same month last year.

Across Canada: The Ontario Hydro Electric Power Commission, which has a \$400,000,000 power development under way, will for the first time be given express authority to generate power by a bill introduced yesterday into the Ontario Legislature, the Canadian Press reported from Toronto.... The Prime Minister, Mr. St. Laurent, told the House of Commons last night that the Government will have to seek suspension of the debate on the Speech from the Throne if it is not completed when the House adjourns Friday evening.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Monday, March 14, 1949.

International Accounts: Canada's international accounts showed a great improvement in 1948. The credit balance on current account with all countries rose to \$453 million from \$347 million in 1947, according to a preliminary statement released by the Bureau of Statistics. These figures compare with \$363 million in 1946 and \$688 million in 1945.

The improvement of \$406 million in the current account balance with all countries was the main contributor to a rise in Canada's official liquid reserves of \$496 million in 1948 as compared with a reduction of \$743 million in 1947. At the end of 1948 the official liquid reserves amounted to \$998 million.

The increase in the credit balance last year, the Bureau's report states, resulted from a rise in the value of exports of goods and services while the total value of imports of goods and services remained virtually unchanged. Most of the increase in the value of exports of goods and services was due to price increases, since the volume -- in the aggregate -- does not appear to have been much altered, although there were important changes in the volume of different groups of goods and services. On the other hand, the volume of imports was materially reduced, chiefly because of the effects of the Emergency Exchange Conservation program introduced in November, 1947.

Canada's accounts with individual countries and areas showed even greater changes than the overall account. The spectacular rise in the value of exports of goods and services to the United States, combined with a reduction in the value of imports of American goods and services -- due to reductions both in the volume of commodity imports and in other current expenditure -- led to a sharp decline in the current account deficit with that country to \$401 million from \$1,135 million in 1947.

In contrast with this reduction in the debit balance with the United States, the current surplus with the United Kingdom and other overseas countries dropped to \$873 million from \$1,220 million in 1947.

Reserves of Gold, Dollars, Rise: An increase of \$450 million in the value of Canada's exports to the United States and a reduction of \$150 million in the value of imports from that country were major factors in the improvement of Canada's reserves of gold and U.S. dollars in 1948. This information was disclosed on March 11 in the Annual Report of the Foreign Exchange Control Board for 1948 submitted to the Minister of Finance by Chairman Graham Towers.

The Report showed Canada's holdings of gold and U.S. dollars at the end of 1948 to be \$997.8 million. Whereas in 1947 Canada's official holdings of gold and U.S. dollars fell by \$743 million, in 1948 they rose by \$496 million. The change is accounted for mainly by the reduction of \$734 million in Canada's current account deficit with the United States. This in turn was due mainly to the increase in exports and the decrease in imports noted above and to an increase of nearly \$70 million in Canada's net receipts from the tourist trade. \$150 million of the increase in Canada's official reserves is directly attributable to Government of Canada borrowing in the United States during the year.

(over)

Rome Conference Delegates: The Minister of Labour, Mr. Mitchell, on March 12, announced the names of Canada's delegates to the second session of the Building, Civil Engineering and Public Works Committee of the International Labour Organization. The Committee meets in Rome from March 15 to March 26 to consider measures to stabilize the construction industry.

J. Lorne MacDougall, Industrial Relations Officer of the Department of Labour, has been named as Government Representative, with J. McLeod of Toronto as his adviser. John N. Flood, President of John Flood and Sons, Ltd., Saint John, N.B., and Harold G. Macdonald, President of H.G. Macdonald and Company, Ltd., Edmonton, Alberta, will represent employers, while J. Woolsey, international representative, International Union of Elevator Constructors, of Toronto, and Joseph Dorion, Vice-President of the Building Federation, Canadian Confederation of Catholic Workers, of Quebec City, are the Workers' Delegates.

In Parliament Friday: The Progressive Conservative amendment and the Social Credit sub-amendment, submitted in the debate on the Address in Reply to the Speech from the Throne, were defeated in successive votes in the House of Commons on Friday evening, and the main motion to extend thanks to His Excellency the Governor General for his Speech then carried by a vote of 97 to 89. The Social Credit sub-amendment was defeated 180 to 12; the Progressive Conservative amendment defeated by 124 to 62.

His Excellency In California: The Governor-General is visiting California leaving Ottawa morning 17th March and returning via Victoria and Vancouver on 30th March. His Excellency will receive an honorary degree from the University of California and will deliver the Charter Day Address both in Los Angeles and San Francisco.

Across Canada: The Prime Minister, Mr. St. Laurent, made a week-end speaking tour through Southwestern Ontario....The C.C.F. Leader, Mr. Coldwell, spoke at Sudbury, Saturday night before a C.C.F. nominating convention.... A Canadian Press despatch from Lake Success reported that the Canadian suggestion that the Council's Commission for Indonesia should try to clear the way for a round-table conference to settle the question, was gaining support among various delegations of the United Nations Security Council.... Many harbors are free of ice and ships are refitting from the Gulf of St. Lawrence to the head of the lakes for one of the earliest navigation openings on record, the Canadian Press reported this morning.



# AIRMAIL BULLETIN

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

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Tuesday, March 15, 1949.

**Defence Estimates Up 50 Per Cent:** The Defence estimates for next fiscal year represent approximately a 50 per cent increase in both cash and current commitment authority over the current year as is shown by the following table:

	<u>1948-49</u>	<u>1949-50</u>	<u>Increase</u>
Cash Appropriation	\$251,208,239	375,000,000	123,791,761
Current Year's Commitment Authority	\$ 37,238,578	63,000,000	25,761,422
Future Year's Commitment	\$ 60,938,028	148,315,382	87,377,354
Total Authority	\$349,384,845	\$586,315,382	\$236,930,537

To a much greater degree than other departments it is necessary to plan and provide for defence expenditures, particularly on construction and equipment, beyond the current fiscal year. The commitment authority for future years permits this to be done, the Minister of National Defence, Mr. Claxton, said on March 14.

The increases proposed for the year 1949-50 are in part due to recent increases in pay and allowances and the Government's share of pensions, and also to the increase in the normal cost of operations due to improved rations, clothing and accommodation, the Minister stated.

There will also be increases due to the successful current recruiting campaign which is resulting in a greater number of men in the three Services.

Another cause for the increase is for new equipment and construction for all three Services, including ships for the Navy and planes for the Air Force. This greater military preparedness is a direct reaction to those dangers which have made necessary the conclusion of the proposed North Atlantic Pact.

**\$3,675,000 Wartime Settlement:** The settlement of wartime claims and accounts between the Government of the United States and the Government of Canada was effected on March 14 by an exchange of notes signed by Dean Acheson, Secretary of State, and Hume Wrong, Ambassador of Canada. The notes constitute an agreement settling claims and accounts connected with World War II arising out of the procurement of supplies and services by one Government for the other.

During the war the two Governments procured defence articles for each other for full cash reimbursement. The Government of Canada deposited over \$423,000,000.00 with the United States Treasury Department in payment for services and supplies. The sums deposited exceeded costs by \$3,-675,000 and accordingly a check for that amount was delivered by the United States State Department to the Canadian Embassy.

(over)

U.S. Direct Investments: There was a slight decline in the aggregate value of non-resident investments in Canada at the end of 1947 as compared with a year earlier. United States direct investments in Canada in companies controlled in the United States, on the other hand, were somewhat higher, continuing the advance recorded the previous year.

According to preliminary figures issued by the Bureau of Statistics, total value of non-resident investments amounted to \$7,175 million in 1947 as compared with \$7,178 million in 1946. Investments held in the United States increased to \$5,187 million from \$5,157 million the previous year, while those held in the United Kingdom declined to \$1,642 from \$1,668 million and in other countries to \$346 from \$353 million.

Strait Of Canso Bridge: The Board of Engineers, appointed jointly by the federal Government and the Province of Nova Scotia last year to investigate the transportation facilities and their betterment at the Strait of Canso, has reported in favour of the construction of a low-level bridge capable of handling both railway and vehicular traffic. The cost of construction is estimated at \$13,500,000.00. The Government will establish an authority or agency to carry out the recommendation of the Board of Engineers, the Minister of Transport, Mr. Chevrier, announced on March 14.

"Joint Air Training Centre": The armed forces' Joint Air School at Rivers, Man., has been re-organized under the name "Canadian Joint Air Training Centre", it was announced in Ottawa this week. The change-over is effective April 1.

Army Enlistments: Strength of the Canadian Army (Active Force) showed a net increase of 547 in February, topping January's figure by 34 although there were three fewer days in the month. Total strength as of February 28 was 18,523 for the Active Force and approximately 36,000 in the Reserve Force.

Across Canada: A 32-year-old British Columbia law graduate, reputedly a self-admitted member of the Labour Progressive Party, was adjudged by the Supreme Court of British Columbia yesterday "not a fit" person to practice at the Bar, the Canadian Press reported from Vancouver. The Court upheld the Society of Benchers' claim that, as a Communist, he was not a fit person to take an oath of allegiance as called for in the Legal Professions Act....Canadian butter prices have fallen as much as 10 cents a pound in the last two weeks, it was reported by the Canadian Press....The House of Commons yesterday voted 80 to 68 to continue an experiment of night sittings from 7:30 p.m. to 10:30 p.m., instead of 8 p.m. to 11 p.m.



## AIRMAIL BULLETIN

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Wednesday, March 16, 1949.

In Parliament Yesterday: The Minister of Finance, Mr. Abbott, announced in the House of Commons on March 15 that, barring unforeseen contingencies, he expected to bring down the Budget on Tuesday, March 22, at 7:30 p.m.

In answer to a question by the member for Peel, Mr. Graydon, the Secretary of State for External Affairs, Mr. Pearson, made a statement in the House of Commons on March 15 concerning the signing and tabling of the North Atlantic Security Pact. The brief discussion was as follows:

Mr. Graydon: "May I ask the Secretary of State for External Affairs when he expects the North Atlantic Security Pact to be signed and ready for tabling in the House of Commons?"

Mr. Pearson: "It had been hoped that a draft of the North Atlantic Security Pact could be tabled this afternoon, and arrangements to that end were being made by the Governments concerned. One Government, however, has asked for a short delay. It is hoped now that the draft--of course it will not be signed--will be tabled and made public on Friday."

Mr. Graydon: "The Secretary of State for External Affairs speaks of a draft pact. It will be the pact that has been agreed upon by the signatory nations?"

Mr. Pearson: "It will be a pact that has been agreed upon in principle by the Governments concerned, subject to any changes they may wish to put forward at the conference which will be called for the signing of the pact. It is hoped that that conference will take place some time in April."

The Minister of Trade and Commerce, Mr. Howe, made a statement in the House of Commons on March 15 concerning support prices for western oats and western barley during the crop year 1949-50. He spoke in part as follows:

"The Government has decided to support the price of western oats and western barley during the crop year 1949-50 at the same support prices that are in effect for the present crop. These prices are 61½ cents per bushel basis No. 1 feed oats in store Fort William--Port Arthur and 90 cents per bushel basis No. 1 feed barley in store Fort William--Port Arthur. As in previous years, the Canadian Wheat Board will administer the support prices for these two grains. I want to emphasize that these are support prices only, and producers will have the advantage of whatever higher prices prevail during 1949-50."

Labour Income Up: According to preliminary estimates by the Bureau of Statistics, Canadian labour income in 1948 aggregated \$7,130,000,000, an increase of \$895,000,000 or 14 per cent over the preceding year. Larger sums were paid out in salaries and wages in all industries except forestry, in which there was a drop of four per cent.

During 1948, the cost-of-living index averaged 14 per cent higher than in 1947, the same increase as total labour income. From these similar percentage changes, the Bureau observes, it would appear that purchasing power of labour income in the aggregate was fairly well maintained, although average weekly earnings tended to lag slightly behind rising consumer prices levels.

(over)

Commercial Failures: The number of commercial failures in Canada in 1948 reached the highest level since 1941, and showed an increase of almost 50 per cent over 1947. Despite the sharp rise, the number was considerably lower than in pre-war years. Liabilities in 1948 were up 56 per cent over the preceding year and were the highest since 1935.

According to figures released by the Bureau of Statistics, failures in 1948 totalled 813 as compared with 545 in 1947, 1,008 in 1941, 1,392 in 1949, and 1,314 in 1935. Liabilities amounted to \$15,724,000 in 1948 compared with \$10,078,000 in 1947, \$9,134,000 in 1941, \$15,089,000 in 1939, and \$17,567,000 in 1935.

Auto Sales Drop: Sales of new motor vehicles in Canada showed a marked recession during January, dropping 16 per cent in number from January last year. The decline was due almost entirely to a drop of one-third in passenger car sales, bus sales being slightly lower, but truck sales higher. Owing to higher prices, the drop in total value of sales was only nine per cent.

Total number of new motor vehicles sold in the month, according to the Bureau of Statistics, was 11,492 compared with 13,732 a year ago and 21,021 in December. The month's total is the smallest since October 1946, when 11,462 units were sold. The aggregate dollar value of January sales was \$24,677,689 compared with \$26,963,872 in January last year and \$41,057,609 in December.

Passenger cars sold in January numbered 6,216 compared with 9,324 a year earlier and 14,840 last December, being the lowest number since August, 1946.

On Board H.M.C.S. "MAGNIFICENT": A simulated rocket attack by ten Sea Furies of 803 and 883 Naval Air Squadrons against the British cruiser H.M.S. "Jamaica" on Monday, March 14 ended the first phase of flying operations aboard H.M.C.S. "Magnificent", and on March 15 the carrier and her escorting destroyers, H.M.C.S. "Nootka" and "Haida" entered Colon, Canal Zone, to join forces with ships of the Pacific Coast Squadron.

The strike on H.M.S. "Jamaica" was swiftly put in motion when reports indicated the Royal Navy cruiser was at sea somewhere between Panama and Kingston, Jamaica.

Across Canada: The Government will supplement the sums now received by some recipients of war veterans' allowances, the Minister of Veterans Affairs, Mr. Gregg, informed the House of Commons yesterday....On St. Patrick's Day all workers of Irish descent on the staff of Quebec City will get a holiday with pay, the Canadian Press reported this morning from Quebec....

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Thursday, March 17, 1949.

In Parliament Yesterday: The Progressive Conservative Leader, Mr. Drew, said no general emergency existed to warrant extension of wartime controls under one bill.

The House of Commons voted 141 to 53 to give detailed study of a resolution preliminary to a bill to continue controls.

Prime Minister St. Laurent said he hoped Parliament could take an Easter recess from April 8 to April 25.

Senator J.C. Davis (L--Manitoba) criticized plans to move the administration office of Trans-Canada Air Lines from Winnipeg to Montreal. (CP)

Foreign Trade Up 4 P.C.: Canada's foreign trade in January showed a moderate rise of four per cent over the corresponding month last year, amounting to \$462,800,000 as compared with \$445,100,000, according to the Bureau of Statistics. An advance in the value of merchandise imports accounted for a large part of the gain in the month, domestic exports showing a comparatively small rise, and foreign exports a decline.

The overall favourable balance of trade with all countries amounted to \$15,200,000, slightly less than half the balance of \$33,000,000 in the corresponding month last year, and down sharply from the 1948 monthly average of \$39,400,000.

The month's trade resulted in an adverse balance with the United States of \$47,300,000, showing a marked rise over the December figure of \$9,900,000, and the highest adverse balance since April last year when the figure was \$48,000,000. On the other hand it was only moderately above the January, 1948 figure of \$43,200,000 and compares with the monthly average of \$23,600,000 last year.

The favourable balance of trade with the United Kingdom in the month was \$30,500,000 as against \$24,000,000 in December and \$43,400,000 in January last year. The month's figure was only slightly lower than the 1948 average of \$32,400,000.

Merchandise Imports: Canada's merchandise imports in January were valued at \$223,800,000 -- a new high figure for the month -- showing an advance of 8.6 per cent over last year's corresponding total of \$206,100,000, according to the Bureau of Statistics. Gains of moderate proportions were recorded by each of the nine major commodity groups.

Imports from the United States, valued at \$164,801,000, were nearly 10 per cent higher than in the same month last year, while the value of shipments from the United Kingdom at \$25,405,000, rose almost 18 per cent. Imports from Latin American countries as a group fell from \$15,498,000 to \$14,182,000, but the total from European countries rose from \$3,845,000 to \$6,649,000 as the result of general gains.

(over)

Radioactive Mineral Research: The increasing importance of radioactive minerals in the Canadian economy is reflected in the Estimates recently tabled in the House of Commons. Included in the Estimates of the federal Bureau of Mines is an item of \$268,130 for the investigation of radioactive ores.

The Minister of Mines and Resources, Mr. MacKinnon reports that prospecting for radioactive minerals has shown a marked increase following the rescinding of regulations late in 1947 which reserved all new discoveries in Northwest Territories and Yukon to the Crown, and later the removal of similar restrictions by the provinces. Action of the federal Government in guaranteeing a fixed price for uranium has further stimulated the search for radioactive minerals.

Geological Mapping: Provision of more than one million dollars has been made in the estimates of the Department of Mines and Resources recently tabled, for continuation of the systematic geological mapping of Canada, and for the study of potential sources of minerals, oil and gas.

The Minister of Mines and Resources, Mr. MacKinnon, advised that the Geological Survey of Canada plans on sending 65-70 parties into the field during the coming summer, and these will operate in all provinces as well as the Northwest Territories and Yukon.

Particular attention will be paid to those areas in the Prairie Provinces considered favourable for the production of oil.

Iron And Steel: Shipments of primary shapes by Canadian steel mills in 1948 -- exclusive of producers' interchange -- increased 11 per cent over the preceding year, according to preliminary figures released by the Bureau of Statistics. During the year, 2,622,900 tons were shipped as compared with 2,355,463 in 1947. Shipments in December declined to 212,886 tons from 219,363 in November, but showed a substantial gain over the 178,273 in the corresponding month a year earlier.

Farm Implements, Machinery: Gross selling value of products of the farm implements and machinery industry reached a high total in 1947 of \$89,423,469, showing an increase of 41 per cent over the preceding year's figure of \$63,238,542, according to the annual industry report issued by the Bureau of Statistics. Ontario accounted for 95 per cent of the total output.

Border Traffic: Highway traffic between Canada and the United States in January showed an advance of 17 per cent over the same month last year, according to the Bureau of Statistics. The gain was principally due to Canadian traffic returning from the United States which increased in volume by 39 per cent, while United States traffic entering Canada was nine per cent higher.

Lord Wavell Honorary Colonel: Field Marshal the Right Hon. Lord Wavell, PC, GCB, GCSI, CMG, MC, has accepted the appointment of Honorary Colonel of the 59th Light Anti-Aircraft Regiment (Lanark and Renfrew Scottish) according to an announcement on March 17 by the Minister of National Defence, Mr. Claxton.

Across Canada: Canada, the United States and Australia said yesterday that Russia is asking more than she is entitled to under the proposed international wheat agreement. They asked importing countries to sign a pact with them alone, excluding the Russians. Dr. Charles F. Wilson of Canada told a press conference in Washington the Russian delegation made no objection to the Canadian-American-Australian proposals, the Canadian Press reported from Washington....Winds which swept across the Maritimes at 99 miles an hour in gusts hampered communications yesterday.



## AIRMAIL BULLETIN

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Friday, March 18, 1949.

North Atlantic Treaty: The Preamble and Articles 4, 5, and 6 of the North Atlantic Treaty, released for publication at 11 a.m. on March 18, 1949, by the Department of External Affairs, read as follows:

PREAMBLE

The Parties to this Treaty reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all governments.

They are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law.

They seek to promote stability and well-being in the North Atlantic area.

They are resolved to unite their efforts for collective defence and for the preservation of peace and security.

They therefore agree to this North Atlantic Treaty:

Article 4

The Parties will consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened.

Article 5

The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

Article 6

For the purpose of Article 5 an armed attack on one or more of the Parties is deemed to include an armed attack on the territory of any of the Parties in Europe or North America, on the Algerian departments of France, on the occupation forces of any Party in Europe, on the islands under the jurisdiction of any Party in the North Atlantic area north of the Tropic of Cancer or on the vessels or aircraft in this area of any of the Parties.

(over)



In Parliament Yesterday: The Minister of National Defence, Mr. Claxton, announced the extension of Japanese campaign pay to Hong Kong veterans.

The Minister of Agriculture, Mr. Gardiner, said that the 58-cent wholesale floor price for butter will be continued in the new dairy year starting May 1.

The Prime Minister, Mr. St. Laurent, suggested that Progressive Conservative members are trying to stage a veiled filibuster on control legislation.

The Minister of Finance, Mr. Abbott said that the Government was not prepared to accept a Progressive Conservative suggestion to revalue the dollar.

J. M. Macdonnell moved a motion -- ruled out of order -- asking that the Canadian dollar be allowed to seek its own level.

M. J. Coldwell, CCF leader, charged the Progressive Conservatives with seeking to "destroy" the Canadian democracy.

The Senate heard appeals for a swift start on television and for the outlawing of Communism. (CP)

On Board H.M.C.S. "MAGNIFICENT": The combined East and West coast squadrons of the R.C.N. steamed out of the Canal Zone on March 16 and shaped course for the Leeward Islands. This largest concentration of Canadian naval ships since the war saw the carrier "Magnificent", the cruiser "Ontario", destroyers "Nootka", "Haida" and "Athabaskan" and the frigate "Antigonish" proceeding in company, under the command of Commodore G. R. Miles, O.B.E., R.C.N., in "Magnificent".

The Canadian squadron is due to rendezvous with the Royal Navy's American and West Indies Squadron on March 19 and detailed exercises will commence before proceeding into St. John, Antigua.

Base Maps For Industries: The Topographical Survey will be provided with more than a million dollars in the fiscal year 1949-50 to carry on its work of providing base maps for the use of the mining, engineering, agriculture and forestry industries in Canada. This was revealed in estimates of the Department of Mines and Resources, tabled recently in the House of Commons.

The Minister of Mines and Resources, Mr. MacKinnon stated that it is planned to send some 70 parties into the field this summer, a substantial increase over the 37 parties sent out last year. This increase is in line with the Government's policy of getting ahead with the task of mapping Canada's vast, little-known and undeveloped areas. More parties will operate in most of the provinces and in the Northwest Territories and Yukon.

Cancer Institute Grant: The trustees of the King George V Silver Jubilee Cancer Fund have just authorized a third payment of \$150,000 toward the work of the National Cancer Institute of Canada.

This was announced by the Rt. Hon. Thibaudeau Rinfret, Chief Justice of Canada and Chairman of the trustees of the Jubilee Cancer Fund.

The newly-authorized grant is the third and final payment of a total amount of \$450,000 which the trustees agreed in 1947 to place at the disposal of the National Cancer Institute.

Across Canada: In Canada today there are more than 100,000 active, reserve and civilian personnel working in the interests of the defence of the country, the Minister of National Defence, Mr. Claxton, told a regimental officers' mess dinner in Montreal last evening, the Canadian Press reported.... A \$2,000,000 fire early yesterday wiped out a considerable portion of the Rouyn, Que., business section and made more than 100 persons homeless, the Canadian Press reported.





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Monday, March 21, 1949.

**Travel Expenditures:** Canadians may, in future, obtain permits through their banks for the expenditure of any reasonable amounts for travel to France, Belgium, Luxembourg, the Netherlands and Norway, the Minister of Finance, Mr. Abbott, announced on March 18. So far as Canadian travellers are concerned, these countries are, therefore, now placed in a similar position to those in the sterling area.

Heretofore travel expenditures in the countries concerned were in practice made in U.S. dollars. They were, therefore, limited by the travel ration of \$150 U.S. covering the period from November 16, 1948 to November 15, 1949. In future, such travel expenditures will be authorized only in Canadian dollars but for any reasonable amounts.

This relaxation in travel regulations follows upon the conclusion with the French authorities of arrangements whereby Canadian dollars spent in France for travel purposes will be convertible into French francs at the same rate as the free rate for U.S. dollars, at present approximately 318 francs per dollar. This is in contrast to the normal official rate for Canadian dollars in France of 264. In the other countries concerned, Canadian dollars are convertible at the official rate of exchange which is the same for both Canadian and U.S. dollars.

France, Belgium, Luxembourg, the Netherlands and Norway are those European countries participating in the European Recovery Program which, in addition, have arrangements with Canada under which Canadian dollars are acceptable for expenditures there. The Minister expressed the hope that the additional Canadian dollars accruing to those countries as a result of the relaxation of the Canadian regulations will assist them in carrying out their recovery programs. He also indicated that sympathetic consideration would be given to extending the present relaxation to other E.R.P. countries which are prepared to make arrangements with Canada similar to those of the countries to which it now extends.

**In Parliament Friday, March 18:** The Prime Minister, Mr. St. Laurent, tabled the draft text of the North Atlantic security treaty. (Partial text was published in the Bulletin of March 18).

The Minister of Transport, Mr. Chevrier tabled the Annual Report of the CNR, showing a 1948 deficit of \$33,532,741.

The Progressive Conservative Leader, Mr. Drew, said his party was not conducting a filibuster against control bills.

The Minister of Finance, Mr. Abbott and the Minister of Agriculture, Mr. Gardiner, answered questions on the reasons for loss of some overseas markets.

**Parks Development:** Estimates of the Lands and Development Services Branch of his Department indicate the intention of proceeding actively with the development program initiated last year, states the Minister of Mines and Resources, Mr. MacKinnon.

(over)

Additional work on park highways will include improvements to the Banff-Jasper Highway south of Jasper; to the Banff-Windermere Highway-- a main tourist traffic artery from the International Boundary to the mountain national parks; to the Akamina and Pincher Creek Highway in Waterton Lakes Park, closely affiliated with Glacier Park on the American side; to the Waskesiu Highway in Prince Albert National Park; to No. 10 Highway from Clear Lake to the Northern boundary of Riding Mountain National Park; to the Cabot Trail in Cape Breton Highlands National Park, and other road improvements of smaller proportion. Substantial sums have been included for the development of the new national park in New Brunswick.

Funds are being asked in the Parks vote for the improvement of camp-grounds and other public facilities to guarantee accommodation for the ever-increasing number of visitors to the National Parks.

Store Sales Up: Department store sales showed an increase of three per cent during the week ending March 12 as compared with the same week last year, according to preliminary figures released by the Bureau of Statistics. Manitoba had the largest gain of 19 per cent, followed by Saskatchewan and Alberta with identical increases of 11 per cent. Sales in British Columbia advanced 10 per cent, while Ontario's figure was unchanged. Quebec showed a decline of 10 per cent, and the Maritimes a reduction of seven per cent.

Coal Production Up: With substantial increases in Alberta, Saskatchewan and British Columbia, and a small rise in New Brunswick, Canadian production of coal showed a sharp rise of 45 per cent in February over the same month last year. Nova Scotia's output was slightly lower in the month. Imports were down 25 per cent.

Preliminary figures released by the Bureau of Statistics, place the all-Canada output at 1,673,500 tons as compared with 1,155,000 a year ago, and the imports at 824,000 tons compared with 1,104,000.

Across Canada: Some 15 vessels carrying nearly 1,000 men started the yearly seal pelt harvest in the North Atlantic last week, and the veteran scaler Eagle reported she had taken some 8,000, the Canadian Press reported from St. John's, Nfld....Victor Podoski, former Polish Consul in Canada, fractured both legs Sunday afternoon while skiing at Kingsmere Road.



## AIRMAIL BULLETIN

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Tuesday, March 22, 1949.

In Parliament Yesterday: The Prime Minister, Mr. St. Laurent, said that the administration of the Industrial Defence Board had been transferred from the Department of National Defence to the Department of Trade and Commerce.

The Minister of Trade and Commerce, Mr. Howe, said that the newly-negotiated international wheat agreement would not affect the Anglo-Canadian wheat contract.

The member for Muskoka-Ontario, Mr. Macdonnell, tried unsuccessfully to have controls removed from the Canadian dollar.

The House of Commons gave second reading -- approval in principle -- to the Government's bill to continue foreign exchange controls for another year.

The House of Commons began committee study of the foreign exchange controls bill.

The Minister of Justice, Mr. Garson, defended the Government's handling of controls in debating an omnibus controls bill.

The member for Eglinton, Toronto, Mr. Fleming, moved an amendment that it be split into separate bills.

The Senate, without dissent, approved the Address in reply to the Speech from the Throne. (CP)

Farm Cash Income Record: Cash receipts of Canadian farmers from the sale of farm products reached an all-time high record total of \$2,449,865,000 in 1948, an increase of 25 per cent over the 1947 aggregate of \$1,962,276,000, the previous peak total. When supplementary payments are included, cash income in 1948 amounted to \$2,470,611,000 as against \$1,973,853,000 in 1947.

The substantial gain in farm cash income in 1948 can be largely attributed to rising prices and the large sums distributed by the Canadian Wheat Board and western grain companies in the form of grain equalization and participation payments. During the year these payments totalled \$178,590,000, equalling approximately one-third of the gain in the 1948 cash income over 1947, the Bureau of Statistics reports.

"Topsy - Turvy" Winter: As the sun crossed the Equator on Sunday, March 20, Canada's weather service took time out to make a survey of the dying winter. The reports on the topsy-turvy weather of last winter and the progress of Spring were received from the six main Department of Transport weather offices from Coast to Coast.

One thing stands out - a queer winter that will remain a guide-post in most peoples' memories in the years to come, the Department reports. A cold, hard season from Lake Superior to the British Columbian Coast and a mild one from Georgian Bay to Halifax.

Air Crash Finding: Findings of the Board of Enquiry investigating the crash of Anson aircraft CF--FEO which resulted in the death of eight persons at Trinity Bay, Quebec, on February 2, 1949, were released on March 21 by the Minister of Transport, Mr. Chevrier.

In its report, the Board gave the opinion that the accident resulted from carelessness, and placed dual responsibility for it upon the pilot and the operating company.

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On Board H.M.C.S. "MAGNIFICENT": After acting as opposing fleets in a detailed mock action, a six-ship R.C.N. Task Group and the Royal Navy's America and West Indies Squadron joined company on March 20 and in the late afternoon steamed into St. John's, Antigua. The R.C.N. group consists of the carrier "Magnificent," cruiser "Ontario," destroyers "Nootka," "Athabaskan" and "Haida" and frigate "Antigonish." In the R.N. squadron are the cruisers "Glasgow" and "Jamaica", frigates "Bigbury Bay" and "Whitesand Bay" and sloop "Snipe."

R.M.C. Royal Roads: Deadline on applications for enrolment at Royal Military College and Royal Roads has been extended from March 31 to April 29, it was announced this week. Accepted candidates will be enrolled for the term beginning in September.

The two colleges will take in 183 new cadets this year, 103 at RMC and 80 at Royal Roads, and of the total number 47 will be naval cadets, 76 army and 60 air force. Candidates become eligible for commissions in either the Active or Reserve Forces of the three Services.

Across Canada: Communist leader Tim Buck was refused permission by the Chateau Laurier and Carleton College authorities to deliver scheduled speeches with those premises....Rewards totalling \$2,000 were offered by the Toronto Board of Police Commissioners for information leading to the arrest and conviction of two armed men who stole \$75,000 worth of jewels from the Kent Building, Yonge Street, Sunday night, after overpowering the watchman.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Wednesday, March 23, 1949.

Budget Reduces Taxation: The Minister of Finance, Mr. Abbott, in his Budget Speech in the House of Commons yesterday, announced sweeping taxation reductions, not only in income tax, but on a large variety of consumer goods and services. The highlights of the Budget, as condensed by the Canadian Press, were as follows:--

Budget features two-way income tax relief--higher exemptions and lower rates; both retroactive to January 1.

Basic income tax exemptions boosted from \$750 to \$1,000 for single persons and \$1,500 to \$2,000 for married.

Exemptions raised from \$100 to \$150 for each dependent child under 16 and \$300 to \$400 for other dependents.

Higher exemptions will take 750,000 present taxpayers off income-tax rolls.

Under new low rates three-quarters of remaining taxpayers will pay an average of 15 per cent on taxable income.

Employers authorized to stop deductions immediately for employes now tax-exempt; refunds to be made as soon as possible.

New low deductions for remaining taxpayers expected to be in general effect by April 30.

Other minor reductions and concessions in income tax also announced.

Price ceilings removed from flour, bread, butter, sugar, molasses and certain fruits and vegetables--effective today.

No over-all price increases expected to result from price-ceiling removals.

Price ceilings remain on citrus fruits, canned citrus fruit juices, cabbage, carrots, imported new potatoes and imported grapes.

Subsidy of 46½ cents a bushel on wheat used for domestic consumption being withdrawn today; bread price future uncertain.

No changes in succession duties, liquor taxes, tobacco taxes, general sales tax.

Soft drink tax (25 per cent plus one cent per bottle) repealed immediately

Candy and chewing gum tax (30 per cent) repealed immediately.

Tax on pipes and smokers' supplies (now 35 per cent) reduced to 10 per cent immediately.

Tax on pens and pencils desk sets (now 35 per cent) reduced to 10 per cent immediately.

Tax on cigarette lighters (25 per cent) reduced to 10 per cent immediately.

Tax on matches (various rates) made straight 10 per cent immediately.

Minor additions to sales tax exemptions include malt syrup, lactose and off-the-highway vehicles.

No extension beyond July 1, 1949, of tariff concessions on British cotton and rayon piece goods.

No new tariff changes.

Retail purchase tax of 25 per cent on jewelry and similar articles reduced immediately to 10 per cent at manufacturers' level, instead of present retail level.

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Tax on cosmetics and toilet preparations (25 per cent) reduced to 10 per cent immediately.

Tax on luggage, handbags, etc., (now 35 per cent) reduced to 10 per cent immediately.

Tax on transportation tickets (15 per cent) repealed immediately.

Tax on train berths and parlor-car seats (various rates) repealed immediately.

Taxes on long-distance calls, extension telephones, telegrams and cables (various rates) repealed immediately.

Five-per cent tax on buses repealed immediately.

Tax on carbonic acid gas (50 cents a pound) repealed immediately.

New relaxations in emergency import controls announced--effective April 1.

Principal import relaxation takes form of general increase in import quotas of broad list of goods.

Import restrictions lifted entirely from certain items, including lumber, paints, varnishes and lacquers and mirrors.

Surplus of \$87,000,000 estimated for 1949-50, with revenues of \$2,477,500,000 and expenditures of \$2,390,000,000.

Tax reductions for 1949-50 to total \$369,000,000, bringing to nearly \$1,300,000 the total reductions in the last five years.

Present tax allowances for mining, oil and gas exploration expenses to be extended through 1952; tax credit for deep-test wells extended for 1950.

Three-year tax exemption for new mines extended to include mines coming into production in 1950, 1951 and 1952.

Tax on first \$10,000 of corporation income reduced from 30 to 10 per cent; the rate on income over \$10,000 increased from 30 to 33 per cent.

Credit of 10 per cent of amount of dividends received on common shares will be allowed against personal income tax of shareholder.

Present three-year carry-forward of corporate losses for tax purposes to be extended to five-year period.

All corporation-tax changes effective January 1, 1949.

Across Canada: Without a freight rate increase, the Canadian National Railways will incur a 1949 deficit of \$37,800,000, Parliament was informed yesterday when the C.N.R. annual Budget was tabled in the House of Commons.... Trans-Canada Air Lines announced yesterday that, subject to authorization by the Air Transport Board of Canada and the Civil Aeronautics Board of the United States, there will be a general increase in passenger fares of 15 per cent effective April 1. With the removal of the 15 per cent Transportation Tax announced in yesterday's Budget, there would be no increase in air travel costs.



## AIRMAIL BULLETIN

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Thursday, March 24, 1949.

Royal Assent To Newfoundland - Canada Union: The Prime Minister, Mr. St. Laurent, announced to the House of Commons yesterday that the United Kingdom legislative acts necessary to weld the union of Canada and Newfoundland have received royal assent in London.

He said it was "very satisfactory" to hear a unanimous welcome from all sides of the House to the news, despite the diverging views which had been expressed as to proper procedure, when the Newfoundland bills were before the chamber several weeks ago.

At the same time, he announced that public ceremonies to mark Newfoundland's entry into the Canadian federation will be held April 1 in Ottawa and St. John's, capital of the new province, and will be broadcast over the CBC in Canada and through the radio stations in Newfoundland.

The ceremony in Ottawa will take place on Parliament Hill. The two ceremonies will be consecutive so that they may form part of the same broadcast.

Mr. St. Laurent said that the Government had decided against declaring a public holiday on April 1, as had been suggested by some members, because of the shortness of time, the uncertainty of the weather and other considerations. However, if Newfoundland should care to hold a celebration, perhaps at the opening of its new legislature, the rest of Canada would join in.

He added that he would not be going to Newfoundland for the April 1 ceremonies.

In Parliament Yesterday: The House of Commons voted 146 to 57 to give final reading to a bill to keep the Foreign Exchange Control Board operating until 1951.

The Minister of Veterans Affairs, Mr. Gregg, said that the Government does not intend to accord veterans status to former ferry command pilots.

The Speaker, Mr. Gaspard Fauteux said that experiments with loud-speaking equipment will be conducted during the Easter recess.

Declaring that the resolution came "in direct conflict" with the oath of allegiance taken by Members of Parliament, the Speaker of the House of Commons intervened to order the removal from the order paper of a resolution introduced by Wilfrid Lacroix (L--Quebec-Montmorency) which advocates government legislation to constitute Canada "a separate republic".

Direct intervention of this kind is rarely undertaken and was based by the Speaker on an old authority giving him power "as custodian of our procedure" to permit the removal of "obviously irregular and unbecoming" items. (CP)

Trade Delegation To France: The Secretary of State for External Affairs announced today the composition of the Canadian Delegation to the international conference on trade and tariffs which will open at Annecy, France, on April 8.

The Delegation will be headed by L. D. Wilgress, High Commissioner to the United Kingdom.

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There will be two sets of meetings at Annecy. The first will be the Third Session of the Contracting Parties to the General Agreement on Tariffs and Trade. The General Agreement was negotiated at Geneva, in 1947, between 23 countries, including Canada, all of which are now applying the Agreement provisionally.

The second set of meetings will take the form of tariff negotiations. The purpose of these negotiations is to permit a number of other countries to join the General Agreement. Thirteen countries have indicated their desire to participate in these tariff negotiations. If all 13 acceding countries are successful in arriving at satisfactory arrangements with all 23 Contracting Parties and with each other, the membership of the General Agreement will be brought to 36 countries.

Canada's Trade With Ex-Enemy Countries: Canada did a \$53,000,000 export trade with the former enemy nations, of Italy, Germany and Japan in 1948, Ross Thatcher (CCF--Moose Jaw) was told yesterday in a government return tabled in the House of Commons.

The figure included \$13,000,000 in trade with Germany, \$8,000,000 with Japan and \$32,000,000 with Italy.

Canada has trade representatives in all three countries and is doing her best to stimulate two-way trade, the return said. In Germany, a five-man staff had recently been augmented by several trade department officers who were sent in "to advise what further steps should be taken to strengthen our commercial representation." Most-favoured-nation treatment in customs duties was extended Germany in October.

In Italy, a trade office was opened in September, 1946. Most-favoured-nation status was accorded a year ago. In Japan, a commercial representative has been in Tokyo since June, 1946.

Across Canada: The "good news" of the budget was felt across Canada yesterday in reduced income taxes and lower prices for a considerable line of goods and services, the Canadian Press reported this morning. Income tax deductions received the biggest welcome, though there was some criticism that they did not yet give enough relief to low-wage groups. Price drops showed immediately at store counters. Changes in corporation taxes got a mixed reception. Reduction of taxes for the small business was welcomed, as was the extension of time which corporate losses may be carried forward for tax purposes. A statement from the Canadian Manufacturers' Association said steps to remove "double taxation" on corporate earnings were "a very small first step." Some observers felt increase of the tax on corporation earnings over \$10,000, from the previous 30 per cent to a new 33 per cent might, in the case of some companies, wipe out the margin with which they paid dividends....Firemen early today brought under control a \$700,000 fire which raced through a lumber yard, destroying a furniture factory, a saw mill and two adjoining houses in the eastern part of Quebec City. In Montreal, fire destroyed the Centenary United Church early today. Damages are estimated at \$200,000.





## AIRMAIL BULLETIN

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Friday, March 25, 1949.

In Parliament Yesterday: The Minister of Justice, Mr. Garson, said that the validity of the bill to extend the operation of the Agricultural Products Act "is something which ultimately must be determined by the courts".

John Diefenbaker (PC--Lake Centre) charged Mr. Garson with enunciating a "dangerous and iniquitous" principle.

Agriculture Minister Gardiner said control legislation was necessary to compensate farmers for low prices at which food products were sold during the war and post-war.

Final reading was given to a bill continuing the life of the Canadian Commercial Corporation.

The Senate considered a bill to extend foreign exchange controls for two years. (CP)

Merging of Radio Systems: On the Union of Newfoundland with Canada the public broadcasting system of Newfoundland will be merged with the national system of Canada, it was announced today by A.D. Dunton, Chairman of the Board of Governors of the Canadian Broadcasting Corporation.

The Broadcasting Corporation of Newfoundland, which has a constitution quite similar to that of the Canadian Broadcasting Corporation, now operates stations at St. John's, Gander, and Corner Brook, and is preparing the establishment of a station at Grand Falls. Under the Terms of Union, the staff and facilities of the Broadcasting Corporation of Newfoundland will be taken over by the Canadian Broadcasting Corporation. They will form the Newfoundland region of the national system of Canada.

Preparations are under way for the setting up of network connections between the Newfoundland stations and the rest of the system. The Trans-Canada network service of the CBC is at present carried by land line as far as Sydney, Nova Scotia. To link with Newfoundland it will be necessary to establish network service by Department of Transport radio relay across Cabot Strait to near Port aux Basques; and from there by telegraph land line via Corner Brook, Grand Falls, and Gander, to St. John's. Facilities for such service have not been available previously, but it is expected they will be ready for use by the Canadian Broadcasting Corporation at the time of Union.

Establishment of network connections will make it possible for national Trans-Canada service to be broadcast directly on Newfoundland stations, and for programs from Newfoundland to be carried to the rest of Canada. The network service will also provide a new regular connection between the stations within Newfoundland.

Uniform Building Code: The Central Mortgage and Housing Corporation announced on March 24 that initial steps leading towards the establishment of uniform building codes applicable to all Canadian municipalities were taken during a two-day meeting of Federal, Provincial and Municipal building authorities at the National Research Council, Ottawa, on February 28 and March 1.

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The meeting was held following a suggestion by a number of municipalities that discussions on the subject of building regulations by authorities representing the three levels of government would provide municipalities with first-hand information and pave the way for creating uniformity in building codes throughout the country. More than 100 delegates, including representatives of 43 municipalities, participated in the discussions.

During the session a motion was passed calling for a meeting of provincial representatives and members of the Associate Committee on the National Building Code to discuss provincial regulations.

The Committee was also requested to prepare and publish three booklets on building regulations. First of these would be a simple handbook suitable for small municipalities, the second a volume applicable to medium-sized towns and the third a full, comprehensive code. All three would be correlated in such a way that they could be adopted progressively by a growing municipality. In addition, the need for a code dealing particularly with residential construction was discussed.

Minister Foresees Better Days: The Minister of Finance, Mr. Abbott said last night he does not agree with those who claim the present "boom is bound to be followed by a depression."

"If we in Canada act sensibly, I believe we can hold the gains we have made and look ahead to even better days," he said.

The Minister spoke on the free time provided by the CBC for political broadcasts.

Mr. Abbott reviewed the tax changes made in the budget he presented to the Commons Tuesday.

"There are some who say that these tax cuts should have been made last year," said Mr. Abbott. "But the situation was very different a year ago. Lower taxes in 1948 would have meant a further rise in the cost of living. They could not have meant anything else because the nation was fully employed."

Across Canada: The tenth shield in the main entrance archway of the House of Commons, which has been blank since the buildings were rebuilt in 1916, will get the inscription for which it was meant next week. The other nine shields bear the coats-of-arms of the nine provinces in Canada. Newfoundland's coat-of-arms will be carved on the shield, beginning next Thursday, as a part of the Confederation ceremony slated for Parliament Hill at noon hour of April 1. The ceremony will mark the formal union of Canada with her tenth province...Cracking down on leftist unions, the Canadian Congress of Labour Thursday tossed one from its ranks and took away from another a voice on the CCL's policy-making executive council, The Canadian Press reported today. The International Union of Mine, Mill and Smelter Workers was suspended indefinitely for refusal to get out of jurisdictional fields in Ontario and for attacks on the CCL leadership. The United Electrical workers was cut off from the council though not from the Congress itself -- pending investigation into an attack on Ontario Federation of Labour officials in its official publication. National Director C. S. Jackson of Toronto had been the UEW's spokesman on the council...Closer relations between Canadian and Danish authorities to solve native problems of the Arctic was urged before the Northwest Territories Council yesterday by Capt. Ejnar Mikkelsen. The 69-year-old Danish explorer was lecturing in Ottawa under the auspices of the Arctic Circle and the Canadian Geographical Societies.



# AIRMAIL BULLETIN

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Monday, March 28, 1949.

First Lieutenant-Governor of Newfoundland; The Prime Minister announced today that it was the intention of the Government to recommend the appointment of Sir Albert Walsh, K.C., LL.B., to the office of Lieutenant-Governor of Newfoundland at the date of union. Sir Albert has agreed to accept the appointment on the understanding that he could be released from the Office at an early date after an elected legislature has begun its sessions.

Sir Albert possesses a unique combination of experience and personal qualities which fits him admirably for fulfilment of the responsibilities of his high office of Lieutenant-Governor at the present juncture in the affairs of Newfoundland. He is a native of the new province and received there his early education. He had a distinguished career as an undergraduate at Dalhousie University, where he was graduated in Law. While practising at the Bar in Newfoundland he entered public life and was Speaker in the last Legislative Assembly but one before the establishment of the Commission of Government. He then served for a few years as a Magistrate. In 1944 he was appointed a Member of the Commission of Government as Commissioner for Home Affairs and Education. In January 1947 he became Commissioner for Justice and Defence, and Vice-Chairman of the Commission of Government in May of the same year. During his service on the Commission of Government he attended a number of international conferences as representative of the Government of Newfoundland.

After decision of the people of Newfoundland by referendum last summer in favour of Confederation, Sir Albert was appointed Chairman of the Delegation to represent Newfoundland in the negotiations with the Canadian Government to complete the Terms of Union. On completion of negotiations Sir Albert signed the Terms as Chairman of the Newfoundland Delegation. Sir Albert will thus bring to his Office a wide knowledge of public affairs and a deep familiarity with the constitutional and administrative arrangements which have been made for union.

Sir Albert is married and has three sons. He was knighted in the New Year's Honours List in 1949 for his long and distinguished public service in Newfoundland.

In Parliament Friday: The Minister of Trade and Commerce, Mr. Howe, announced that the Canadian Wheat Board will sell wheat for domestic purposes at \$2 a bushel.

The Prime Minister, Mr. St. Laurent, declined to give a hint as to when federal by-elections will be held in Newfoundland.

The Commons completed debate on control bills which expire before the end of the month.

Members voted 120 to 36 to give second reading--approval in principle--to a bill to continue war-established boards which make food purchases to fill the United Kingdom contract.

Chief Justice Thibaudeau Rinfret gave royal assent to four control bills in the Senate. (CP)

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Increase In Fares Offsets Lowered Tax: Canada's railroad and inland steamship lines moved on March 25 to increase passenger fares 15 per cent, equivalent to the repealed tax on transportation tickets, as a "measure of financial relief" which would not be "felt by the public."

The action was made known in an announcement by the Railway Association of Canada, representing all the country's railways, and was joined by Canada Steamship Lines and its subsidiary Northern Navigation Company. The steamship companies operate on the Great Lakes and the St. Lawrence River.

The announcement, by J. A. Brass, general secretary of the association, said that the application had been filed with the Federal Transport Board for the 15-per-cent increase in first-class fares.

Similar action to increase coach-class and other lower fares will be filed "as soon as practicable."

The government-owned Trans-Canada Air Lines made known immediately after the tax repeal was announced in the federal budget, Tuesday night, that TCA would seek the 15-per-cent equivalent increase.

Iron Ore Deposits In North-Eastern Quebec: Premier Duplessis announced Friday at a press conference that "important new discoveries" of high grade iron ore have been made in north-eastern Quebec, according to the Canadian Press.

The Premier said the new iron ore deposits have been located "miles and miles" from the area in Ungava where iron ore development is in progress.

While he did not give the location of the latest find, the Premier said it proved that "mining riches are to be found almost everywhere in the 311,000 square miles of New Quebec."

The Premier linked the announcement with news that an order-in-council passed Wednesday authorized Lands Minister Bourque to grant a 20-year lease on a four-square-mile airport area at Burnt Creek to Hollinger North Shore Mining and Exploration Company. The Hollinger Company already was located 300,000,000 tons of ore.

He said the airport site lease, renewable after 20 years for an additional 15-year term, would permit air transport to supplement traffic that will be carried on a projected \$50,000,000 railway line. The Hollinger Company will build the railway from Sept Iles, on the Lower St. Lawrence North Shore, through the mountains to iron fields more than 300 miles away.

Across Canada: During a week-end visit to Oshawa the Prime Minister said that the Government wants to see Canada have more hospital beds and trained personnel before it brings down any such measure as health insurance. The \$30,000,000-a-year health grants were aimed in this direction....The successful rescue, after a four-day search, of seven United States airmen on the barren waste of Ellesmere Island, some 850 miles north east of the Magnetic Pole was completed on Saturday. A message from the Arctic circle announcing the evacuation was sent by Air Commodore Martin Costello, CBE, of Winnipeg, in charge of the rescue operations for the R.C.A.F....Mark Frank, Ottawa correspondent of the Canadian Tribune, a weekly published in Toronto, was expelled on Friday as an associate member of the Parliamentary Press Gallery. The Gallery action was the result of two incidents. A story in the Canadian Tribune of March 21 purported to attribute quotations from the Secretary of State for External Affairs, Mr. Pearson, at an "off-the-record" conference for Gallery members. In addition, the Gallery said Frank misrepresented the Gallery in obtaining speaking quarters at the Chateau Laurier last week for Tim Buck, Labour-Progressive leader. The hotel subsequently cancelled the reservation.



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Tuesday, March 29, 1949.

North Atlantic Treaty: The House of Commons on March 28 voted practically unanimously for the motion of the Prime Minister, Mr. St. Laurent, calling for parliamentary approval of the draft terms of the North Atlantic Treaty. The vote was 149 to 2, dissenters being Messrs. Raymond and Hamel, Bloc Populaire members. The House applauded when the Prime Minister crossed the floor to shake the hand of the Leader of the Opposition, Mr. Drew, after the latter had expressed hope for unanimous approval.

Following are brief excerpts from the speeches of the Leaders in yesterday's debate.

Mr. St. Laurent: "...This Treaty is to be far more than an old-fashioned military alliance. It is based on the common belief of the North Atlantic nations in the values and virtues of our Christian civilization. It is based on our common determination to strengthen our free institutions and to promote conditions of stability and well-being. It is based on the belief that we have in our collective manpower, in our collective natural resources, in our collective industrial potential and industrial know-how, that which would make us a very formidable enemy for any possible aggressor to attack.

"Of course it is not easy to venture forecasts, or to attempt to say what might have been in history; but one can wonder. The purpose of the Treaty is to preserve the peace of the world by making it clear to any potential aggressor that, if he were so unwise as to embark on war he might very well finish up in the condition in which the Kaiser found himself after the first great war. He might very well find himself in the position in which Hitler and Mussolini found themselves after the second terrible war...."

"This is not a treaty to make war. It is intended by us, and intended by the others who participate in it, as the best possible insurance against war at the present time, in view of the inability of the United Nations to give us that insurance...."

Mr. Drew: "...As we acclaim this declaration of collective responsibility for the defence of freedom, let us remember that words in themselves offer little assurance of security through the years ahead. Far more important than anything stated by written words is the spirit behind those words and the extent to which the agreeing nations are really prepared to carry out the declared intention of the pact.

"We will be deluding ourselves in a very dangerous manner if we believe that the signing of such a pact in itself assures peace, or the preservation of our freedom. It offers the promise of freedom and peace, only if it becomes a living instrument of effective and continuing co-operation between the nations. It creates a great partnership of free people, but the success or failure of that partnership will depend, not upon the terms of the partnership agreement, but upon the way in which the partners work together after the agreement is signed...."

The Leader of the C.C.F. Party, Mr. Coldwell: "...The hope of mankind lies in universal peace. This, it seems to me, can best be secured at the present time by joining with other free and peace-loving nations in expressing a determination to resist all threats of aggression. At the same time we must insist that universal peace and security will depend in the final

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analysis on the extent to which poverty, misery and want are banished from the world. In such a security system Canada can play an important role. The world is divided into two blocs. We have no warlike ambitions. We desire peace for ourselves and for all mankind. That, I am convinced, is the desire of the masses everywhere. It is that desire which has brought into the North Atlantic Security Pact such nations as Norway and Denmark, nations which are adjacent to Soviet Russia, much nearer indeed than the distances which were noted this afternoon...."

The Leader of the Social Credit Party, Mr. Low: "...We are prepared to work with all our might for the ostensible motives of the pact, and we pray God that the ostensible ones are the real ones. But we are not prepared to work for any hidden designs of international plotters who may be concealed behind a smoke screen. We propose to demand and elicit from all the Ministers responsible for bringing this instrument before the House, not only statements of clarification but also commitments of clarification...."

The Secretary of State for External Affairs, Mr. Pearson: "...The consequence of the pact may be, indeed must be, much more far-reaching than merely the provision of security. It can promote progress as well as preserve peace. If the outlines and foundations of this international community can be fashioned quickly and effectively enough to serve its emergency purpose, it should lead to the growth of freedom and order everywhere...."

Prime Ministers' Conference: A meeting of Commonwealth Prime Ministers is to be held in London, beginning April 21, it was announced by the Prime Minister, Mr. St. Laurent, on March 29.

It is proposed that the Secretary of State for External Affairs should represent the Government of Canada at the opening meetings and, if developments occur which make it desirable for the Prime Minister to go to London subsequently, he will endeavour to fly over at once.

Matters not fully discussed at the meetings of Prime Ministers held in October 1948, involving certain constitutional questions, will be considered at a short series of private meetings which are expected to last a week.

Across Canada: The Canadian Broadcasting Corporation is to proceed with the development of a Canadian television system and to cover costs of necessary installations and development of the service Parliament is to be asked to approve a loan of \$4,000,000 this year, the Minister of National Revenue, Dr. McCann, told the House of Commons yesterday.... Four naval airmen were killed yesterday when a Seafury fighter plane collided at 1,000 feet with a formation of four Harvard training planes over Halifax Harbor, the Canadian Press reported.



## AIRMAIL BULLETIN

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Wednesday, March 30, 1949.

In Parliament Yesterday: The Minister of Finance, Mr. Abbott, tabled supplementary estimates totalling \$95,154,073.

Members voted 107 to 99 to uphold a Speaker's ruling rejecting a CCF motion urging the Government to increase old-age pensions.

John Diefenbaker (PC--Lake Center) criticized the Government for failure to irrigate large areas of the Saskatchewan prairies.

Splitting on party lines, members voted 82 to 76 on the principle of a divorce bill.

Debate ranged from a national fuel policy to means of stemming floods in British Columbia's Fraser Valley.

Senator John T. Haig, Progressive Conservative Leader in the Senate, described the British people as "hard traders." (CP)

Appointments: The Secretary of State for External Affairs announced on March 30 the appointment of Mr. Warwick Fielding Chipman, K.C., as High Commissioner for Canada in India; Mr. Chipman has been Canadian Ambassador in Argentina since August, 1945.

He also announced the appointment of Mr. John Doherty Kearney, M.C., K.C., as Ambassador Extraordinary and Plenipotentiary of Canada in Argentina; since December, 1946, Mr. Kearney has been High Commissioner for Canada in India.

Mr. Chipman was born in Montreal and was educated at McGill University. He practised law in Montreal and served as Batonnier of the Bar of Montreal and Batonnier General of the Bar of the Province of Quebec in 1942 and 1943. He was appointed Canadian Minister to Chile in 1943 becoming Ambassador in 1944 when the Canadian Legation there was raised to the rank of embassy.

Mr. Kearney was born in Montreal and was educated at Loyola College and McGill University. He was awarded the Military Cross in the first world war. He practised law in Montreal. He entered the Canadian diplomatic service and was appointed Canadian High Commissioner in Ireland in 1941. In 1945 he became Canadian Minister to Norway, being accredited also as Minister to Denmark in 1946.

Bulgarian Nationals: It has come to the attention of the Department of External Affairs that a notice has been published in Novo Vreme, a Bulgarian-language weekly in Toronto, on behalf of the Legation of Bulgaria in London, England, to the effect that all Bulgarian citizens living in Canada must register with the Consular Section of the Bulgarian Legation in London. The notice said that this was in accordance with the decree No. 425 of the Presidium of the Supreme People's Council, published in issue No. 69 of the State Gazette of March 25, 1948, and the regulations applying to all Bulgarian citizens living outside the confines of the People's Republic of Bulgaria. All Bulgarian citizens living in Canada were requested to communicate their addresses to the Bulgarian Legation in London so that they might be supplied with forms and instructions.

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The Canadian Government regards any registration of Bulgarian nationals under this decree to be entirely voluntary and recognizes no obligation on the part of any resident of Canada to register.

The Government hopes that the Bulgarians who are making their permanent home in Canada will seek Canadian citizenship, just as other immigrants from Europe have become Canadian citizens. The Canadian Citizenship Act gives assurance to anyone who comes to this country with the intention of making a permanent home here, that he may readily become a naturalized Canadian citizen and secure the rights and privileges which belong to natural-born Canadians.

Newfoundland Services: The Postmaster General, Mr. Bertrand, in welcoming Newfoundland into the Canadian postal family, announced that Canada's tenth Province, from April 1, would enjoy the same postal rates and privileges as the rest of the country.

Chief among these is All Up Mail Service, which was established in the rest of Canada on July 1, last year. As the result, when posted in Newfoundland to Canadian addresses, ordinary letter mails up to one ounce will be given transmission by air, without Air Mail charge whenever delivery will thus be expedited.

Newfoundland's Telegraphs, which were formerly operated by the Department of Posts and Telegraphs will, under Confederation, be operated by the Canadian National Telegraphs. The Canada Post Office is co-operating in having Postmasters at certain Newfoundland points continue to undertake telegraph duties.

New Immigration Office: The Minister of Mines and Resources, Mr. MacKinnon, announced on March 29 that effective April 1, the Canadian Government Immigration Mission in Occupied Territory will open an office in Salzburg, Austria, to facilitate the examination of displaced persons in that country. The opening of this office will further enable the Mission to examine and grant visas to other admissible immigrants. The Officer-in-Charge of the Mission will be J. F. R. Robillard.

Decline In Divorces: Fewer divorces were granted in Canada last year than in 1947, lower totals being shown for all provinces except Prince Edward Island. The decline was the first interruption in a steady upward climb dating from 1940. Despite the decrease, the total for 1948 was almost three times as large as that for 1940.

According to preliminary figures compiled by the Bureau of Statistics there were 6,881 divorces in 1948, down 16 per cent from the preceding year's total of 8,199, but a rise of no less than 290 per cent over 1940. The decline from 1947 lowered the rate per 100,000 population from 65.3 to 53.5. In 1940 the rate was 20.8.

Tariff Board Appointments: The Minister of Finance, Mr. Abbott announced on March 29 that Mr. Francois Joseph Leduc, Montreal, Quebec, and Mr. William Wallace Buchanan, East Selkirk, Manitoba, have been appointed to fill the two vacancies which have existed on the Tariff Board. Mr. Leduc will be Vice-Chairman of the Board.

Across Canada: Col. Edmund P. Newcombe, K.C., 58, Ottawa, a distinguished army officer during the First World War, was killed in Ottawa last evening when his automobile collided with a street car....Four persons were injured and 12 arrested last night in Montreal during a 45-minute street riot between "peace" demonstrators and anti-Red squads of city, provincial and Royal Canadian Mounted Police, the Canadian Press reported from Montreal.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 59

Thursday, March 31, 1949.

Newfoundland Joins Canada: Newfoundland's impending entry into Confederation as the tenth province of Canada, effective at midnight tonight, was featured in news, editorial and advertising presentations in newspapers throughout the nation today. A welcoming hand was extended from every walk of Canadian life. The event is to be commemorated in ceremonies described on March 28 to the House of Commons by the Prime Minister, Mr. St. Laurent, as follows:

"Brief ceremonies are being arranged at St. John's and at Ottawa on Friday, April 1, and they will be broadcast both by the Canadian Broadcasting Corporation and by the Broadcasting Corporation of Newfoundland.

"The ceremony will begin with the reading of the Commission and the swearing in of the Lieutenant Governor of the new Province at St. John's. As part of the same ceremony, the Secretary of State of Canada (Mr. Gibson) will present a token certificate of Canadian citizenship to the newly-appointed Lieutenant Governor, who will receive it on behalf of the people of Newfoundland. This ceremony will be broadcast from St. John's, beginning at twelve o'clock noon Ottawa time, one-thirty p.m. St. John's time.

"The ceremony at Ottawa will follow immediately. It will be held on parliament hill. His Excellency the Governor General, I as Prime Minister, and a Minister from Newfoundland who will be sworn in that morning, will welcome the new Province. As part of the ceremony in Ottawa the first strokes will be taken to carve the Newfoundland coat of arms on the blank plaque under the arch of the Peace Tower."

A combined Army-RCAF Guard of Honour will be mounted in the shadow of the Peace Tower. With the guard will be the Governor-General's Foot Guards' band.

A Royal Salute by the Guard of Honour and a 19-gun salute by the 30th Field Regiment, RCA, will greet the Governor-General when he appears at about 12:15. After the ceremony a second salute will be given and the band will play the National Anthem, Ode to Newfoundland, and O Canada.

## \$55,126,618 Expenditures

In the House of Commons yesterday, the Minister of Finance, Mr. Abbott, tabled special supplementary estimates to cover the year's expenditures on the new Province. The Government estimates it will spend \$55,126,618 in Newfoundland during the first fiscal year. The expenditures provide for the extension of the services of all departments of the federal Government to Newfoundland.

The largest single amount in the estimates was \$8,400,000 to cover family allowance payments. The estimates of the Department of National Health and Welfare totalled \$12,308,606. This included \$78,180 for family allowances administration and \$2,719,200 for payment of the federal Government's share to old age pensions. Other Department of Health expenditures would include grants toward hospital construction, strengthening of public health services, tuberculosis control, etc.

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The Prime Minister announced on March 28 that it was the intention of the Government to recommend the appointment of Sir Albert Walsh, K.C., LL.B., to the Office of Lieutenant-Governor of Newfoundland at the date of union. Sir Albert has agreed to accept the appointment on the understanding that he could be released from the Office at an early date after an elected legislature has begun its sessions.

#### Gander Air Services

The Minister of Transport, Mr. Chevrier, on March 29, made the following announcement in the House of Commons regarding air services at Gander:

"The following arrangements have now been made with regard to provision of air services, after union, to and from Gander, Newfoundland.

"Trans-Canada Air Lines will provide service from Gander to the Canadian mainland on both its transatlantic operations and its domestic operations. Trans-Canada Air Lines will also provide service from Gander to and from the United Kingdom on its transatlantic operations. This represents a new development, since Trans-Canada Air Lines has not previously carried traffic between Newfoundland and the United Kingdom; moreover, T.C.A. domestic connections which will link Gander with the transcontinental service are to be improved.

"Temporary arrangements covering a three months' period terminating June 30, 1949, have been made, under which the foreign air lines now exercising traffic rights at Gander may continue to do so during this temporary period. Any exercise of traffic rights after June 30 will be dependent upon the reciprocal agreements which the Government of Canada may make before that date with those governments in cases where Canada wishes to exercise reciprocal rights in foreign territory.

"Arrangements are now in hand for formal bilateral discussions with the Government of the United States, and these will take place in June."

#### Military Disposition

For military purposes the new Province will become an area of the Army's Eastern Command, the Minister of National Defence, Mr. Claxton, announced on March 31. It will also become part of the Navy's existing Atlantic Command and the Air Force's Central Command. Present Defence Department plans are to establish a naval reserve division in Newfoundland, re-establish the Royal Newfoundland Regiment as a reserve force unit of the army with both infantry and artillery components, and set up Reserve formations of the RCAF.

Senior officers to represent the three Services in Newfoundland have already been appointed and it is expected that they will fly to St. John's on April 7 to set up headquarters. Small staffs will follow later.

#### Banking Arrangements

Graham Towers, Governor of the Bank of Canada, on March 29, announced the appointment of The Eastern Trust Company, St. John's, as Agent for the Bank in Newfoundland for the purpose of effecting transfers and exchanges of Government of Canada bonds in that province. Chartered banks and the public in Newfoundland will be able to make use of these facilities in St. John's for the transfer or exchange of Government of Canada bonds.

The appointment of Victor Calver, former officer of the Newfoundland Department of Finance, as Manager of the Newfoundland office of the Foreign Exchange Control Board, was also announced by Mr. Towers.



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INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, April 1, 1949.

**Mr. Bradley Enters Cabinet:** The entry into the Cabinet of the Honourable Gordon Bradley of Newfoundland was announced today by the Prime Minister, Mr. St. Laurent, in his address on the occasion of the entry of Newfoundland into Confederation as a Province of Canada.

Concluding the English portion of his remarks at the ceremonies on Parliament Hill commemorating the union, the Prime Minister said:

"I welcome as a colleague in the Government of Canada, the Honourable Gordon Bradley of Newfoundland who this morning was sworn to the Privy Council and becomes Secretary of State of Canada."

Mr. Bradley was Attorney General in the last Liberal Government in Newfoundland, and a strong supporter of Confederation.

An additional excerpt from the welcoming address of the Prime Minister was as follows:

"....With the pleasure we have in welcoming you of Newfoundland as Canadians today, there is mingled a feeling that you could have joined no better nation. The formal union is completed today. But the real union - the union of hearts and minds - took place in the recent terrible war - in which Canadians and Newfoundlanders were so closely joined.

"It is not only in war that we have come to know and appreciate the qualities of the people of Newfoundland. During the centuries since the original settlement of Newfoundland, the people of your island have met the forces of nature, on sea and on land. In adversity and in prosperity they have developed qualities of heart and spirit for which they are renowned...."

Today's ceremonies on Parliament Hill, in which the Governor-General, Viscount Alexander, was also a leading participant, dovetailed with ceremonies at St. John's, Newfoundland, both of which were broadcast.

**In Parliament Yesterday:** The House of Commons yesterday resumed debate on the Budget. Motions of want-of-confidence were presented by the Progressive Conservative and C.C.F. parties respectively.

The Progressive Conservative motion was submitted by the member for Muskoka-Ontario, Mr. Macdonnell. It proposed that the House declare as follows: "This House is of the opinion that the Government does not possess the confidence of the country."

The C.C.F. motion, presented as a sub-amendment by the Leader of the C.C.F. Party, Mr. Coldwell, would have the House declare as follows: "This House regrets (a) the failure of the Government to remove the sales tax; (b) the action of the Government in removing the subsidy on flour milled for domestic purposes, thus adding to the cost of living, and (c) the failure of the Government, despite rising national income, to make any provision to improve the living standards of the millions of Canadian people compelled to live on income below the income tax exemption levels, and therefore . . .

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**Senate Approves Pact:** The Senate yesterday, in a brief session, endorsed the North Atlantic Security Pact unanimously, on standing vote.

**Canada -- U.S. Cancer Campaign:** In a move unprecedented in peacetime the federal health agencies of Canada and the United States are joining to sponsor an international campaign to tell the people of both countries the story of cancer research.

Announcement of the joint effort, which involves production of a motion picture and supporting informational materials, was made here on March 31 by the Minister of National Health and Welfare, Mr. Martin. Simultaneous announcement was made in Washington by Oscar R. Ewing, Federal Security Administrator, speaking for the National Cancer Institute of the United States Public Health Service.

**1949 Handbook, "CANADA":** Publication is announced of the 1949 edition of the Official Handbook CANADA. Initiated 19 years ago to supplement the field of the CANADA YEAR BOOK, it is especially designed for ready use by business men, teachers, students, lecturers, and all those interested in the progress of Canada. This convenient pocket-sized annual contains up-to-date official information on all phases of the country's economic organization, reports the Bureau of Statistics.

Containing over 280 pages of text, more than 150 illustrations, including eight pages of coloured reproduction, 100 statistical tables, as well as diagrams, charts and lithographed maps, this nineteenth edition is attractive and readable. The frontispiece marks the decision of Newfoundland to enter the Canadian Confederation.

**Price Index:** A further slight decline was shown in wholesale prices in Canada during February, according to the general wholesale index released by the Bureau of Statistics. The decline in the index in the month was 1.2 points from January, but was 10.8 points above the February index last year.

**Across Canada:** A general tie-up of Canadian-flag deep-sea shipping on the East Coast was ordered yesterday by the Canadian Seamen's Union (T.L.C.) after it learned shipowners had signed with a rival union, the Canadian Press reported from Ottawa this morning....A Boston-bound plane, attempting to land in a sleet storm, crashed and burned near London, Ont., airport yesterday, killing five of its occupants, including Dr. Willard Henry Dow, 52, President of the Dow Chemical Company, and Mrs. Dow, of Midland, Mich., U.S.A., the Canadian Press reported.

## AIRMAIL BULLETIN



INFORMATION DIVISION  
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Vol. 7, No. 61

Monday, April 4, 1949.

**Reply To Soviet Note:** The Department of External Affairs announced on April 4 that the following Note dated April 1 had been sent to the Soviet Embassy, in reply to a long Note dated March 31 which had been received from the Soviet Embassy concerning the North Atlantic Treaty.

The Soviet Note had already been publicized. It repeated statements previously made by the Soviet Government on January 29.

OTTAWA, April 1, 1949.

I have the honour to acknowledge receipt of your note No. 9 of March 31, 1949, with which you forward, on the instructions of the Government of the Union of Soviet Socialist Republics, a memorandum of the Government of the U.S.S.R. concerning the North Atlantic Treaty, and to request you to convey the following to your Government.

As has been repeatedly stated by representatives of the Canadian Government, the North Atlantic Treaty is fully in accord with the principles and Charter of the United Nations and is not specifically directed against any power. The Treaty states in the first paragraph of the Preamble that the parties "reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all government." Article 51 of the Charter of the United Nations specifically recognizes the inherent right of individual or collective self-defence if an armed attack occurs "until the Security Council has taken the measures necessary to maintain international peace and security." A reading of the text of the North Atlantic Treaty should convince all that it does not conflict in any way with the Charter of the United Nations nor, specifically, with Article 51.

The text of the Treaty also makes it clear that the parties have no aggressive aims. The Preamble states that the parties "are resolved to unite their efforts for collective defence and for the preservation of peace and security," and the Articles of the Treaty are exclusively concerned with protection against armed attack from any quarter.

It is clear, therefore, that the North Atlantic Treaty is not directed against any country which does not plan aggression nor does it contravene in any respect the Charter of the United Nations. For these reasons the Canadian Government must categorically deny the accuracy and validity of the conclusions made in the declaration of the Government of the U.S.S.R. concerning the North Atlantic Treaty.

Accept, Sir, the renewed assurances of my highest consideration.

**Canada Joins Protests:** Canada has joined with the United Kingdom and the United States in protesting to the Governments of Hungaria, Roumania, and Bulgaria against violations of the clauses of the Peace Treaties with these countries which provide for the protection of human rights, the Department of External Affairs announced on April 2.

The Department's statement in respect of the United Kingdom protest, read in part as follows:-

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"The Canadian Government is formally associated with the United Kingdom protests to Hungary and Roumania. After presenting the note in Bulgaria the United Kingdom representative informed the Bulgarian Government that the Canadian Government had requested that the Bulgarian Government be informed that the Canadian views were identical with those of the United Kingdom."

After quoting the relevant article of the Treaty of Peace with Hungary, the statement proceeds:

"Article 3 of the Treaty of Peace with Roumania and Article 2 of the Treaty of Peace with Bulgaria are similar in content.

"In its notes the United Kingdom Government states that as a party to the Treaty of Peace which entered into force on September 15, 1947, His Majesty's Government have kept a close watch on the actions of these three governments in relation to the provisions of those articles and have concluded with regret that the governments have deliberately and systematically denied to their people the exercise of the very rights and freedoms which they had pledged to secure under the Treaties.

"Freedom of life and liberty, of political opinion, of expression and of religious worship is denied to those who are not of the same opinion as the governments.

"The United Kingdom Government mentions specifically the prejudice and improperly conducted trials of religious leaders in Hungary, the sentence to life imprisonment of Iuliu Maniu, President of the National Peasant Party in Roumania, the persecution of the Greek Catholic (Uniate) Church in Roumania and the trials of the fifteen protestant pastors in Bulgaria.

"The United Kingdom Government states that it considers that the three governments have repeatedly violated and continue to violate the provisions of the Treaties of Peace relating to human rights. They accordingly call upon the three governments to adopt prompt remedial measures in respect of these violations."

In announcing Canada's association with the Government of the United States in its protests to Hungary and Roumania, the statement of the Department says in part:

"....In presenting the note to the Bulgarian Government, the United States Charge d'Affaires has stated orally that the Canadian Government has requested that the Bulgarian Government be informed that the Canadian views are identical with those of the United States....

"In its notes, the United States Government concludes that, on the basis of its observations since the entry into force of the Treaties of Peace, these three Governments have deliberately and systematically denied to their people the exercise of the very rights and freedoms which they had pledged to secure under the Treaties. The United States Government points out that these Governments have denied to their people the right to life and liberty, to freedom of political opinion, to freedom of press and publication, to freedom of public meeting on political matters and to freedom of religious worship.

"The United States Government mentions specifically the imprisonment of Cardinal Mindszenty and of the Lutheran Bishop Ordass in Hungary, the sentence to life imprisonment of Iuliu Maniu, President of the National Peasant Party in Roumania, the dissolution of the Greek Catholic (Uniate) Church in Roumania, the dissolution of the National Agrarian Union and the Bulgarian Socialist Party in Bulgaria, the execution of Nikolo Petkov, the leader of the National Agrarian Union Party in Bulgaria, the purge of Opposition Deputies from the Grand National Assembly of Bulgaria and the religious persecution exemplified by the recent measures directed against the Protestant denominations in Bulgaria.

"The United States Government points out that it has drawn attention on appropriate occasions to the flagrant conduct of these three Governments in violating the clauses of the Treaty of Peace relating to human rights but that this conduct has not been modified. The United States Government therefore has called upon the Governments of Hungary, Roumania and Bulgaria to adopt prompt remedial measures in respect of these violations and has requested the Governments to specify the steps which they are prepared to take in implementing fully the clauses of the Treaties which relate to human rights and fundamental freedoms."



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Tuesday, April 5, 1949.

**Atlantic Treaty Signing:** The following is the full text of the statement by the Secretary of State for External Affairs, Mr. Pearson, at the signing of the North Atlantic Treaty in Washington, D.C., on April 4:

"Last week the Parliament of Canada, with only two dissenting voices, endorsed the treaty which we sign here today. This virtual unanimity reflected the views of the Canadian people who feel deeply and instinctively that this treaty is not a pact for war, but a pledge for peace and progress.

"The North Atlantic Treaty was born out of fear and frustration; fear of the aggressive and subversive policies of communism and the effect of those policies on our own peace and security and well-being; frustration over the obstinate obstruction by communist states of our efforts to make the United Nations function effectively as a universal security system. This treaty, though born of fear and frustration, must, however, lead to positive social, economic and political achievements if it is to live; achievements which will extend beyond the time of emergency which gave it birth, or the geographical area which it now includes.

"This treaty does not, of itself ensure peace. It does, however, give us the promise of far greater security and stability than we possess today. By our combined efforts, we must convert this promise into performance or the treaty will remain no more than yet another expression of high but unattained ideals. That will not happen to our North Atlantic Pact if each of us accepts the challenge it proclaims; if each of us, with trust in the goodwill and peaceful policies of the others, will strive to make it something more than words. We know that we can do this. If it were not so, we would not today be giving this pledge to stand together in danger and to work together in peace.

"We, in this North Atlantic Community, the structure of which we now consolidate, must jealously guard the defensive and progressive nature of our league. There can be no place in this group for power politics or imperialist ambitions on the part of any of its members. This is more than a treaty for defence. We must, of course, defend ourselves, and that is the first purpose of our pact; but, in doing so, we must never forget that we are now organizing force for peace so that peace can one day be preserved without force.

"We are a North Atlantic Community of twelve nations; and three hundred and fifty million people. We are strong in our lands and resources, in our industry and manpower. We are strong above all in our common tradition of liberty, in our common belief in the dignity of the individual, in our common heritage of social and political thought and in our resolve to defend our freedoms together. Security and progress, however, like peace and war, are indivisible. So there must be nothing narrow or exclusive about our league; no slackening of our interest in the welfare and security of all friendly people.

"The North Atlantic Community is part of the world community and as we grow stronger to preserve the peace, all free men grow stronger with us. The world today is too small, too interdependent, for even regional isolation.

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"This treaty is a forward move in man's progress from the waste land of his postwar world, to better, safer ground. But as we reach the distant pastures, we see greener ones far on. As we reach the summit of this lofty peak, higher ones loom up beyond. We are forever climbing the ever mounting slope and must not rest until we reach the last objective of a sane and moral world.

"Our treaty is no mere Maginot line against annihilation; no mere fox-hole from fear, but the point from which we start for yet one more attack on all those evil forces that would block our way to justice and to peace.

"In that spirit, and with great pride, I sign this treaty as the delegate, and the servant of my country."

In Parliament Yesterday: The Minister of Fisheries, Mr. Mayhew, said that there was hope that something would be done this year to sell canned salmon to Britain.

The Progressive Conservative Leader, Mr. Drew, said that information on the strength of the armed forces should not be kept from Parliament.

Newfoundland Cabinet: Joseph R. Smallwood and his nine-man Cabinet moved into the Colonial Building Saturday to begin the job of governing Newfoundland as a Canadian province, the Canadian Press reported from St. John's.

Mr. Smallwood's first job was to allot portfolios--only three men were appointed to specific ministerial posts following Confederation Day swearing in ceremonies Friday.

Full slate of appointments as approved on April 2 is as follows:

Michael J. Sinnott, Minister of Public Works; Charles H. Ballam, Minister of Labour; Dr. Herbert L. Pottle, Minister of Social Welfare; Philip Forsey, Minister of Home Affairs; H.W. Ginton, Minister of Education. Justice Minister Leslie R. Curtis, Finance Minister Gordon A. Winter and Natural Resources Minister W.J. Keough had been named to their portfolios earlier.

Mr. MacKinnon's Resignation: The Prime Minister, Mr. St. Laurent, on April 1, announced in the House of Commons the resignation of Hon. James A. MacKinnon as Minister of Mines and Resources, for reasons of health, and his appointment as a Minister Without Portfolio. He remains a member of the Treasury Board and also Acting Minister of Trade and Commerce and Acting Minister of Mines and Resources, the Prime Minister said. Members from all parts of the House immediately rose to pay tribute to Mr. MacKinnon for his past courtesies to them.

Brazilian Scholarship: The Department of External Affairs announced on April 4 that the Brazilian Government has offered a scholarship to be awarded to a Canadian citizen for study at a recognized Brazilian university. Professional men and women with an appropriate university degree are eligible.

The scholarship is intended to run for six months, from July to December, 1949. Its total value is approximately \$1200 (22,800 cruzeiros). The successful candidate will be expected to pay his own travel expenses to and from Brazil.

Across Canada: The Minister of Trade and Commerce, on April 1, announced the resignations of F.K. Ashbaugh as Steel Controller and J.H. Berry, C.M.G., O.B.E., as Director General of the Import Control Branch....Newfoundland's entry into Confederation was observed on Board H.M.C.S. "Magnificent," with a 15-gun salute....National Wildlife Week will be celebrated from April 10 to April 18, the Prime Minister, Mr. St. Laurent, has announced.





## AIRMAIL BULLETIN

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Wednesday, April 6, 1949.

**Geneva Conference:** The Department of External Affairs announced on April 6 that Emile Vaillancourt, Canadian Minister to Yugoslavia, will head a Canadian Delegation to the Diplomatic Conference for the Completion of New International Conventions for the Protection of Victims of War. The Conference, which has been convoked by the Government of Switzerland and which will last approximately six weeks, will open in Geneva on April 21.

Convocation of the formal Diplomatic Conference is a consequence of negotiations between representatives of 49 Governments and 51 National Red Cross Societies who met at the 17th International Red Cross Conference in Stockholm last August to discuss revisions of the 1929 Geneva Conventions relative to the treatment of prisoners of war and of the 1907 Hague Conventions relative to maritime warfare. The need to revise these conventions became apparent during the last war when many of their provisions, particularly those dealing with the treatment of prisoners of war, were found to be either ambiguous or difficult to apply uniformly.

Perhaps the most important task of the Geneva Conference will be to obtain, through international treaty, effective protection for certain categories of civilians in belligerent and occupied territories. The nature of modern warfare, inevitably involving large sections of the civilian population, has made clear the need for a separate convention defining the treatment to be accorded to non-combatants who perform essential civilian services (e.g. the maintenance of public utilities and of health services in areas of conflict).

In addition to Mr. Vaillancourt, the Canadian Delegation will be composed as follows: M. H. Wershof, Counsellor, Office of the Canadian High Commissioner, London, as Alternate Head; Col. J.N.B. Crawford, Directorate General of Medical Services, Department of National Defence, Ottawa, and Maj. W.B. Armstrong, Adjutant General's Branch, Department of National Defence, Ottawa, as Full Delegates; Capt. J.W. Kerr, Supervisor of Nautical Services, Department of Transport, Ottawa, and Dr. E. Watkinson, Industrial Health Division, Department of National Health and Welfare, Ottawa, as Advisers.

**International Air Travel:** A major step in eliminating many of the formalities involved in crossing international boundaries by air was announced on April 4 by the International Civil Aviation Organization. The step was the adoption by the Council, the Executive body of ICAO, of a set of uniform rules to which the customs, immigration and related regulations of the 51 member states of ICAO are to be adjusted so far as they apply to international air transportation.

These new rules climax three years of studies and meetings by the Facilitation of International Air Transport Division and the Air Transport Committee of ICAO. The new rules will make international air travel simpler by reducing the nations' entrance and exit requirements and by standardizing the number and content of forms required by authorities at point of entry airports.

**Freight-rate Hearings End:** After a final day of argument from railway counsel, the Board of Transport Commissioners on April 5 reserved decision on the railways' application for a general 20 per cent hoist in freight tolls, the Canadian Press reported.

The Board gave no indication when judgment would be handed down in the case, which was launched last July and which has been under hearing since January 11.

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Mr. King's Papers in Archives: The former Prime Minister, Mr. King, announced April 5 that the collection of files and documents he acquired in nearly 30 years as leader of the Government or of the Opposition has been placed in the Canadian Public Archives "practically in its entirety", the Canadian Press reported.

Newfoundland Cabinet: Premier Joseph R. Smallwood announced yesterday that he will personally administer the Industrial Development portfolio in Newfoundland's interim 10-man Cabinet or Council.

Mr. Smallwood also announced appointment of H.W. Quinton as Minister of Health, the Canadian Press reported.

Armed Forces Commissions: Commissions in the active forces of the navy, army and air force are again being offered this year to selected university students, veterans of the Second World War, who will be entering their final university year in September.

The plan was introduced successfully last year. Its continuation into the 1949-50 university term was announced on April 5 by the Minister of National Defence, Mr. Claxton.

Airborne Training: The Royal Canadian Regiment has been selected to commence airborne training on May 23, it was announced at Army Headquarters on April 6. This is the second Active Force unit to take to the air since the war. The Princess Patricia's Canadian Light Infantry was the first.

Across Canada: The trial of Sam Carr commenced before County Judge A.G. McDougall in Ottawa yesterday after the accused had pleaded not guilty to a charge that he conspired with Russian embassy officials to utter a forged passport for a Soviet agent, operating in the United States, under the name of Ignacy Witczak, the Canadian Press reported.



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Thursday, April 7, 1949.

**Armed Forces 40,811:** In reply to a question, the Minister of National Defence, in the House of Commons yesterday, said that the strength of Canada's armed forces had increased by 6,049 from March 31, 1948, to February 28, 1949. He gave the following table of details:

Strength as at February 28, 1949:

	Officers	Other ranks	Total
Navy.....	1,138	6,843	7,981
Army.....	2,521	16,002	18,523
Air force.....	2,698	11,609	14,307
Total for the three services.....	6,357	34,454	.....
Grand total.....			40,811

Increases from March 31, 1948, to February 28, 1949:

	Officers	Other ranks	Total
Navy.....	74	1,047	1,121
Army.....	222	2,416	2,638
Air force.....	622	1,668	2,290
Total increase for the three services.....	918	5,131	.....
Grand total.....			6,049

**Canada's London Exhibit:** "Canadians as Consumers" ... will be the theme of Canada's exhibit at the British Industries Fair, to be held in London from May 2 to 13. Members of the Senate, the House of Commons, the Press Gallery, and government officials on April 6 attended a preview of the display at the Canadian Government Exhibition Commission, where the exhibit was designed and constructed. The Canadian exhibit will shortly be packed for shipment to the British Industries Fair, where it will occupy about 1350 square feet of space in Earl's Court, in the British Commonwealth and Empire Section.

Highlight of the exhibit is the eye-catching interpretation of the flow of consumer goods from Britain to Canada. Descending by parachutes from an overhead map of the United Kingdom to Canada below, are representative models of the many products imported from the British Isles. Machinery, automobiles, coal, whiskey, books, leather goods, cottons, woollens, and chinaware are all depicted in the flow of trade from Britain to Canada.

Four wall panels are designed to promote increased sales of British goods to Canada by illustrating the nature of the Canadian market.

**Newfoundland Prices Lower:** Newfoundland's first week as a province of Canada is being marked by reduced prices in articles ranging from bologna to cosmetics, the Canadian Press reported this morning from St. John's.

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Lower prices were reported for soap, cleansing powders, cosmetics, baking powder, tinned soups, vegetables and fruits, jams, bologna, cheese, butter, cornflakes, flour, salt pork, coal and some clothing, said the despatch.

Amount of decline varied in different commodities and resulted mostly from abolition of custom duties between this island and continental Canada.

Tinned soups dropped from 22 to 16 cents and some men's suits from \$75.50 to \$45.50. There were price jumps, however, in tobacco and cigarettes approximately 10 cents a package.

**13 P.C. Wage Rate Increase:** The preliminary index of wage rates calculated by the Research and Statistics Branch of the Department of Labour for 1948 was 196.3, it was announced on April 6 by the Minister of Labour, Mr. Mitchell. This was an increase of 13 per cent over 1947 and 96 per cent over the 1939 level, Mr. Mitchell said.

Increases over 1947 in the main industrial divisions ranged from 7.4 per cent in Service (laundries) to 17.4 per cent in the Transportation and Communication group; the increase of 17 cents per hour received by the railway employees was the dominating influence on the movement of this latter group. In Manufacturing, the increase was 12.6 per cent.

**Industrial Production:** Canada's index number of industrial production in January, on the base 1935-39=100, stood at 178.9, a drop of 6.8 points from the December level, but 1.1 points above January last year, according to the March issue of the Canadian Statistical Review by the Bureau of Statistics.

The sub-index for all manufactures was down to 188.5 in January from 197.2 in December and 189.3 in January last year. The non-durables group index fell to 172.7 from 180.2 in December and 175.9 in January last year, while that of durable manufactures at 215.6 was down from 226.3 in December but above the 212.3 index level for January last year.

**Across Canada:** The Ontario Legislature on April 6, by a vote of 47 to 33, gave second reading to the Government's Charitable Foundations Bill, which required that charitable foundations shall not hold more than 10 per cent of the interest in any one business, the Canadian Press reported. Some opponents of the measure claimed that it was an attack on the Atkinson Foundation which owns the Toronto Daily Star and Star Weekly.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, April 8, 1949.

**Mr. Stone's Appointment:** The Acting Secretary of State for External Affairs announced on April 8 the appointment of Mr. Thomas Archibald Stone as Envoy Extraordinary and Minister Plenipotentiary of Canada to Finland. Mr. Stone, whose appointment as Canadian Minister to Sweden was announced on February 28, will hold these two posts concurrently. He will reside in Stockholm and will make periodic visits to Helsinki. Finland established a Legation at Ottawa in January, 1948.

The Acting Secretary of State for External Affairs also announced that Mr. Edward Joseph Garland, who has been Canadian Minister to Norway since 1947, will be Canadian Minister to Iceland also. He will not establish a permanent legation at Reykjavik, but will visit Iceland from time to time. Direct diplomatic relations between Canada and Iceland were established when Mr. Thor Thors, Minister of Iceland in Washington, was accredited also as Minister of Iceland at Ottawa.

**In Parliament Yesterday:** Progressive Conservative members criticized government defence policies.

The Minister of National Defence, Mr. Claxton, said that Canada has made as great progress as any other country in the co-ordination and unification of armed forces.

The Minister of Trade and Commerce, Mr. Howe, challenged the Progressive Conservatives to try to defeat the Government on a supplementary estimate.

The Minister of Transport, Mr. Chevrier, said that the Government is considering tightening regulations governing wireless operation on ships.

In the Senate Royal Assent was given to supplementary estimates for the fiscal year 1948-49. The upper chamber adjourned until April 25. (CP)

**International Trade Fair:** Firms sending products to the Canadian International Trade Fair, via ocean transport are to get a reduction in freight rates, Mr. C. LaFerle, Chairman of the Transportation and Customs Committee, Canadian International Trade Fair, has announced.

By shipping his products back in the same carrier that brought them to the Trade Fair, the exhibitor will get a fifty per cent reduction of the return freight charges. Firms whose products are bulky, like some of the heavy machinery exhibits, or who have a long ocean voyage, like Australian firms, will achieve a considerable saving under this new favourable rate.

These new rates were agreed upon at conferences of the steamship companies concerned.

**Radio Ruling:** Authorization for the use of portions of frequency bands in the 1800 to 2000 kilocycle region of the radio spectrum by Canadian amateur experimental stations was announced on April 7 by the Minister of Transport, Mr. Chevrier.

In making the announcement the Minister stated that the release of the additional outlets to Canadian radio amateurs would be restricted to continuous wave radiotelegraphy and radiotelephony. Another condition involves low power output in order to ensure non-interference with public and safety services operating on adjacent channels, such as Loran, or any government or commercial coast, land, ship or aircraft station.

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Employment Strengthening: The advent of spring has stimulated employment activity in many fields, the Minister of Labour, Mr. Mitchell, stated on April 7 in commenting on the current employment picture.

Labour needs on the farms and in the cities are expanding as agricultural and construction activity gets underway. Shipping, too, will shortly absorb several thousand workers as soon as the ice clears and the lake ports open.

Seasonal unemployment passed its peak more than a month ago, Mr. Mitchell said. Since then, more than 25,000 additional workers had secured jobs, and even greater increases in employment were anticipated during the coming months. It was expected that labour shortages would again dominate the employment scene this summer. Once again, in many cases, the task would be to find sufficient workers for the jobs available.

New Navy Uniforms: Improved style, comfort and practicability are features of new uniforms designed for both officers and men of the Royal Canadian Navy, details of which were announced on April 8 by Naval Headquarters.

Major change is the introduction of a khaki uniform for Chief Petty Officers, First and Second Class, and Petty Officers, First Class. This will be worn during the summer months in Canada and in the tropics, and will replace, except for ceremonial occasions, the white uniform (tunic and trousers) formerly worn by these men.

Across Canada: The Ontario Government's Charities Bill was given final reading in the Legislature on April 7. The session ends today....The former Prime Minister, Mr. King, announced on April 7 that the Rockefeller Foundation of New York would finance, and McGill University sponsor, the preparation and publication of his memoirs....Newfoundland's new provincial Government is flying food to an isolated portion of Labrador, near St. Mary's River, 100 miles southeast of Goose airport, where, it has been reported by an International Grenfell Association nurse in a telegram to St. John's, an unknown number of persons face serious food shortage.



## AIRMAIL BULLETIN

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Monday, April 11, 1949.

**Royal Commission On The Arts:** The Royal Commission on National Development in the Arts, Letters and Sciences, forecast in the Speech from the Throne at the opening of the present session, was appointed on April 8, the Prime Minister, Mr. St. Laurent, has announced.

The Right Honourable Vincent Massey, P.C., C.H., Chancellor of the University of Toronto, will be Chairman of the Commission.

The other members are:

Arthur Surveyer, Esq., B.A.Sc., C.E., D.Engn., LL.D. Civil Engineer, Montreal.

Norman A.M. MacKenzie, Esq., C.M.G., K.C., LL.D., President, University of British Columbia.

The Reverend Georges-Henri Levesque, O.P., D.Sc.Soc., Dean of the Faculty of Social Sciences, Laval University.

Miss Hilda Neatby, M.A., Ph.D., Professor of History and Acting Head of the Department, University of Saskatchewan.

**Gen. Revers' Visit:** Gen. George Revers, Chief of General Staff of the French Army, will spend three days in eastern Canada this week, it has been announced by Army Headquarters at Ottawa.

The distinguished French officer, organizer and chief of the military underground movement in France after the capitulation of 1940, is coming to Canada on Wednesday, April 13, with the object of visiting the Royal 22nd Regiment in Quebec City. He will spend that afternoon and evening as guest of the famous Royal 22nd, the French-speaking battalion of Canada's active force infantry brigade.

On Thursday Gen. Revers will go to Ottawa to reciprocate the visit paid him in Paris a year ago by Lt.-Gen. Charles Foulkes, Chief of the General Staff of the Canadian Army, and while here he will be presented to His Excellency the Governor-General, Viscount Alexander of Tunis.

**Newfoundland Unemployment Insurance:** The Minister of Labour, Mr. Mitchell, has announced that as of April 1, 1949, all residents of Newfoundland employed in insurable employment as laid down by The Unemployment Insurance Act are covered by the provisions of the Act on the same basis as other Canadians.

Without special provision having been made, however, a Newfoundland resident would have had to work in insurable employment for at least one hundred and eighty days after April 1 before he or she qualified for unemployment insurance benefit payments.

**International Trade Fair:** United States firms that have reserved space for the 1949 Canadian International Trade Fair, to sell their products, will be able to convert any Canadian funds they accumulate, through the sale of their display products at the Trade Fair, into United States dollars. Customs procedure governing the entry of such display products to Canada has been simplified also.

The Canadian Government will give special authority, upon application, to sell any samples displayed at the Trade Fair, even such goods as are ordinarily on the prohibited list.

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**Industrial Employment:** Industrial employment in Canada showed a seasonal contraction between January 1 and February 1 but was above the level of a year ago, according to returns received by the Bureau of Statistics from 19,857 establishments in the eight leading industries whose working forces on February 1 totalled 1,988,007.

The decline from January was 2.4 per cent, but the rise over a year earlier was 1.1 per cent. Despite the decline from January, the weekly salaries and wages distributed rose 1.6 per cent to \$85,029,000.

**Newfoundland's Workers:** Newfoundland had a gainfully occupied population, 14 years of age and over, totalling 112,508 at October 1, 1945, date of the last Newfoundland census, according to a bulletin -- the first dealing with Newfoundland since it became Canada's tenth province -- released by the Bureau of Statistics. The 1945 total compares with 88,710 in 1935, making an increase of nearly 27 per cent in the number gainfully occupied in the 10-year period.

**Strait Of Canso Bridge:** Appointment of P.L. Pratley, D. Eng., M. Inst. C.E., consulting engineer of Montreal, to take charge of all engineering work and to supervise construction in connection with the \$13,500,000 low-level bridge across the Strait of Canso between Cape Breton Island and the mainland of Nova Scotia, was announced by the Minister of Transport, Mr. Chevrier.

**Hong Kong Tribute:** Tribute was paid by H.M.C.S. "Crescent" in Hong Kong on April 8 to the 281 officers and other ranks of the Winnipeg Grenadiers and the Royal Rifles of Canada who lost their lives in the Japanese attack on the Crown colony in December, 1941.

Wreaths were laid by the commanding officer of the Canadian destroyer, Lieut.-Cdr. David W. Groos, D.S.C., R.C.N., of Victoria, and naval guards were mounted at Saiwan and Stanley cemeteries, where the Canadian dead are buried.

**Visit UN Headquarters:** Students and members of the directing staff of the National Defence College will leave Kingston on Tuesday for a two-day visit at United Nations Headquarters, New York City.

The party will attend UN sessions and make a first-hand study of the organizational set-up of the world body. While in New York they will be guests of Maj.-Gen. A.G.L. McNaughton, Canada's permanent delegate to the UN.

**Naval Inquiry:** The inquiry into the circumstances and causes of the recent incidents on Canadian Naval vessels will begin at Halifax on April 11, it has been announced at Naval Headquarters at Ottawa.

**Across Canada:** Parliament adjourned on April 8 until April 25 for Easter recess....The R.C.M.P. at Halifax laid charges against seamen of rival unions following a waterfront tussle on Friday between striking Canadian Seamen's Union (T.L.C.) and the Seafarer's International Union (A.F.L.) and an attack on two officers of a strike-bound ship on April 6, the Canadian Press reported from Halifax....An R.C.A.F. plane and a Newfoundland Airways plane flew food to St. Mary's Bay in Newfoundland Saturday, eliminating the threat of starvation from the community.... The Prime Minister, Mr. St. Laurent, left Ottawa on Saturday for a speaking tour of the west and the Leader of the Progressive Conservative Party, Mr. Drew, left for speaking engagements in Toronto and Guelph, in what was generally regarded throughout Canada as the commencement of a 1949 election campaign.





## AIRMAIL BULLETIN

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Tuesday, April 12, 1949.

**U.S. Dollar Holdings Rise:** The Minister of Finance, Mr. Abbott, announced on April 11 that Canada's reserves of gold and U.S. dollars had increased to \$1067 million as at March 31, the end of the last fiscal year. This compares with total holdings of \$608 million on March 31, 1948, and of approximately \$500 million at the time the emergency exchange conservation program was put into effect.

In keeping with the policy now being followed of reporting monthly figures after the end of each quarter, Mr. Abbott announced that holdings of gold and U.S. dollars had amounted to \$1022 million on January 31, 1949, and the \$1044 million on February 28, 1949.

The figures for the end of each quarter since the end of 1947 were as follows:

December 31, 1947	.....	\$ 502 million
March 31, 1948	.....	608 "
June 30, 1948	.....	742 "
September 30, 1948	.....	855 "
December 31, 1948	.....	998 "
March 31, 1949	.....	1067 "

**British Fair Opening:** The Minister of Trade and Commerce, Mr. Howe, will be the principal speaker at a dinner marking the opening of the British Industries Fair in London, England, on May 2, it has been announced in London by Right Hon. Harold Wilson, President of the United Kingdom Board of Trade.

Mr. Howe stated in Ottawa on April 11 that while in England he will have discussions with the British Government on various trade matters. Mr. Howe also indicated that he plans to visit the Birmingham section of the British Industries Fair, where he will meet with a group of British industrialists and engineers interested in the Canadian market. He will be accompanied by M. W. Mackenzie, Deputy Minister of Trade and Commerce.

**Oil and Gas Research:** Oil and gas will be matters of major concern in the 1949 field program of the Geological Survey of Canada, it was announced on April 12 by the Minister of Mines and Resources, Mr. Gibson.

Three parties will continue geological mapping combined with studies of stratigraphic and structural problems related to oil and gas in the Alberta foothills. Two of these parties, under Dr. E.J.W. Irish and R. Thorsteinson, will work in the central foothills in areas north of Smoky River. The other party, under Dr. R.J.W. Douglas, will be in the Pincher Creek area of Southern Alberta where the Canadian Gulf Company has been drilling and has discovered an important gas and oil field.

Three parties will also continue work begun last summer on the study of the Palaeozoic stratigraphy and palaeontology.

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Dr. Hume's Appointment: Dr. G.S. Hume, Chief of the Geological Survey of Canada has been selected for promotion to the post of Director of the Mines, Forests and Scientific Services Branch, it has been announced by the Minister of Mines and Resources, Mr. Gibson. Dr. Hume will take over the position upon the retirement of the present Director, Mr. W.B. Timm.

Completed Dwellings: There were about 1,000 more dwelling units completed in Canada during February this year than in 1948, while the number of units on which construction was begun was slightly lower, according to estimates by the Bureau of Statistics. Total completions and starts in the first two months of the year, however, were substantially higher than last year, and the number of units under construction at the end of February was over 11,000 greater than a year earlier.

\$879,600 Supply Vessel: Construction of a lighthouse supply and buoy vessel for use in servicing Department of Transport facilities on the West Coast has commenced and the keel will be laid at the North Vancouver plant of Yarrows Limited on Saturday, April 16. The contract valued at \$879,600 was awarded to Yarrows on January 20 last, the Department of Transport has announced.

Health Personnel Training: Nearly \$17,000 from the National Health grants have been recently allotted to enable more medical and public health personnel to take special training, the Minister of National Health, Mr. Martin, has announced.

"When the national health plan was being blueprinted last year", Mr. Martin said, "it was recognized that larger numbers of highly trained people would be needed to put the plan into operation. Accordingly, the health program provides \$500,000 annually for the assistance of persons working in various fields of public health who wish to improve their professional qualifications."

Across Canada: Freda Linton, last of the persons sought as a result of investigations two years ago into espionage, surrendered to the R.C.M.P. in Montreal yesterday, the Canadian Press reported from Montreal. She is to be arraigned today, the report said, on a charge of conspiring with Fred Rose to contravene the Official Secrets Act. She is now married and is expecting a child.

GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

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Wednesday, April 13, 1949.

U.S. -- Canada Joint Committee: The Department of External Affairs announced on April 12 that a Joint United States-Canada Industrial Mobilization Committee was established on that day by an exchange of notes between the two Governments in Ottawa, following a series of discussions that began last June. This joint Committee will consist of the following:

For the U.S.:

Dr. John R. Steelman  
Acting Chairman, National Security Resources Board

Mr. Donald F. Carpenter  
Chairman, Munitions Board

For Canada:

Mr. Harry J. Carmichael  
Chairman, Industrial Defence Board

Mr. S. D. Pierce  
Associate Deputy Minister  
Department of Trade and Commerce.

The agreement recognizes the mutual interests and complementary characteristics of the resources of the two countries. It will be the function of the new Committee to exchange information and co-ordinate the views of the two Governments in connection with planning for industrial mobilization in the event of an emergency. The new Committee is further charged with co-operation with the existing United States-Canada Permanent Joint Board on Defence, established in 1940 by the late President Roosevelt and Mr. Mackenzie King, then Prime Minister of Canada.

A meeting of the Joint United States-Canada Industrial Mobilization Committee is contemplated in the near future.

Mr. Sawyer To Open Fair: Hon. Charles Sawyer, United States Secretary of Commerce, has accepted the invitation of the Government of Canada to open the 1949 Canadian International Trade Fair on May 30, the Minister of Trade and Commerce, Mr. Howe, announced on April 12.

"I welcome Mr. Sawyer's acceptance as a gracious expression of the growing interest in the Trade Fair in both government and business circles in the United States", said Mr. Howe. "It is a significant recognition of the community of interest of our two countries in all matters that have for their purpose the strengthening of our trade relations with each other and the expansion of international trade at large.

"In the preparations for this year's Trade Fair, special efforts are being made to attract a greatly increased attendance of buyers, and of business visitors generally, from the United States. Our Exhibition

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Commission, in placing particular emphasis on that objective, has had the benefit of generous and helpful co-operation from the Department of Commerce, at Washington, and from its field offices throughout the United States."

Mr. Howe pointed out that prospects for the 1949 Trade Fair are most encouraging. Manufacturers from thirty-two nations will display their products this year compared with twenty-seven in 1948.

Mr. Sawyer was United States Ambassador to Belgium and Minister to Luxemburg before becoming Secretary of Commerce.

Loan Of 2 R.N. "Subs": Two Royal Navy submarines will be loaned by the British Admiralty this year to the Royal Canadian Navy for successive three-month periods for anti-submarine training purposes, it was announced on April 12 by the Minister of National Defence, Mr. Claxton. This is in accordance with a long-standing arrangement with the Admiralty.

The first of these submarines, H.M.S. "Tudor," will arrive in Halifax April 23, completing a 5,800 - mile voyage from Southampton by way of the Leeward Islands and Bermuda. H.M.S. "Tudor" took part early this month in joint exercises in the Caribbean which involved units of the Royal Navy's America and West Indies Squadron and the R.C.N.'s East and West Coast fleets.

With its primary role established as that of an anti-submarine navy, the R.C.N. will take advantage of the availability of the two R.N. submarines to carry out intensive practical training of ships and personnel in this form of warfare. Firefly aircraft of 825 and 826 Squadrons, flying both from H.M.C.S. "Magnificent" and the R.C.N. Air Station, H.M.C.S. "Shearwater," will also exercise with the submarines.

H.M.S. "Tudor" is commanded by Lieut. D. Swanston, D.S.O., D.S.C., Royal Navy. She is a "patrol type" submarine completed during the latter part of the Second World War. The submarine that will relieve the "Tudor" when her three-month stay in Canada is finished has not yet been selected.

Newfoundland Company: The Minister of National Defence, Mr. Claxton, announced on April 12 the formation of No. 20 Company, Royal Canadian Army Service Corps, "to assume responsibility in the Province of Newfoundland for the operation, maintenance and repair of transport service for the three Services, and for the provision of rations to joint messes and canteens."

The company, initially, will consist of a headquarters and one section comprising one officer and 18 other ranks, to be drawn from experienced members of the Army Service Corps in existing units across Canada. It will operate under the control of the military area headquarters now being established in Newfoundland.

Mr. Adams' Appointment: A.C.L. Adams has been appointed General Executive Assistant, Lands and Development Services Branch, Department of Mines and Resources, the Department has announced.

A native of Toronto, Mr. Adams graduated in law from the University of Alberta and spent many years in the west. During the first world war, he enlisted with the Western Universities Battalion and served in France. Later, he transferred to the Imperial Forces and saw service in Egypt and India.

Across Canada: Wladyslaw A. Zbik, Second Secretary of the Polish Legation in Ottawa, resigned his post yesterday and said he hoped to remain in Canada with his wife and two-and-a-half year old daughter, he was quoted as saying by The Ottawa Journal....A meteor which fell upon a New Brunswick farm last December has been purchased for the National Museum at Ottawa, the Canadian Press announced from Woodstock, N.B.... The Minister of National Defence, Mr. Claxton, was quoted by Canadian Press as stating at a press conference that he hoped arrangements would be completed within a few weeks for production in Canada of the single-jet F86, an American-designed fighter that currently holds the world speed record with combat load of 670.981 miles an hour.

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Thursday, April 14, 1949.

Delegation To I.L.O. Conference: The Minister of Labour, Mr. Mitchell, announced on April 14 the names of Canada's delegates to the Fourth Regional Conference of the American States Members of the International Labour Organization, to be held in Montevideo, Uruguay, from April 25 to May 10.

The Minister stated that all American States which are members of the I.L.O. had been invited to attend the conference. Each country's delegation would be tripartite, consisting of two government delegates, one workers' delegate and one employers' delegate.

Warwick Chipman, K.C., of Buenos Aires, Canadian Ambassador to the Argentine has been named Chairman of the Canadian delegation, with W.G. Stark, First Secretary of the Canadian Embassy in Rio de Janeiro as the alternate head of the delegation. Technical Advisers to the government delegates will be Harry Taber of Ottawa, Industrial Relations Officer in the Department of Labour, and N.D. Cochrane of Fredericton, N.B., Deputy Minister of Labour for New Brunswick.

The Employers' Delegate will be Harry Taylor, of the Canadian National Carbon Company, Toronto, while Roland K. Gervin, of Vancouver, Chairman of the B.C. Provincial Executive of the Trades and Labour Congress of Canada, will be the Workers' Delegate.

Lionel Roy, First Secretary of the Canadian Embassy in Buenos Aires is named as Secretary-General of the Canadian delegation.

The agenda of the conference includes discussions of the conditions of life and work of the indigenous populations of American countries, the conditions of employment of agricultural workers and the adjustment of labour disputes.

Also on the agenda is the report of the Director-General of the I.L.O., which will feature the question of industrialization, with special reference to factors bearing on the efficiency of the labour force in Latin-American countries, particularly training and health conditions.

Canada To Make F-86 Jets: The Canadian Government has acquired the right to manufacture in Canada the F-86 jet fighter aircraft, and modifications or improvements thereof, the Minister of Trade and Commerce, Mr. Howe, announced on April 13. Negotiations are under way with Canadair Limited, Montreal, to produce the planes in Canada.

The plane was released for manufacture in Canada by the United States Government, and a licence agreement subsequently was concluded with North American Aviation, Los Angeles, California.

This aircraft is a single seater interceptor fighter with swept-back wings used by the United States Air Force. It holds the official world's speed record of 670.9 m.p.h., fully armed.

Other specifications and performance details of the F-86 are as follows:

Wing span	-	37 feet
Length	-	37 feet
Height	-	14 feet
Power	-	General Electric J-47 axial flow type jet engine, rated at 5,000 pounds static thrust

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Armament - .50 calibre guns in the nose  
Tactical radius - 500 miles  
Service Ceiling - over 40,000 feet.

Belfast Immigration Office: With the opening of a Canadian immigration office in Belfast, emigration facilities are once more available to residents of Northern Ireland, it was announced on April 14 by the Minister of Mines and Resources, Mr. Gibson.

Resuming activities brought to a halt by the war, the office was opened on April 9, under the direction of Mr. Thomas Thorpe, formerly of Windsor, Ontario.

This brings to four the number of Canadian immigration offices in the British Isles. The others are at London, Glasgow, and Liverpool.

Naval Chief To U.K.: Vice-Admiral Harold T.W. Grant, C.B.E., D.S.O., R.C.N., Chief of the Naval Staff, left Ottawa on April 12, for the United Kingdom. While overseas, Vice-Admiral Grant will attend, in company with high-ranking officers of the Royal Navy, an Exercise to be carried out at the Royal Naval College, Greenwich, and will confer with the Admiralty on Naval matters generally.

Arctic Air Training: Two long-range Lancasters of the RCAF's Air Navigation School at Summerside, P.E.I., will head north on April 23, carrying advanced navigation students into the Arctic where they will obtain experience in Arctic navigation, calling for special navigation techniques, RCAF Headquarters has announced.

The two Lancasters, "Zenith and Polaris", will fly from Summerside to Edmonton, and will leave there on April 24 for Whitehorse, where they will be based during their series of Far Northern flights. They will leave Whitehorse for their home base May 7.

Nine students forming the Specialist Navigation course at the Air Navigation School will make the trip, accompanied by staff instructors.

Seamen's Strike Statement: The Minister of Mines and Resources, Mr. Gibson, stated on April 14 in Ottawa that no seamen had been admitted to Canada from the United States to ship on vessels affected by the current strike of the Canadian Seamen's Union.

Reports that a number of seamen had been admitted from the United States to act as strike-breakers, the Minister said, had been carefully investigated by the Immigration Branch and found to be without foundation.

Italy's Appreciation: The Department of External Affairs on April 14 released the text of an exchange of notes between the Italian Ambassador in Canada and the Secretary of State for External Affairs, Mr. Pearson, on the attitude of Canada toward Italy's adhesion to the North Atlantic Treaty.

The Ambassador's note conveyed the deep appreciation of the Italian Government for the friendly attitude taken by Canada towards Italy's adhesion to the Atlantic Pact. Mr. Pearson's reply stated that Italy's participation as a partner in the common defence of freedom and the democratic way of life is most welcome to the Canadian Government.

Across Canada: British Columbia was reported by the Canadian Press as apparently damage-free from the earthquake which rocked the Pacific Northwest yesterday....G. R. Mews, 51, life insurance branch manager, of St. John's, has been chosen provincial leader of the Progressive Conservative Party in Newfoundland, it was reported by the Canadian Press.



## AIRMAIL BULLETIN

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Tuesday, April 19, 1949.

**Foreign Trade Up 5 P.C.:** Canada's total foreign trade in February rose five per cent in value to \$413,100,000 from \$392,500,000 in the corresponding month last year. Imports for consumption were up 13 per cent, while domestic merchandise exports were down by 1.6 per cent. Total for the two months ending February was \$875,900,000 compared with \$837,600,000 in the same period of 1948.

As a result of the increase in the value of imports and the slight falling-off in exports, Canada's overall favourable balance of trade with all countries in February was down to \$1,200,000 from \$28,100,000 a year ago. For the two months the credit balance was \$16,400,000 compared with \$61,100,000 a year earlier.

The debit balance on the month's trade with the United States was \$40,600,000 -- almost identical with last year's February figure. In January and February this year the unfavourable balance was \$87,900,000 compared with \$83,700,000 last year.

Trade with the United Kingdom in February produced a credit balance of \$21,400,000, down from \$33,900,000 a year ago, while the two-month total was reduced to \$51,900,000 from \$77,300,000.

Imports for consumption from all countries in February were valued at \$206,000,000 as compared with \$182,200,000 a year ago. Domestic exports totalled \$205,000,000 compared with \$208,300,000, and foreign exports \$2,100,000 against \$2,000,000.

**International Trade Fair:** The number of firms that will be represented at the 1949 Trade Fair in the Machinery, Engineering and Plant Equipment trade group has been given a sharp boost with the reservation of space by Engineering Industries Association representing 1,200 firms from the London region of England.

The firms are manufacturers of light and medium engineering products, tools and instruments. In addition to offering their products for sale at the Trade Fair, the association will investigate Canadian market requirements, price competition, saleability of their goods and report their findings to their member firms.

Machinery and plant equipment firms from nine countries have reserved space at this time with this latest English entry placing that country at the top in number of firms represented.

Reservation of space in the Jewellery section of the 1949 Canadian International Trade Fair by an Australian Opal cutting and distributing company for the first time adds interest to this trade classification.

**ICAO Conference Advisor:** Lieutenant Commander (P) John N. Donaldson, R.C.N. of Toronto and Ottawa, has been appointed naval advisor to Mr. C.S. Booth, head of the Canadian delegation attending the International Civil Aviation Organization conference in London beginning April 20, it was announced at Naval Headquarters on April 16. The 30-year-old naval pilot is at present serving as Naval Assistant (Air) on the staff of the Senior Canadian Naval Officer in London.

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Assisting Lieut.-Cdr. Donaldson at the conference will be Lieut. Wylie C. Spicer, R.C.N., 29, of Chatham, N.B., who is at present serving as staff officer torpedo and anti-submarine to the Senior Canadian Naval Officer London.

Naval Appointment: Lieutenant-Commander Edward T.G. Madgwick, R.C.N., 33, of Halifax, has been appointed commanding officer of the Tribal class destroyer, H.M.C.S. "Haida," Naval Headquarters has announced. He will take over his new duties on May 20.

The "Haida," possessor of an outstanding war record, returned to her base at Halifax on April 8 after a month in southern waters on Spring exercises with other ships of the East Coast force, the West Coast squadron and units of the British and United States fleets.

Labour Income Down: Canadian labour income in January is estimated at \$608,000,000, showing a decline of \$10,000,000 from the December figure, but a rise of \$63,000,000 or 11 per cent over January last year, according to the Bureau of Statistics.

In almost all industries, labour income for the month was lower than in December. The primary extractive industries, together with construction, which are greatly curtailed by winter weather conditions, showed the largest decreases. Indexes of industrial employment and production both declined in January.

Border Traffic: Highway traffic between Canada and the United States in February was 14 per cent greater in volume than in the same month last year, according to the Bureau of Statistics. The advance was principally due to Canadian traffic returning from the United States which increased by 32 per cent, while United States traffic entering Canada was only eight per cent higher.

Across Canada: The Prime Minister, Mr. St. Laurent, indicated at a press conference in Regina on April 18, according to a Canadian Press report, that the Liberal Party would seek no formal coalition with any other party if the next election result leaves the Liberal Party the largest group, but without a clear majority. The C.C.F. Leader, Mr. Coldwell, was also reported as saying in Ottawa that his Party is not aiming at coalition with any other party either as a pre-election or post-election proposition....The Leader of the Progressive Conservative Party, Mr. Drew, on his way to Newfoundland for a speaking campaign was detained by weather conditions at Sydney, N.S., last night.

NOTE: -- No Bulletins were published on Friday, April 15 and Monday, April 18.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 71

Wednesday, April 20, 1949.

**500 Barrels Of Oil Per Hour:** Imperial Schoepp No. 1, the well that struck oil in the Golden Spike field, and famous for its 544-foot pay-zone thickness, gave a production test on April 19 of 500 barrels of oil in one hour, the Canadian Press reports from Calgary.

Officials agreed that some mud and water from the drilling fluid would be included in the 500 barrels, but the hour-long open flow test, while inconclusive, indicates a rate of something more than 10,000 barrels for a 24-hour period, the despatch said.

Simultaneously, from Edmonton, the Canadian Press reported that Alberta's big coal industry was being threatened by the Province's booming oil development.

**Air Attaché In Brussels:** The Minister of National Defence, Mr. Claxton, has announced the appointment of Wing Commander R.F. Douglas, of Hamilton, Ont., as Air-Attaché in Brussels, Belgium, replacing Wing Commander H.M. Kennedy, AFC, of Winnipeg and Ottawa. W/C Douglas reported to Air Force Headquarters April 14, and will proceed to Brussels in the early summer.

**Lt.-Gen. Revers' Visit:** On the eve of his departure from Montreal after a three-day visit to Quebec City and Ottawa, Lt.-Gen. Georges Revers, Chief of the General Staff of the French Army, received the following message from the Minister of National Defence, Mr. Claxton:

"At the conclusion of your important visit in Canada I wish to express to you the pleasure and honour you have bestowed upon us. We have had frank conferences, both useful and important, on all questions of common interest to France and Canada in the establishment of security and of a lasting peace. Your visit will help to strengthen the bond between our two countries. Personally it was a great pleasure to me to renew our acquaintance which has now become a cordial friendship. With my best wishes for a safe return to your beautiful France and the hope that you will have an opportunity to return soon to Canada: Brooke Claxton."

General Revers left Montreal by air Saturday, April 16.

**Naval Liaison Officer:** Captain Owen C.S. Robertson, G.M., R.D., R.C.N., 42, of Montreal and Victoria, has been appointed Senior Canadian Naval Liaison Officer, London, and Commanding Officer of H.M.C.S. "Niobe", depot ship for R.C.N. personnel in the United Kingdom, it was announced at Naval Headquarters.

**Naval Director Retires:** Retirement because of ill health of Douglas G.L. Pittman, M.B.E., 55, of Ottawa and Halifax, Director of Naval Stores, took place this month. Harry N. MacNamara, formerly Deputy Director of Naval Stores, succeeds Mr. Pittman.

(over)

300-Foot Radio Towers: The Army will construct two 300-foot steel radio transmitter towers at Yellowknife, NWT, this summer, Army authorities have announced.

Materials for the towers, including some 70 tons of steel, have already been delivered over a temporary winter road running from Hay River to Yellowknife.

Construction of similar towers has been completed by Army Signals personnel at Edmonton, Alta., and at Fort Smith, Fort Simpson and Norman Wells in the Territories.

Store Sales Up 2 P.C.: Department store sales advanced 29 per cent during the week ending April 9 over the corresponding period last year, according to preliminary figures released by the Bureau of Statistics. Largest gain of 38 per cent was shown in Saskatchewan, followed by Alberta with 33 per cent, Manitoba and the Maritime Provinces each 32 per cent, Quebec 31 per cent, Ontario 26 per cent and British Columbia 24 per cent.

Shipbuilding Industry: The value of production from Canadian shipyards in 1947 amounted to \$110,131,000 as compared with \$91,851,000 in the preceding year and \$204,594,000 in 1945. The 74 shipyards included in the industry employed an average of 21,119 workers in 1947 and paid out \$46,458,000 in salaries and wages, \$37,264,000 for materials for shipbuilding and \$1,654,000 for fuel and electricity. The 24 establishments on the west coast with production at \$28,598,000 accounted for 26 per cent of the total for Canada, and the 10 yards in Quebec with output at \$49,339,000 accounted for 45 per cent, the Bureau of Statistics reports.

Man-Hours And Earnings: Average weekly wages of hourly-rated personnel employed by leading Canadian manufacturers at February 1 amounted to \$41.70, showing an increase of \$2.24 over the average for the holiday week of January 1, and \$4.64 higher than in the corresponding week last year, according to the Bureau of Statistics.

The average hourly earnings remained steady at 97.2 cents, the first time in a year that the movement has not been upward.

Across Canada: The Prime Minister, Mr. St. Laurent, spoke in Saskatoon yesterday; the Progressive Conservative Party Leader, Mr. Drew, spoke in St. John's, Nfld.; and the C.C.F. Party Leader, Mr. Coldwell, issued a press statement in Ottawa on his Party's official support of the North Atlantic Treaty.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Thursday, April 21, 1949.

**Civil Aviation Medicine:** Thirty-four private physicians who carry out flying-fitness examinations for Canadian airplane pilots will be given an intensive course in the latest developments in aviation medicine at a special school to be held in Toronto from April 25 to 30.

This was announced on April 21 by the Minister of National Health and Welfare, Mr. Martin, who said that the school is the first known to be presented to purely civilian examiners in any country. Organized by Dr. H. E. Wilson, Chief of the Department's Division of Civil Aviation Medicine, it is being conducted in co-operation with the Department of Transport and the Royal Canadian Air Force. Lectures will be given at the R.C.A.F.'s Institute of Aviation Medicine in Toronto where special equipment will be available for demonstrations.

Among the subjects to be covered in the course are air sickness, oxygen requirements and supply, the air transport of the sick, the relationship between crash injury and cockpit design, night vision, altitude sickness, the latest developments in aviation medical research, and the assessment of pilots' abilities in terms of physical and mental factors.

**Canada-U.S. Labour Exchange:** The Minister of Labour, Mr. Mitchell on April 20, announced the renewal of last year's agreement covering the exchange of farm labour and farm machinery between Canada and the United States.

The Minister stated that this agreement provided for a possible movement of Canadian combines and operators to the United States for the harvest. However, he referred to his statement of April 5, when he had pointed out that United States officials were unable to estimate whether Canadian combines would be needed below the border this summer. The number of local combines in the United States was greater than in previous years, and unless some unforeseen emergency arose, the need for Canadian combines was not likely to be pressing.

Mr. Mitchell added that a meeting of United States and Canadian farm labour officials would be held in Oklahoma City late in April. Until the results of the meeting were known, Canadian farmers who had combines should not anticipate a demand for their services in the United States this year.

**Hydro-Electric Progress:** During 1948, the construction of hydro-electric developments throughout Canada proceeded at high tempo, although some delays were being experienced due to late deliveries of electrical and mechanical equipment and to the shortage of some materials. Installed capacity in Canada, which now totals 10,931,018 h.p., was increased during the year by 440,095 h.p., the rate of expansion well exceeding the yearly pre-war average of about 300,000 h.p., the Department of Mines and Resources has reported in its annual analysis of hydro-electric progress.

(over)

Across Canada: The Canadian Press reported this morning that the Polish Government had sent a 3,000 word note to the Department of External Affairs concerning the Polish art treasures....Hugues Lapointe, Parliamentary Assistant to the Secretary of State for External Affairs, spoke before the U.N. General Assembly's 58-member special political committee at Lake Success yesterday on the question of persecution of religious leaders in Eastern Europe....The Prime Minister, Mr. St. Laurent, spoke in Winnipeg yesterday and the Progressive Conservative Party Leader, Mr. Drew, concluded a two-day speaking visit to St. John's, Nfld., and was scheduled to speak at Sydney, N.S., and Saint John, N.B., April 21 and April 22....The Canadian Press reported from Washington that a British source had stated that the United Kingdom may soon use her own supply of dollars, rather than Marshall Plan funds, to buy Canadian wheat....Brother Alfred, 74, founder of De La Salle College, Toronto, died in Toronto yesterday....Reuters reported from London this morning that a 10-man trade mission representing Britain's agricultural-machinery industry is to visit Canada next month to investigate market possibilities....Col. Henry Osborne, CMG, OBE, VD, ADC, of Ottawa, died on April 19 in Ottawa. He was Secretary-General of the Canadian Agency, Imperial War Graves Commission, and one of the founders of the Dominion Drama Festival.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
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Friday, April 22, 1949.

**World Pulp Conference:** The Minister of Mines and Resources, Mr. Gibson, announced on April 21 that Mr. D.A. Macdonald, the Dominion Forester, would head the Canadian delegation to the Preparatory Conference on World Pulp Problems which opens in Montreal on April 25.

The Conference is being convened by the Food and Agricultural Organization of the United Nations, and delegates are expected from more than twenty countries interested in the production and consumption of wood pulp. This meeting which will last for ten days, is the first world conference to be called on wood pulp.

The main purpose of the meeting is to explore and discuss the present and prospective demands for pulp in relation to the productive capacity of the pulp industry and the forests of the world. Recommendations to governments will be based on the conclusions emerging from these discussions.

In addition to Mr. Macdonald, members of the delegation will include N.R. Chappel, Department of Trade and Commerce; R.M. Fowler, President, Canadian Pulp and Paper Association; F.G. Robinson, President, Riordon Sales Corporation, Limited, and J.R.S. McLernon, Director, Dryden Paper Company.

Mr. Gibson also announced that the following Canadian technical advisers and observers would attend the Conference -- Dr. Allon Peebles, T.A. McElhanney and R.G. Ray of the Department of Mines and Resources; G.H. Rochester and W.N. Murphy of the Department of Trade and Commerce; F.L. Mitchell, W.H. O'Reilly, C.S. Pincott, Harold S. Foley, and J.O. Chenevert of the Canadian Pulp and Paper Association; E.M. Little of the Anglo-Canadian Pulp and Paper Mills Limited; C.M. Matheson of the Fraser Companies Limited, and Prentice Bloedel of Bloedel, Stewart and Welch Limited.

**ICAO London Conference:** An International Civil Aviation Organization conference to arrange for the international financing and operation of air navigation services opened on April 20 in London to consider four separate joint support projects. These include the financing of a long range navigational aid station in the Faeroe Islands, meteorological facilities in Greenland, the renewal and revision of the current agreement which maintains 13 floating ocean stations in the North Atlantic for weather reporting and air navigational purposes, and a request from the Government of Greece for financial aid to improve the facilities at Ellinikon Airport (a civil airport near Athens) and for other essential air navigation services required for the safety of international air transport through Greece. The Greek request involves an initial expenditure of \$3,300,000. with an annual operating cost of \$700,000; the Greenland project involves an annual cost of some \$800,000.

Sir Frederick Tymms, United Kingdom representative on the ICAO Council, was elected chairman of the conference. Mr. C.S. Booth (Canada) will serve as chairman for the North Atlantic Ocean Station meeting, Mr. Paul David (United States) for the Greenland and Faeroes meeting, and Sir Frederick Tymms for the Greek conference.

Representatives of 14 nations are present at the joint support conference which is expected to continue for several weeks.

(over)

Canadian Arsenals Director: Appointment of Dr. J.H. Ross, of Montreal, consulting chemist, as a member of the board of directors of the Crown-owned Canadian Arsenals Limited was announced on April 21 by the Minister of Trade and Commerce, Mr. Howe.

Dr. Ross, whose appointment was made final at a meeting of the Crown company board on April 21, will replace Edward T. Sterne, one of the original directors, who died on February 2, 1949.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on April 7 amounted to 126,911,000 bushels, showing a decline of 3,826,000 from the total for March 31, but a gain of 39,764,000 over last year's corresponding total, according to the Bureau of Statistics.

Coal Output Up: With substantial increases in Alberta and British Columbia and the Yukon, and a minor gain in New Brunswick, Canadian production of coal rose slightly more than two per cent in March over the same month last year. Nova Scotia and Saskatchewan registered the only declines. Imports were down 44 per cent.

Preliminary figures released by the Bureau of Statistics place the all-Canada output at 1,701,000 tons as compared with 1,658,699 a year ago.

Across Canada: A fatal virus infection at Cambridge Bay, inside Canada's Arctic Circle, has killed 15 Eskimos in this small community and threatens the lives of at least ten others, the Canadian Press reports. A lone Canadian doctor, Dr. J.C. Callaghan of the Department of Indian Affairs' Health Services at Aklavik, aided only by untrained men, has been fighting the disease, but on receipt of his radio signal in Ottawa a doctor, two nurses and a dispenser carrying medical supplies were despatched to the scene last night in an R.C.A.F. plane.



# AIRMAIL BULLETIN

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Monday, April 25, 1949.

European University Degrees: The National Employment Committee, which acts in an advisory capacity to the Unemployment Insurance Commission of the National Employment Service, has recommended that the National Council of Canadian Universities take under consideration at their May Conference the special employment problem of immigrants from Displaced Persons Camps who hold degrees from European universities and who have completed their period in selected employment in Canada.

A resolution to this effect was passed at the first of a two-day meeting of the Employment Committee which opened in Montreal under the Chairmanship of Mr. Justice W.J. Lindal, of Winnipeg. Mr. E.N. Mitchell, of the Unemployment Insurance Committee is acting as secretary.

Judge Lindal quoted several instances in the Winnipeg region alone where there were graduates of European universities, including architects, doctors, chemists, mineralogists, dentists, who had come to Canada for work in basic industries and who had now completed their period in selected employment.

Judge Lindal said that "the responsibility lies upon the State to place these people" (in employment for which they are most suited).

Record Farm Incomes: Net income of Canadian farmers from farming operations in 1948 reached a total of \$1,693,315,000 the highest figure recorded since the publication of comparable statistics back to 1938, according to preliminary estimates by the Bureau of Statistics. Last year's net income compares with the revised estimates of \$1,234,909,000 for 1947, the previous high total, and of \$1,161,395,000 for 1946.

Farm cash income from the sale of farm products also established an all-time high record of \$2,449,865,000 last year as against \$1,962,276,000 in the preceding year, and there were further increases in the value of home-consumed farm produce. The decrease in the value of the year-end change of farm-held livestock inventories more than offset some increase in the value of year-end changes of farm-held grain inventories, but it was insufficient to offset the gains in cash income and income in kind, the result being that gross income for 1948 also set a record.

Nfld. Family Allowances: Approximately 45,000 family allowance cheques have been mailed to families in Canada's newest province this week, the Minister of National Health and Welfare, Mr. Martin, announced on April 22.

The allowances total more than \$700,000 per month and, when all applications have been dealt with, it is expected that allowances will be paid on behalf of children in more than 48,000 families.

Retail Sales Doubled: Dollar volume of retail sales in Canada has more than doubled during the last seven years, all regions of the country sharing in this general expansion -- although trends have not been uniformly parallel -- and all trades showing gains of substantial but varying proportions.

According to estimates by the Bureau of Statistics, consumer expenditures in Canadian retail stores in 1948 reached a total of \$7,276,400,000. This compares with \$3,436,800,000 in 1941, when the last complete measurement of Canada's retail business was made in the Decennial Census. Last year's volume exceeded by nearly 11 per cent the previous high estimated expenditures of \$6,562,900,000 for 1947.

(over)

Newfoundland Population: Since the turn of the century, the population of Newfoundland (including Labrador) has grown from 220,984 in 1901 to 321,819 in 1945, an increase of 100,835 or over 45 per cent. From 1935 to 1945 it increased by 32,000 or 11 per cent. The 1945 total was approximately three and one-half times that of Prince Edward Island, about one-half that of Nova Scotia, and about one-tenth that of Quebec.

These and other facts are revealed in two reports, released by the Bureau of Statistics, which form part of a series based on the results of a Census of Population, Agriculture and Fisheries, taken by the Newfoundland Government in 1945. These results were compiled in the Bureau of Statistics at the request of Newfoundland.

Transportation Commission: The Royal Commission on Transportation has announced that its opening sittings will commence in Ottawa on May 2, 1949.

Across Canada: The Department of External Affairs received on April 25 a cable from the Vice Consulate in Shanghai. The cable states that a telegram has just been received from Nanking advising that the Ambassador and his staff of four officers are all safe and well and are remaining in that city....The Board of Transport Commissioners on April 23 ordered removal of the "mountain differential" freight charges on certain railroad traffic through the Rockies, effective July 1....The Canadian Press reports from Winnipeg that a confessed Russian spy, 36-year-old Dimitry Leshchenko, former Russian army officer, arrested at Calgary last Tuesday as an illegal immigrant, was being held in a Winnipeg jail.



# AIRMAIL BULLETIN

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Tuesday, April 26, 1949.

General Election Announced: The Prime Minister, Mr. St. Laurent, announced in the House of Commons at the adjournment hour on Monday, April 25, that it is the intention of the Government at the end of this week to recommend to His Excellency that he dissolve the present Parliament.

Asked if he would not advise the House of the date upon which voting is to take place, the Prime Minister replied as follows:- "It would be quite improper for me to announce the date of the election until His Excellency has accepted the advice we shall tender at the end of the week to dissolve Parliament. I said I thought that the election should be held as early as possible. If hon. members will refer to the Elections Act they will see that with dissolution coming at the end of the week it would leave it possible to have an election on June 27."

In the early part of his statement the Prime Minister enumerated the reasons why he thought a federal election should be called at the earliest possible moment, among these reasons being the change in the leadership of the Government. Essential matters had been dealt with, including consummation of the Union with Newfoundland and approval of the North Atlantic Treaty. All the Minister of Finance would ask the House to do at this time was to vote interim supply for a period that would be sufficient to hold the election and to call the new Parliament at a convenient date.

Ambassador of Argentina: The Department of External Affairs announced that Mr. Atilio Garcia Mellid presented today (April 26) to His Excellency the Governor General at Government House, his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Argentina in Canada.

Mr. Brooke Claxton, Acting Secretary of State for External Affairs was present. Mr. Erasto M. Villa, Counsellor of the Argentine Embassy and Commodore Arturo Francisco Grassi, Air Attaché, accompanied the Ambassador. Mr. Howard Measures, Chief of Protocol, Department of External Affairs, presented Mr. Garcia Mellid to His Excellency the Governor General.

Mr. Garcia Mellid was born in Buenos Aires in 1901. A former professor, Mr. Garcia Mellid is a writer. His activities in that field include work on several daily newspapers and magazines in his own country and abroad and the publication of several books of poetry, history and essays. He entered the Argentine Diplomatic Service in 1946 as Envoy Extraordinary and Minister Plenipotentiary and was later promoted to the rank of Ambassador. He was attached to the Political Division of the Department of External Affairs of Argentina and later became Director of the Cultural Division, a position which he held until he was appointed Ambassador to Canada.

Rain Repellent Invention: A rain repellent for aircraft windscreens has been invented by a member of the National Research Council of Canada and is now being manufactured and marketed by a Canadian firm.

Optical errors caused by rain on the windshield of an airplane are usually greater than the pilot realizes. Simulated flight tests with a water spray on a sheet of glass in a high speed air current, showed that the extent of these errors varies considerably with the size of water drops, the amount of water, the air speed, and the angle of the windscreen. Tests further revealed that the average error is up to five degrees in angle in the line of vision, which means that a mountain peak half-a-mile ahead of an aircraft flying through heavy rain might appear to the pilot as much as 200 ft. lower than it actually is.

This windscreen treatment is the result of seven years' research by Dr. D.F. Stedman of the Division of Chemistry.

Retail Sales: Spending in Canadian retail stores during February amounted to \$466,900,000, down five per cent from the January volume of \$493,370,000, but five per cent in advance of last year's February total of \$444,730,000, according to estimates by the Bureau of Statistics. During the first two months of this year, sales amounted to \$960,270,000 as compared with \$935,530,000 in the same period of 1948, an increase of 2.6 per cent.

Wholesale Sales: Dollar volume of wholesale sales was one per cent higher in February than in the preceding month and two per cent above the level of the corresponding month last year, according to the statements from representative wholesalers in nine lines of trade. The general unadjusted index of sales, on the base 1935-39= 100, stood at 244.6 for February, 243.2 for January and 239.8 for February last year, according to the Bureau of Statistics.

Across Canada: Four candidates were officially nominated on April 25 for the leadership of the Ontario Progressive Conservative Party. Delegates to the three-day convention will vote on April 27 for four candidates: Provincial Treasurer Leslie M. Frost, Attorney General Leslie E. Blackwell, the Minister of Education, Dana Porter, and Kelso Roberts, Toronto lawyer and former member of the Legislature....The Canadian Press reported from Lake Success that Poland, on April 25, laid before the United Nations her charge that Canada is unlawfully keeping art treasures sent to Canada for safekeeping during the war.... The RCAF has decided to employ air photography in an effort to locate an RCAF aircraft missing since Thursday with seven men aboard. Four service aircraft will photograph a strip, covering 7200 square miles, from Presque Isle, Me., to Chatham, N.B.



# AIRMAIL BULLETIN

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Wednesday, April 27, 1949.

**In Parliament Yesterday:** John Diefenbaker (PC-Lake Centre) charged that Canada is heading into a major trade crisis and that is the reason for the Government calling an election.

Various members welcomed announcement that an election will be held as soon as possible.

CCF members opposed a bill authorizing the Globe Printing Company of Toronto to increase the annual rental value of real estate holdings. (CP)

**International Trade Fair:** The first shipment of the millions of dollars worth of goods from 34 different countries, now enroute to the 1949 Canadian International Trade Fair was delivered to the Trade Fair grounds, April 22, in the guise of British dockside, self-propelled and truck-mounted cranes. The British machinery and plant equipment manufacturers will be represented more completely than firms from any other single country at the Trade Fair in this category as part of an accelerated program to capture the Canadian market in this field.

The Gilpin Commission, which recently toured Canada, reported to the British machinery industry that Canada offered a solid and expanding market, in the long term senses, for engineering equipment.

Harold Wilson, President of the British Board of Trade in encouragement of the manufacturers said: "There is no more important market for U.K. goods than Canada. The whole weight and encouragement of the Board of Trade and other departments concerned will be behind them in their efforts to get bigger and better business in Canada."

Firms competing in this category will exhibit products from Canada, Sweden, Czechoslovakia, England, Scotland, United States, Switzerland, France, and Italy, the Trade Fair authorities have announced.

**Manganese Shortage:** Concerned over the shortage of manganese ore on the American Continent and the uncertainty of shipments from overseas sources of supply, steel producers in Canada are now considering the possibilities of using substitutes for manganese, vital alloying metal in the production of practically all types of steels. Acting on their suggestion, the Bureau of Mines of the Department of Mines and Resources, plans to undertake research immediately, in the hope of finding a suitable substitute. Estimates of the Bureau for the current fiscal year provide an amount for the installation of a 250 K.v.a. electric furnace which will be used in connection with the research.

**Industrial Advisor:** Brigadier F.C. Wallace, of Toronto, executive vice-president of Smith and Stone Limited, Georgetown, Ont., has been appointed industrial advisor to the Defence Research Board, the Minister of National Defence, Mr. Claxton, has announced.

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Thursday, April 28, 1949.

London Commonwealth Meetings: The House of Commons greeted with applause the announcement by the Prime Minister, Mr. St. Laurent, on the evening of April 27, that India had decided to remain as a full partner in the British Commonwealth of Nations. The Prime Minister and the Leader of the Progressive Conservative Party, Mr. Drew, made appreciative comments.

The text of the Prime Minister's announcement was as follows:-

"During the past week the Prime Ministers of the United Kingdom, Australia, New Zealand, South Africa, India, Pakistan, and Ceylon, and the Canadian Secretary of State for External Affairs have met in London to exchange views upon the important constitutional issues arising from India's decision to adopt a republican form of constitution and her desire to continue her membership of the Commonwealth.

"The discussions have been concerned with the effects of such a development upon the existing structure of the Commonwealth and the constitutional relations between its members. They have been conducted in an atmosphere of goodwill and mutual understanding, and have had as their historical background the traditional capacity of the Commonwealth to strengthen its unity of purpose, while adapting its organization and procedures to changing circumstances.

"After full discussion the representatives of the Governments of all the Commonwealth countries have agreed that the conclusions reached should be placed on record in the following declaration:

"The Governments of the United Kingdom, Canada, Australia, New Zealand, South Africa, India, Pakistan and Ceylon, whose countries are united as members of the British Commonwealth of Nations and owe a common allegiance to the Crown, which is also the symbol of their free association, have considered the impending constitutional changes in India.

"The Government of India have informed the other Governments of the Commonwealth of the intention of the Indian people that under the new constitution which is about to be adopted India shall become a sovereign independent Republic. The Government of India have however declared and affirmed India's desire to continue her full membership of the Commonwealth of Nations and her acceptance of the King as the symbol of the free association of its independent member nations and as such the Head of the Commonwealth.

"The Governments of the other countries of the Commonwealth the basis of whose membership of the Commonwealth is not hereby changed, accept and recognize India's continuing membership in accordance with the terms of this Declaration.

"Accordingly, the United Kingdom, Canada, Australia, New Zealand, South Africa, India, Pakistan and Ceylon hereby declare that they remain united as free and equal members of the Commonwealth of Nations, freely co-operating in the pursuit of peace, liberty and progress."

"These constitutional questions have been the sole subject of discussion at the full meetings of Prime Ministers."

(over)

In Parliament Yesterday: The Prime Minister, Mr. St. Laurent, announced that the Government intends to continue paying freight assistance on feed grains shipped to eastern Canada.

The Minister of Transport, Mr. Chevrier, said that all facilities and services will continue at the airport at Moncton, NB.

The House of Commons passed legislation increasing old-age pensions by \$10 monthly.

Bills to incorporate pipe-line companies were discussed.

Senator John T. Haig, Progressive Conservative Leader, urged judicial reform in Quebec. (CP)

First Annual Film Awards: The first annual Canadian Film Awards were presented to successful producers by the Minister of Reconstruction and Supply, Mr. R. H. Winters, at a ceremony in Ottawa on April 27. The "Canadian Film of the Year" was judged to be "The Loon's Necklace", produced by Crawley Films of Ottawa and based on Indian masks from the National Museum.

Across Canada: The Canadian Press reported this morning that the Polish Minister to Canada had said at a press conference yesterday that if Canada did not return his country's art treasures, Poland would consider taking up the matter formally before the United Nations or the International Court of Justice....Leslie Frost, 54-year-old lawyer from Lindsay, Ontario, was chosen Leader of the Progressive Conservative Party of Ontario in convention at Toronto yesterday. Runners-up, in the order of the vote result, were, according to the Canadian Press, Leslie Blackwell, Attorney General; Kelso Roberts, and Dana Porter, Minister of Education. Only one ballot was necessary....A Nova Scotia general election for Thursday, June 9, was announced yesterday by Premier Angus L. Macdonald.



## AIRMAIL BULLETIN

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Friday, April 29, 1949.

**In Parliament Yesterday:** The Senate gave unanimous approval to ratification of the North Atlantic Treaty.

The Minister of National Defence, Mr. Glaxton, said that a North Star aircraft and the destroyer "Crescent" are standing by in Hong Kong to assist Canadians in China in case of an emergency.

The Minister of Finance, Mr. Abbott, asked approval of four months' interim supply to cover government administration costs until after the federal election.

**Newfoundland Election:** Premier Joseph Smallwood announced at an inaugural convention of the Newfoundland Liberal Party on April 28 that the new Province will hold its first election Friday, May 27, the Canadian Press reported from St. John's.

Newfoundlanders, who haven't elected a government in 17 years, will have a breathing spell of only one month following the provincial election before they go to the polls to elect federal representatives, probably June 27, continued the report.

Mr. Smallwood made the announcement after greeting some 1,500 delegates and guests to the first political convention for this island since it elected a Conservative Government in 1932....

**Finland Joins ICAO:** Finland today (April 29) became the 52nd member nation of the International Civil Aviation Organization, according to an announcement by Dr. Albert Roper, ICAO Secretary General.

The application of Finland was first approved by the Assembly of ICAO, and then by the General Assembly of the United Nations. Finland is the fourth Scandinavian nation to become a member of ICAO; Denmark, Norway and Sweden are already members.

**Labour-Management Committees:** At the beginning of 1949 there were 600 Labour-Management Production Committees in operation in Canada, 57 more than at the beginning of 1948, it was shown by a report of the Labour-Management Co-operation Service of the Department of Labour, issued by the Minister of Labour, Mr. Mitchell.

In the first three months of 1949, 22 new committees were added to the list and seven deleted making the total 615 at March 31, 1949. This was a substantial increase from the 543 committees in operation at the beginning of 1948 and showed an increasing recognition by both management and labour of the mutual benefits to be gained by joint consultation on production problems, Mr. Mitchell pointed out.

**Securities Transactions:** Sales and purchases of securities between Canada and other countries in February dropped to the lowest level since mid-1947, the volume of transactions amounting to \$24,000,000, according to the Bureau of Statistics. This year's February figure compares with \$36,400,000 in January and \$28,500,000 in the same month last year, and a monthly average of \$34,800,000 in 1948. During the first two months of this year, sales and purchases totalled \$60,300,000 as against \$64,000,000 in the similar period a year earlier.

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Trade with the United States totalled \$22,500,000, a decrease of 36 per cent from the January figure of \$35,100,000. Transactions in bonds and debentures resulted in a small sales balance of \$300,000, while transactions in stocks and other securities produced a purchase balance of \$1,600,000. As a result, there was a net outward movement of funds amounting to \$1,300,000.

Transactions with the United Kingdom remained unchanged at \$400,000, and sales were approximately equal to purchases. An increase was registered in transactions with other countries, totalling \$1,100,000 as compared with \$800,000 in the preceding month. Net sales amounted to \$100,000.

Employment Down: Industrial employment and weekly salaries and wages at March 1 were at record levels for the time of year, although employment showed a somewhat greater seasonal decline than usual from a month earlier. As compared with February 1 the trend in employment was unfavourable at the first of March in all provinces except New Brunswick and Saskatchewan, while there were increases over March 1, last year in Nova Scotia, Ontario, Manitoba and Alberta, but declines in the remaining provinces.

Across Canada: Tomorrow (Saturday) is the deadline fixed for the filing of 1948 income tax returns....Fourteen members of the Canadian Seamen's Union were arrested in Montreal last night when a detachment of the city's anti-subversive squad raided the C.S.U. headquarters, the Montreal Gazette reported this morning....Ottawa Senators defeated Regina Capitals 6 to 4 in Ottawa last night in the first game of their best-of-seven Allan Cup finals.





## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, May 3, 1949.

**North Atlantic Treaty:** Canada's Instrument of Ratification of the North Atlantic Treaty, which was executed by the Prime Minister on Saturday, April 30, was deposited with the United States Government in Washington at 12:15 o'clock today by the Canadian Ambassador. The State Department has confirmed that Canada's Instrument of Ratification was the first to be deposited by the signatories of the Treaty. Under the terms of the Treaty it will come into force between the states which have ratified it as soon as the ratifications of the majority of the signatories, including those of Belgium, Canada, France, Luxembourg, The Netherlands, the United Kingdom and the United States, have been deposited.

**Mr. Howe Urges Empire Trade:** The Minister of Trade and Commerce, Mr. Howe, delivered an address at the opening of the British Industries Fair in London on May 2. The following is an excerpt:

"....In the period from 1935 to 1939, Canada drew from the sterling area, including the United Kingdom, some 29% of our total import requirements. In 1947, this figure had dropped to 14%, rising in 1948 to 19%. The overall improvement that I have mentioned came about through an increase of 4% in goods from the United Kingdom, and only an increase of 1% in goods from the rest of the sterling area. In other words, the increase in the volume of goods we received from the sterling area, outside the United Kingdom, was disappointingly small.

"Our problem is to narrow the gap of some £75 million to £100 million in our trade with the sterling area; a gap that is today covered by the temporary expedient of special grants and loans. As the great bulk of the world's trade is still in primary foodstuffs and raw materials, and as this class of goods represents the major part of our exports to you, I think you will agree that it is unrealistic to hope that you can make up the difference by the expansion of your sales to us of manufactured goods alone. The Canadian market holds no less potential for primary materials from your colonial areas, than from manufactured products from the United Kingdom itself. I suggest that it can only be by an expansion of such trade with the Western Hemisphere that there can be any real hope of the sterling area being able to balance its accounts with the dollar area, except by continuing a policy of restriction.

"Therefore, I hope that this same drive for exports to Canada, and to the dollar area, from colonial and other Commonwealth areas, will be made comparable with the drive for exports of the United Kingdom itself. I realize that supply shortages, and divergent price levels, are obstacles in this field, but should the Canadian market be left to other suppliers until the period of shortages has passed, present opportunities may be lost for all time...."

**Mr. Claxton's Speech:** The Minister of National Defence, Mr. Claxton, addressed the Economic Club in Detroit on May 2. He said that the industrial integration of the Detroit-Windsor area "must be multiplied across the continent" in the interests of defence. He also called for a lowering of trade barriers, according to the Canadian Press report, and for the absorption of more Canadian exports by the United States.

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Canada's experience in the Second World War, he said, demonstrated the paramount importance of standardization. Large delays and great expense were caused through having to make weapons and equipment to British designs but according to North American industrial techniques, procedures and even industrial standards. He added, on that point:

".....To bring about standardization will require time and planned effort. We have a list in Canada of all the weapons we are prepared to standardize on American designs. In fact in some directions it is almost true to say that greater progress has been made in standardization between our two countries than has been made between two services within either country...."

**Summer Training Camps:** Approximately 11,000 members of the Canadian Army Reserve Force will attend summer training camps across the country this year, Army authorities have announced. This means that last year's total of 7,092 Reserve soldiers at camp will be exceeded by at least 4,000.

Command camps will be conducted in each of the five army commands but Ontario and Quebec camps will probably be the busiest.

Corps camps, where members of the Royal Canadian Artillery, the Royal Canadian Engineers, the Royal Canadian Corps of Signals and other corps of the army will be trained, will be opened at Shilo, Man., Wainwright, Alta., Esquimalt, B.C., Chilliwack, B.C., and Petawawa.

**Across Canada:** The Ottawa Senators won their third straight game against the Regina Capitals in the Allan Cup series in Ottawa last night by a score of 7 to 0....Toronto is threatened by a building tie-up by a dispute between the Construction Labourers' Union and the Toronto Builders' Exchange.... The vitally-important Gargantua lighthouse, which has guided ships along the rocky shoals of Lake Superior in the Montreal River area, 150 miles north of Sault Ste. Marie, for 62 years, was mysteriously burned on May 1.



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Wednesday, May 4, 1949.

**Seamen's Strike Statement:** The Minister of Labour, Mr. Mitchell, and the Minister of Transport, Mr. Chevrier, issued the following statement on May 3:

The Ministers of Labour and Transport desire to call to the attention of the public and of the seamen concerned the fact that strikes at sea or in ports abroad, in disobedience of the lawful orders of the master, are in violation of the Canada Shipping Act.

For the protection of the seamen themselves, the Act requires that no seaman shall be discharged in a port abroad without the approval of the proper authority and until necessary provision has been made for his repatriation to Canada.

It is a fundamental principle of the law of every seagoing nation which is accepted by every true seaman that strikes at sea or in ports abroad resulting in the refusal of seamen to obey the master's orders must not occur. Such action endangers the lives of the passengers, officers and crew, the safety of the ship and its cargo. Under the Canada Shipping Act seamen must obey the orders of the master until the voyage is completed. Everyone who has knowledge of the ways of the sea accepts and supports this principle. The Canadian Merchant Marine cannot be built up or maintained unless this principle is followed. Accordingly, the law provides that the voyage must be completed and the ship and cargo placed in security at her terminal port in Canada before the members of her crew can engage in a lawful strike.

The law of Canada is now being violated by members of the Canadian Seamen's Union taking part in strikes aboard Canadian ships in ports abroad.

Public statements have been made by the Minister of Labour in the House of Commons and in a press release explaining the facts of the seamen's strike, and stating that the Canadian Seamen's Union had complied with the provisions of the Industrial Relations and Disputes Investigation Act before calling the strike. However, this does not permit seamen to violate the provisions of the Canada Shipping Act which requires every seaman to obey the lawful orders of the master nor justify the action of leaders of the Union in calling seamen out on strike on ships in ports abroad or in counselling seamen to disobey the lawful orders of the master.

At the present time there are approximately ninety ships which sail out of Atlantic coast ports. Of this number some fifteen are tied up by illegal strikes in ports abroad. The crews, by going on strike, are violating the law of Canada and are subject to the penalties provided by law.

**125,603 Immigrants:** Immigrants to Canada during the fiscal year ended March 31, 1949, numbered 125,603, it was announced on May 3 by the Minister of Mines and Resources, Mr. Gibson. This total exceeded the 79,194 recorded for the fiscal year 1947-48 by 58.6 per cent.

The 125,603 immigrants included 40,015 from the British Isles, 7,306 from the United States, and 18,450 from northern European races. The latter included 9,866 Dutch, most of whom came to this country under the joint Netherlands-Canada farm settlement plan. Under this program, arranged through the co-operation of the Canadian and Netherlands Governments, more than 7,000 members of Dutch farm families entered Canada in 1948. Skilled agriculturists, the Netherlanders work for Canadian farmers until sufficiently well established to purchase their own farms.

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There were also 59,832 immigrants from other races, leading groups including 15,420 Poles and 10,498 Ukrainians.

Included in the immigrants were 50,610 Displaced Persons, of whom 27,894 joined close relatives already living in Canada.

In all, 64,860 Displaced Persons have been admitted to Canada since the first arrivals in April, 1947. Highest numbers of Displaced Persons have been absorbed by agricultural, mining, water power, forest, and clothing industries. Some 8,000 girls came to Canada to work in hospitals and private homes.

March Exports Below 1948: Canada's total domestic exports declined in value in March to \$216,800,000 from \$228,400,000 in March last year, but showed the usual increase over the preceding month when the value stood at \$205,000,000. The month's decline, following upon a small increase over a year ago in January and a slightly larger decrease in February, lowered the cumulative value for the first quarter of the year to \$658,800,000 compared with \$672,000,000 in 1948.

Further gains in the value of shipments to the United States over last year were recorded during March, according to returns released by the Bureau of Statistics, and increases in exports to Latin America, and to Commonwealth countries in Africa and Asia. However, these were offset by a marked falling-off in exports to the United Kingdom and Europe as a whole, and smaller losses in shipments to the British West Indies.

Exports to the United States in the month were valued at \$122,418,000 as compared with \$112,519,000 in the corresponding month last year, bringing the cumulative figure for the first quarter to \$345,150,000 as against \$312,333,000 a year earlier. The increase in the month was 8.8 per cent, and in the first quarter, 10.5 per cent.

March exports to the United Kingdom were valued at \$39,498,000, down a third from last year's corresponding total of \$59,182,000. First-quarter total was \$139,435,000 as compared with \$175,790,000 a year ago.

Across Canada: Mr. Vincent Massey, Chairman of the Royal Commission on Arts, Letters and Sciences, told newspapermen at a press conference yesterday that his Commission is not going to inflict culture on anybody, nor be a "highbrow affair....remote" from the average Canadian....Sufficient tonnage has now been proven in the iron ore development in Labrador and Northeastern Quebec to start production, President J.R. Timmins, of Hollinger Consolidated Gold Mines, Ltd., told shareholders at their general annual meeting in Montreal yesterday....Art treasures which have hung for years on the walls of "Ennisclare," the home of the late Herbert C. Cox, former President of Canada Life Assurance Company, went under the auctioneer's hammer at Oakville yesterday....A brief fire scare aboard a strike-bound, ammunition-loaded ship in Montreal Tuesday centered attention on that port on the 34th day of the strike called by the Canadian Seamen's Union (TLC). Only officers were aboard the ship and firemen had the blaze under control in a few minutes. All the foregoing items are based on reports by the Canadian Press.



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DEPARTMENT OF EXTERNAL AFFAIRS  
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Thursday, May 5, 1949.

Mr. Howe's Birmingham Speech: The Minister of Trade and Commerce, Mr. Howe, delivered an address on May 5 to a group of industrialists and representatives of engineering firms represented at the British Industries Fair, at Birmingham. An excerpt follows:

"....To sum up the situation, Canada is today the greatest importer of manufactured goods in the world. Of machinery, equipment and replacement parts alone, we imported £109 million in value from the United States in 1948 and only £7 million in value from United Kingdom sources. Regardless of our already sizeable investment program, there is still a strong demand for replacement of plant and equipment. There is intense interest in the development of new resources, and the processing based on those resources.

"We, in Canada do not foresee a major reversal in the overall rate of investment for some time to come. During 1948, about £325 million were spent on new machinery and equipment installed in that year, of which some 30 per cent went to foreign manufacturers and only 6 per cent of these imports were from the United Kingdom. Including maintenance and expenditures, the order of investment in 1948 was about £1,115,000,000 and about one half that sum was spent on machinery and equipment of all types. All this indicates that the potential market in Canada for machinery and equipment is of a size that warrants your active consideration.

"In saying this, I should also say that the Canadian market is one of the most difficult in the world for you to capture. Canada is a challenge to British industry that offers a rich reward to the successful. In your effort to sell in Canada you will be justified in expecting every co-operation from the Canadian Government and from the Canadian businessman. The best suggestion I can leave with you is that you come to Canada and explore for yourselves. In doing so, you can count on a warm welcome."

Vocational Training: Aided by federal funds provided under the Federal-Provincial Canadian Vocational Schools Assistance Agreements, opportunities for Canadian youth to obtain vocational training are being greatly increased by the erection of new schools or additions to existing schools throughout Canada, it was reported to educationalists from all parts of Canada attending a two-day meeting of the Canadian Vocational Training Advisory Council which ended in Ottawa on May 4.

Chairman of the meeting was Dr. G. Fred McNally, Chancellor of the University of Alberta.

A total of thirty-five new buildings and forty additions to existing school buildings are now at various stages of completion throughout the country. The plans for seven other new buildings and fifteen additions have been completed.

Agreements for the provision of financial assistance in the development and carrying on of vocational training on the secondary school level are in operation in all provinces, except newly-added Newfoundland where an agreement has yet to be signed.

**Cost-Of-Living:** Reversing slightly the downtrend of the two preceding months, Canada's official cost-of-living index moved up one-tenth of a point between March 1 and April 1, from 159.2 to 159.3. At this figure, it was 7.7 points above April 1 last year and three-tenths of a point below the peak level of 159.6 which has been touched three times -- at the first of October and November last year and January this year. During the six months since reaching 159.6, the index has kept within seven-tenths of a point of that level.

The increase during the month was due to small advances in clothing, home furnishings and services, rents and the miscellaneous group, which offset a further drop in foods.

**Scholarship Trust:** Creation of the Royal Canadian Engineers' Memorial Scholarship Trust, open to final year students in 10 Canadian Universities and Royal Military College, has been announced by Col. H.W. Love, OBE, Chief Engineer of the Canadian Army, on behalf of the Corps of Royal Canadian Engineers. The scholarships are to be awarded in memory of all ranks of the Corps who gave their lives in the Second World War.

**Unemployment Insurance:** Increased numbers of claims for unemployment insurance benefits were filed in March as compared with the same month last year, all provinces sharing in the rise with the exception of Alberta. The month's total, however, was below that of February, lower figures being shown for Prince Edward Island, Ontario, Saskatchewan and British Columbia.

Claims filed in Quebec totalled 33,381 as compared with 23,368 a year earlier, Ontario 30,096 compared with 20,736, British Columbia 12,731 compared with 9,981, Nova Scotia 7,433 (5,346), Manitoba 5,931 (4,962), Alberta 5,720 (5,987), New Brunswick 4,985 (3,133), Saskatchewan 2,574 (2,302), and Prince Edward Island 551 (433).

**Across Canada:** Ontario's new Premier, Leslie Frost, and his Cabinet, were sworn in at Toronto yesterday. The only new Cabinet Minister, so far announced, who did not serve in the Cabinet of former Premier Thomas Kennedy, is Welland S. Gemmell, 38-year-old Sudbury District general merchant who became Minister of Mines....The General Council Executive of the United Church of Canada, by a one-vote margin on May 4, refused to call on Canadian youth to "maintain security of the North Atlantic area" under terms of the North Atlantic Pact, the Canadian Press reported from Toronto.. The strike of the AFL Labourers' Union in Toronto was expected to bring to a standstill today a total of 25 major building projects....The Toronto Maple Leafs defeated the Newark Bears 4 to 3 in the Toronto baseball season opener yesterday.



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Friday, May 6, 1949.

**Berlin Property Claims:** The Department of External Affairs announced on May 5 that the Allied Kommandatura in Berlin on February 16 issued an Order to the City authorities concerning claims to be made by victims of Nazism who were deprived between January 30, 1933, and May 8, 1945, of identifiable property in Berlin because of their race, religion or political opinions. The Order does not apply to property having a total value of less than RM. 1,000 at the time it was confiscated.

Under this Order all persons who were so deprived of their property may now file their claims for restitution with the Treuhaender der Amerikanischen Britischen und Franzoesischen Militaerregierungen Fuer Zwangsverbertragene, Vermoegen, Berlin W.30, Nuernberger Strasse 53/55. Claims in respect of property in any part of Berlin will be accepted by the Claims Registry at the above address, but in present circumstances it will not be possible to take any further action in respect of property in the Eastern Sector of the City.

Claims should be made in triplicate on forms which can be obtained from the Department of External Affairs, Ottawa.

Any person who has already registered his claim to restitution of property in Berlin with the Central Claims Registry for the British Zone at Bad Nenndorf need not submit to Berlin a fresh claim in respect of the same property.

Present owners of property subject to the Order and persons who have knowledge of such property are required within 6 months of the date of the Order to file at the above address in Berlin, declarations in triplicate of the circumstances leading to its present ownership.

The Order will be followed by legislation in the three Western Sectors of Berlin which will provide for the establishment of machinery for the adjudication of claims.

**Strike Violence At Asbestos:** The Canadian Press reported this (Friday) morning that the Riot Act had been read in Asbestos, Quebec, to a small group of strikers and their families from the steps of St. Aimé's Roman Catholic Church. Under the Act persons who engage in rioting in the town are liable to penalties up to and including life imprisonment.

The reading of the Riot Act this morning followed serious outbreaks of violence yesterday, when, it was reported, 12 Provincial policemen were injured - some beaten into unconsciousness, disarmed and handcuffed - and hundreds of strikers were maintaining roadblocks that completely cut off the town of Asbestos. While the police were outnumbered 30 to 1 at the roadblocks yesterday, this morning's despatches said that 200 heavily-armed Provincial Police early this morning made a peaceful entry into the town by an unblocked back road. Hundreds of strikers had by then abandoned their main roadblocks, it was reported.

Police have arrested approximately 50 strikers and confiscated homemade blackjacks, clubs, crowbars and stones. The arrested men were taken to jail in Sherbrooke, Quebec, the latest despatch reported. A number of workers are expected to return to their jobs today at the plant of the Canadian John's-Manville Company.

Approximately 5,000 asbestos workers have been idle since February 13. They are the employees of several operators in the district.

**Old Age Pensions:** Manitoba is the first Province to advise the federal Government of its willingness to sign an agreement providing for an increase in old age pensions in that Province, the Minister of National Health and Welfare, Mr. Martin, stated on May 5.

The decision of the Manitoba Government followed shortly after the passage of an amendment to the federal Old Age Pensions Act, given royal assent on April 30 and brought into force by proclamation on May 1. This means that the higher rate of pension can be effective from May 1 in those provinces that now enter into agreements with the federal Government to provide for the increased rate.

Mr. Martin stated that Alberta had also indicated its intention to take advantage of the increased pension.

He estimated that fully 90 per cent of all persons presently on old age or blind pension would receive the benefit of the higher pension, either wholly or in part.

**Maritime Marshlands:** The federal Government has recently completed an agreement with each of the Provinces of Nova Scotia and New Brunswick for the reclamation of the marshlands which have "gone out to sea", or are in danger of it because of the weakening of the dykes and other protective works, the Minister of Agriculture, Mr. Gardiner announced on May 5. The Legislatures in both Provinces have recently passed legislation empowering their Governments to enter into such agreements and to encourage the marsh owners to assist in the reclamation work and develop a sound marsh development program.

**Across Canada:** A large portion of Windsor industry was expected to be stalled within the next few days as a result of a strike now tying up the River Rouge and Lincoln plants of the Ford Motor Company in Detroit....Toronto's building strike has tied up \$60,000,000 in building projects, with indications that nearly every industrial construction job in Toronto will be shut down by the end of the week, The Globe and Mail reported....





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Monday, May 9, 1949.

Mr. Howe's U.K. Visit: At a press conference in Ottawa on May 9, the Minister of Trade and Commerce, Mr. Howe, who returned from London on May 8, made the following statement:-

"During my visit to the United Kingdom, the purpose of which was to take part in the opening of the British Industries Fair, I discussed with United Kingdom authorities a number of trade matters of immediate concern to Canada.

"I found on all sides the desire on the part of the United Kingdom to purchase Canadian products. The difficulty is to find the means of payment. Any real solution toward providing the means for greater purchases in Canada must depend upon greater purchases of British goods by dollar countries. I have assured the United Kingdom Government that we in Canada will lend every effort in support of the vigorous export drive which the United Kingdom are now undertaking.

"Despite their serious dollar difficulties the United Kingdom are planning additional purchases, provided agreement can be reached on prices. I have told the United Kingdom that there need be no doubt of the ability of Canadian suppliers to meet competition from any part of the world".

Foreign Exchange Rulings: Two changes in the rules governing trading in Canadian securities by non-residents have been notified by the Foreign Exchange Control Board to Canadian security dealers.

In future a non-resident may register with the Board any new outright purchase in Canada of Canadian bonds or debentures, which will thus become eligible for subsequent sale in Canada by the non-resident. This privilege has always been extended to non-resident purchases of Canadian stocks and shares but not of securities having a fixed term to maturity.

The second change relates to exchanges by non-residents of Canadian securities which are not eligible for outright sale in Canada. Heretofore a non-resident could only acquire a security due to mature within three years, or subject to call within the same period, in exchange for a security due to mature or subject to call within the same space of time. The qualification as to earliest call date, as distinct from maturity, has now been removed in connection with exchanges of non-Government securities payable in Canadian dollars only. As in the past, securities issued or guaranteed by the Government of Canada or any province can be acquired by non-residents only for cash or in exchange for other securities in the same category.

Indian Mission: An Indian Defence Ministry mission headed by H.M. Patel, Defence Ministry Secretary, will arrive in Ottawa Monday evening, May 9, from Washington. The party of five is scheduled to meet with defence chiefs here and then tour military and air installations at Kingston, Camp Borden, Trenton and Centralia. They will spend three days in Canada.

Other members of the mission are Major General Kalwant Singh, Chief of the General Staff, Indian Army; Air Vice Marshal S. Mukerjee, Deputy Chief of Air Staff, Indian Air Force; Colonel Raj Bir Chopra, Deputy Director of Military Training, Indian Army; and Flight Lieutenant S.P. Mehta, secretary to the mission.

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The party will be greeted at Rockcliffe airport by a guard of honour from the RCAF and representatives of government and armed forces.

On Tuesday, May 10, the mission will meet with Mr. Claxton, Minister of National Defence, the Canadian Chiefs of Staff, and senior civil servants.

**Surplus Food Proposal:** A practical proposal to get surplus food products which may become piled up in Canada and other producing countries into the hands of the needy countries of the world, will be submitted by the Canadian Federation of Agriculture to the forth-coming third annual conference of the International Federation of Agricultural Producers, to open at Guelph, Canada, on May 31 for ten days, the Federation has announced.

The statement to be submitted to the world farmers' conference will be an earnest attempt to suggest a partial solution to the age-old problem of food surpluses on one side of the world and starvation on the other side.

The Canadian Federation delegation will ask the conference for endorsement of its proposal as a recommendation to be made to the annual meeting of the Food and Agriculture Organization of the United Nations (FAO), which is to be held the coming autumn. It is expected that proposals will come forward from other delegations as well.

**Iron And Steel Imports:** Effective May 2, 1949, Canadian importers of structural iron and steel shapes from the United States, classified for Customs purposes under tariff items 388, 388A, 388B, 388C and 388D, will no longer require import permits or tonnage quotas from the Import Control Branch, it was announced on May 6 by the Department of Trade and Commerce. Additional freed items, control of which was announced in October, 1948, are plates; galvanized sheets; pipe, tubes and skelp; and wire.

In view of the general stringency of the steel situation in the United States last October, the Canadian Government in co-operation with United States authorities agreed to limit imports of primary iron and steel. Now that United States producers are once again in a position to export normal quantities of these products, Canadian importers will no longer require import permits or tonnage quotas.

**Pensions In Newfoundland:** The federal Government has just approved an agreement with Newfoundland for the payment of old age and blind pensions the Minister of National Health and Welfare, Mr. Martin, announced on May 5.

This agreement is effective from April 1, and under it a pension of \$30 monthly is payable to aged and blind persons who come within the provisions of the federal Old Age Pensions Act.

**Across Canada:** Through Mr. R. G. Riddell, Special Assistant to the Secretary of State for External Affairs, Canada urged the United Nations on Saturday to accept immediately Israel's bid for membership....Provisions of the Riot Act read at Asbestos, Que., on Friday, where a strike of several thousand asbestos mine workers has been in progress since mid-February, were lifted at dawn Sunday, May 8. The arrests of more than 175 men are reported....Two plane crash survivors, a Vancouver pilot and a Cardston, Alta., student nurse, who survived five days on a cold mountain peak, were reached Friday by three R.C.A.F. para-rescue-men and, according to this morning's report, were trudging 11 miles to a waiting helicopter. The Canadian Press is the basis for the foregoing reports.

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Tuesday, May 10, 1949.

**I.L.O. Brussels Delegates:** The Minister of Labour, on May 9, announced the names of Canada's delegates to the Third Session of the Committee on Inland Transport of the International Labour Organization, which meets in Brussels from May 18 to about May 28. The delegation would, as usual, be tripartite, said Mr. Mitchell, and would consist of two Government delegates, two workers' delegates and two employers' delegates.

R.M. Cram of Ottawa, Chief of the General Labour Statistics Division, Research and Statistics Branch, Department of Labour, and H. Perkins of Toronto, Industrial Relations Officer in the Department of Labour, will be the Government Delegates.

The Workers' Delegates will be Lawrence O'Connell of Toronto, Second International Vice-President of the Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, and S.H. Eighteen of Montreal, Secretary, System Adjustment Board for the Canadian Brotherhood of Railway Employees and other Transport Workers of the Canadian National Railways.

S.M. Gossage of Montreal, Assistant Personnel Manager of the Canadian Pacific Railway Company and G.M. Parke of St. Catharines, Ontario, Director of the Motor Transport Industrial Relations Bureau of the Canadian Automotive Transportation Association, will represent employers.

The Committee will discuss the stabilization of employment of dock labour, the protection of young workers on inland waterways and technical methods of selection of workers for the inland transport industry.

Also on the agenda are discussions of recent events in the industry, and of action taken by the various countries in the light of the conclusions of the Second Session.

**N.R.C. Scholarships:** Scholarships have been granted by the National Research Council of Canada to 165 graduates to enable them to pursue post-graduate studies during the academic year 1949-50. There are nineteen fellowships at \$900, sixty-four studentships at \$750, seventy-eight bursaries at \$450 tenable at Canadian universities, and four special scholarships at \$750 awarded for study abroad. The nominal value of all scholarships for the year is \$103,200. Last year 148 scholarships having a nominal value of \$97,050 were held.

Many scientists who received part of their training through National Research Council scholarships now hold important posts in educational institutions and industrial establishments where their services to the nation are repaying many times over the aid given them during their university careers.

Recipients of scholarships this year represent 57 Canadian municipalities in eight provinces. By province of origin, winners of scholarships this year were distributed as follows: Nova Scotia, 13; New Brunswick, 7; Quebec, 42; Ontario, 35; Manitoba, 8; Saskatchewan, 21; Alberta, 6; British Columbia, 33.

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Classified by universities of graduation, grantees included 31 from British Columbia, 23 each from Saskatchewan and McGill, 14 Toronto, 13 Dalhousie, 12 Western Ontario, 8 each from Manitoba and Montreal, 6 New Brunswick, 6 Alberta, 5 Queen's, 3 each from Laval and McMaster, 2 Collège de Lévis, 2 St. Joseph's and one each from Acadia, Bishop's College, Ecole Polytechnique, Mount Allison, New York and St. Francis Xavier.

World Wheat Outlook: World production outlook for the new wheat crop is, on balance, somewhat less promising than it was a year ago, states the Bureau of Statistics in its monthly review of the wheat situation.

The United States, with acreage in excess of last year's and generally favourable growing conditions, should equal and perhaps surpass the 1948 production of 1,288 million bushels, but prospects elsewhere in the northern hemisphere are not quite so favourable.

Moisture deficiency in western Canada is causing concern and in Europe a smaller seeded acreage of winter wheat and lack of adequate rainfall indicate a reduction in the outturn of wheat from the 1948 level. In the southern hemisphere seeding is progressing in Australia and Argentina under generally favourable conditions and there have been no indications to date of any appreciable changes in acreage from last year.

In the United States, prospects are quite favourable for the winter wheat crop to be harvested in June and July. An official estimate, based on conditions at April 1, places the United States winter wheat crop at 1,020 million bushels which, if realized, would make it second only to the 1947 record crop of 1,068 million and about three per cent above the 1948 winter wheat production of 990 million.

International Trade Fair: With less than a month to go to the opening of the Canadian International Trade Fair on May 30 final pattern of the mammoth show emerges in some detail. Arrangements have been completed to exhibit products from 35 countries, compared to 28 last year. An interesting development is the fact that 60% of the exhibits will be from abroad, which is an almost exact reversal of the proportion last year when 60% of the products displayed were from Canada. This truly international representation is reflected in the increased interest and greater attendance expected from United States' and overseas business visitors.

Another significant development resulting from the success of the Canadian International Trade Fair is the plan to establish similar events in the United States which is being actively encouraged by the U.S. Government. These plans, which are farthest advanced in Detroit and Atlantic City, at the moment, may eventually result in a circuit of important trade fairs being established on this continent.

Reflecting this world-wide interest will be the visits to Toronto of such world trade figures as U.S. Secretary of Commerce Charles Sawyer, who will open the Trade Fair, Mr. Harold Wilson, President of the British Board of Trade, and business leaders from many countries.

Across Canada: The Prime Minister, Mr. St. Laurent, opened the general election campaign with a radio broadcast address in Ottawa last night and the Leader of the Progressive Party, Mr. Drew, delivered his opening election campaign address at Charlottetown, P.E.I.....Leon Mayrand, Canada's representative on the Social Committee of the United Nations General Assembly, spoke against the conception of a government-controlled press at Lake Success yesterday....The former Minister of Mines and Resources, Mr. MacKinnon, has been appointed to the Senate, the Prime Minister announced on May 9.... Ottawa Senators defeated Regina Capitals 5 to 3 in the fifth game of the Allan Cup series, to win the trophy on May 7.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Wednesday, May 11, 1949.

**World Grain Exports:** World exports of grains and grain products during the first half of the current crop season were nearly five per cent greater than in the corresponding period of the previous (1947-48) season, totalling 17,938,600 long tons (in grain equivalent) as against 17,110,000 long tons.

Approximately 73 per cent of this season's first-half total consisted of bread-grains, namely wheat, including flour, and rye. Exports of these amounted to 13.1 million tons compared with 12.6 million tons in the first half of the 1947-48 year, according to the Bureau's monthly review of the wheat situation. Shipments from the United States accounted for 55.6 per cent of the breadgrain total compared with 55 per cent the previous year. Canada supplied 21.1 per cent against 23.8 per cent; Australia, 12.9 compared with six per cent; Argentina, 4.2 (10.9); and all other countries, 6.2 (4.3) per cent.

**Crude Petroleum:** Continuing the gains of preceding months, Canadian production of crude petroleum and natural gasoline rose to a new monthly peak in February. The rise in the month was principally due to sharply increased output in the Leduc and Redwater fields of Alberta. Production from Turner Valley was lower.

According to figures compiled by the Bureau of Statistics, output in February from all sources in Canada amounted to 1,443,000 barrels, seven per cent higher than the previous peak of 1,356,500 in January, and 85 per cent above the 779,800 barrels produced in February last year. During the first two months of this year, output totalled 2,799,500 barrels as against 1,557,400 in the similar period last year, an increase of 79 per cent.

Alberta accounted for 1,352,100 barrels in February as compared with 665,700 a year earlier. Leduc's output rose sharply to 735,100 barrels from 141,100, and Redwater to 184,300 barrels from nil. Crude output from Turner Valley fell to 299,100 barrels from 380,100.

**Workers' Vacations:** Almost every worker employed in manufacturing in Canada now receives an annual paid vacation, the Minister of Labour, Mr. Mitchell, stated on May 10.

The Minister said that this had been revealed by a study prepared in the Research and Statistics Branch of the Department of Labour, which is published this week in the Labour Gazette.

This was the first study of its kind in Canada, and was based on a survey made in October, 1947, of 4,339 establishments employing almost 600,000 manufacturing workers, Mr. Mitchell said.

According to the study, the commonest form of vacation is one week after a year of service. Two-thirds of the workers are also eligible for a second week's holiday, usually after five years' service. Vacations of three weeks are available to about 20 per cent of the workers in manufacturing, usually after 20 or 25 years' service.

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Work Stoppages: Although fewer workers were involved, time loss through work stoppages arising from industrial disputes in Canada during March, 1949, showed a marked increase over the preceding month, according to the monthly summary of strikes and lockouts for March, issued on May 10 by the Minister of Labour, Mr. Mitchell.

Time lost during March was almost double that for February, 1949, and was considerably greater than for March, 1948. However, almost 90 per cent of the strike idleness during March, 1949, resulted from a strike of 4,650 asbestos miners and millworkers in various centres in Quebec.

Preliminary figures for March, 1949, show 10 strikes and lockouts in existence, involving 5,978 workers, with a time loss of 135,725 man-working days, as compared with nine in February, 1949, with 7,235 workers involved and a time loss of 71,732 days. In March, 1948, there were 15 strikes, involving 3,845 workers, with a time loss of 57,133 days.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, visited Compton, Que., his birthplace, yesterday, and spoke to students at St. Charles Seminary, while the Leader of the Progressive Conservative Party, Mr. Drew, spoke at Sydney, N.S....Increases ranging up to 15 per cent in first class railway fares in Canada were approved by the Board of Transport Commissioners and became effective yesterday. The increase is equal to the federal Transportation Tax repealed by the Budget in March....Murray J. Daly, lumber operator, caught an 11 pound 13 ounce speckled trout in Spectacle Lakes, 12 miles south of Barry's Bay, Ont., which was the largest in about 20 years, Field and Stream magazine commented. The world record was set in 1916 with a 14 pound 8 ounce trout. The average runs slightly over one pound.



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Thursday, May 12, 1949.

**First Crop Report:** With few exceptions the spring season is considerably advanced throughout Canada in comparison with a year ago, states the Bureau of Statistics in the first of its 1949 series of telegraphic crop reports.

Seeding has commenced in the Maritimes and conditions throughout eastern and central Canada are favourable. In the Prairie Provinces moisture is deficient over wide areas, particularly in Saskatchewan and Alberta. Seeding is well advanced but rains are needed to promote germination and to allow satisfactory completion. In British Columbia the weather has been warm and seeding is ahead of last year. Moisture is generally ample and fruit crop prospects are excellent.

The growing season in the Maritime Provinces is from 10 days to two weeks in advance of last year. The land is drying rapidly and spring work is getting underway in some areas. Seeding is expected to be general within the next week or two.

Except in northern areas, seeding started around the first of May in most sections of Quebec and has progressed rapidly under favourable conditions. Unusually warm weather has promoted rapid growth of meadows and pastures which came through the winter in generally excellent condition.

Early season indications point to excellent crop prospects in Ontario in 1949. Fall wheat and fall rye wintered well and only moderate damage to hay and clover meadows has been reported. Cool weather during April had a retarding influence on growth of fall-sown cereals, meadows and pastures but this was more than offset by record high temperatures in May.

While official estimates on acreage intentions for the 1949 crops will not be released until May 12, it is evident that significant increases in wheat acreages and sharp declines in sowings of flaxseed and rye will occur in most areas of all three Prairie Provinces. The proportion of intended acreages seeded to date is far in advance of last year when cold, wet weather seriously delayed seeding operations.

**Harold Wilson At Halifax:** Britain must increase her exports to Canada and the United States if she is to maintain her present rate of purchases from them, Harold Wilson, President of the British Board of Trade, said on May 11, at a press conference in Halifax, according to the Canadian Press report.

Mr. Wilson said the purpose of his tour of Canada is two-fold:

1. To clear up "misunderstandings" of Canadian businessmen about Britain's trade policy. He said he would discuss their "misunderstandings" in a speech before the Halifax Board of Trade on May 12.
2. To push British goods in Canada.

The 33-year-old Minister said he is not in Canada to carry on any trade negotiations. In Ottawa, he will probably meet some Canadian Cabinet Ministers but no formal discussions are planned.

Britain's main economic target for 1949, Mr. Wilson said, is to increase exports to Canada and the United States. British exports to Canada in March totalled \$32,000,000--an all-time high--but there must be further improvement if Britain were to get her trade balance on an even keel again.

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1949 Tourist Season: Canada is heading toward a record 1949 tourist season, the Canadian Press reports.

That prediction was made by the Travel Bureau as officials started to add up travel letters from the United States and elsewhere.

Inquiries were about 26.7 per cent higher than last year with bags of mail continuing to pour in.

The figures show:

In the period January-April, 1949, persons interested in vacationing in Canada have sent 157,762 inquiries, compared with about 120,000 for the same period a year ago.

In April letters from the U.S. arrived at the rate of 2,309 a day. The peak was last April 18 when the bureau opened 3,937 letters.

"If that keeps up," said a bureau official, "then Canada can expect more than the 25,000,000 entries made last year, and more than the \$282,000,000 spent by tourists."

D.P.'s Satisfactory: Displaced Persons have found working conditions in the mines of Northern Ontario and Quebec highly satisfactory and have proven themselves able and willing employees, the Minister of Labour, Mr. Mitchell, stated on May 11.

Mr. Mitchell referred to a report of the general manager of a large Ontario gold mine which showed that 84 per cent of the 172 D.P.'s secured through the Canadian Metal Mining Association had completed their contract and 92 per cent of all D.P.'s employed were still with the company. In addition, 53 D.P.'s who had completed their contract with timber companies, etc., had applied for and been given employment at this mine.

The manager said, "With very few exceptions, these men have demonstrated their appreciation of the opportunities afforded them in a free country. Their eagerness to invest their savings in Canada Savings bonds was an example of their confidence in Canadian institutions and of their intention to establish themselves as permanent citizens."

Across Canada: In the general election campaign now proceeding across Canada, the Prime Minister, Mr. St. Laurent, spoke yesterday at St. John, N.B.; the Leader of the Progressive Conservative Party, Mr. Drew, spoke at Port aux Basques, Nfld.; and the Social Credit Party Leader, Mr. Low, spoke at Edmonton, Alta.....Premier Frost of Ontario, in his first official visit to Windsor, Ont., yesterday, forecast the possibility of Windsor becoming a steel centre, with the completion of the St. Lawrence Waterway a contributing factor, the Canadian Press reported.



## AIRMAIL BULLETIN



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Friday, May 13, 1949.

**General LaFlèche's Appointment:** The Secretary of State for External Affairs, Mr. Pearson, announced on May 12 the appointment of Major-General the Honourable L. R. LaFlèche, D.S.O., as High Commissioner for Canada in Australia to succeed Mr. Kenneth A. Greene, O.B.E., who is returning to Canada.

General LaFlèche has been Canadian Ambassador in Greece since 1945 and during the latter part of his service was Dean of the Diplomatic Corps in Athens. He served with distinction in the First Great War and was later President of the Canadian Legion of the British Empire Service League. In 1932 he was appointed Deputy Minister of National Defence and in 1940 was appointed Canadian Military Attaché in France. General LaFlèche was Deputy Minister of the Department of National War Services until 1942 when he was appointed Minister of that Department.

General LaFlèche will leave Athens in July and will visit Canada en route to his new post.

**Ambassador Of Peru:** The Department of External Affairs announced that Mr. Manuel Cacho-Sousa presented on May 12 to His Excellency the Governor General at Government House, his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Peru.

The Secretary of State for External Affairs, Mr. Pearson, was present. Dr. Teodosio Cabada, Minister-Counsellor of the Embassy of Peru, Mr. Cesar A. de la Fuente, First Secretary, and Dr. José Alvarado-Sanchez, Third Secretary, accompanied the Ambassador.

Mr. Howard Measures, Chief of Protocol, Department of External Affairs, presented Mr. Cacho-Sousa to His Excellency the Governor General.

Mr. Cacho-Sousa was for some time Deputy for Cajamarca and Vice-President of the Chamber of Deputies of Peru.

**Mr. Wilson Speaks On Trade:** Britain has not subordinated the interests of Canada to those of other countries in any of her bilateral trade agreements, Harold Wilson, President of the British Board of Trade, said on May 11 at Halifax, the Canadian Press reported.

In a speech before the Halifax Board of Trade, the Minister said there are misunderstandings in Canada about British trade policy.

One of these, he said, is that Canadian manufacturers and producers are being driven from their traditional market in Britain.

Mr. Wilson went on to quote figures to show that this is not the case. Canada last year was by far Britain's biggest source of supply. Canadian timber accounted for 34 per cent of all lumber imported by Britain last year, compared to 18 per cent before the war. Wheat and bacon imports from Canada were also proportionately higher.

He added:

"As a nation we have been in the last few months in over-all balance with the rest of the world and in considerable surplus with the rest of the sterling area, but in these days of inconvertible currencies that surplus cannot be transmitted into either United States or Canadian dollars.

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"The foundations on which pre-war trade, both bilateral and multi-lateral, rested have been knocked away and it is taking all our energies and all our ingenuity to rebuild them...

"We are faced with the knowledge that the U.S. offshore (Marshall Air) dollars will progressively decline between now and 1952.

"So unless we can manage to push up our earnings of U.S. and Canadian dollars faster than the offshore dollars decline, we shall be able to buy less from Canada in future rather than more.

". . . Not only the increase of our general level of imports from Canada, but even the maintenance of the present rate will be dependent on a great expansion of our exports to Canada . . ."

McKee Trophy Award: The Minister of National Defence, Mr. Claxton, on May 13, announced the award of the McKee Trans-Canada Trophy for 1948 to Flying Officer R.B. West, DFC, AFC, of Canning, N.S., one of the RCAF's outstanding Search and Rescue pilots. Now engaged on recruiting duties at Rivers, Man., F/O West was employed on Search and Rescue operations on the East Coast from the War's end until last February.

RCAF Summer Training: RCAF training centres across Canada are busy preparing for the largest peacetime summer training program in Air Force history, with more than 800 students from universities and colleges in different parts of the country ready to begin special summer courses shortly. Included will be over 50 Air Force cadets from the Canadian Services Colleges. This influx of university and college trainees will be in addition to normal year-round training for Regular Force members, which is continuing at an ever-increasing tempo. The summer will also see the usual camp periods for Royal Canadian Air Cadets, the resumption of flying training for air cadets under the scholarship plan, and camp periods for the Auxiliary Squadrons.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke at Metaghan, N.S., yesterday, and the Progressive Conservative Party Leader, Mr. Drew, spoke at Grand Falls, Nfld....Robert Saunders, Ontario Hydro Chairman, said yesterday that a treaty with the United States will be sought to ratify the extra flow of water which the Ontario Hydro Commission is drawing at Niagara Falls. At the same time the United States will be asked to consider an early start on St. Lawrence River power development, the Canadian Press reported from Toronto....On Canada's behalf, Leon Mayrand characterized as untrue Poland's charge in the United Nations that refugees in Canada are exploited. Mr. Mayrand presented Canada's case before the 59-member Social Committee of the General Assembly, replying to allegations made earlier by Henry Altman, of Poland.



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May 16, 1949.

Mr. Mayrand's Statement: The following is an excerpt from the statement on the question of refugees, and displaced persons, made by Mr. Léon Mayrand, representative of Canada, in the Third Committee of the United Nations' General Assembly, on May 12, 1949:

"....Well, if forced labour means that a person must work to earn a living and is thereby forced to get up in the morning and to rest at night, then that assertion is correct. If volunteering to go to Canada instead of to return to a place where the people are the tools of the state instead of the state being the servant of the people; if this is the real meaning of being 'uprooted from their native soil', then that assertion too is correct. If, 'without any rights' means freedom to leave the country whenever one wishes, freedom to marry whomever one chooses, freedom to read whatever one wishes and to listen to whatever radio programme one wants to, then that assertion too is a correct one. On the basis of all this, the question as to whether the refugees coming to Canada are or are not 'happy' is one which the refugees themselves should be in a better position to answer than the representatives of Poland and the Soviet Union. Or perhaps the Polish and Soviet delegations are in possession of secret information on the state of happiness of the 64,860 misguided displaced persons who since April 1947 were 'uprooted' from their native soil and 'forced' to come to Canada. I know I can say, with all the sincerity at my command, that the Canadian Government and indeed all Canadian citizens are sparing no effort to see that these unfortunate people, many of whom have already suffered so much, find in Canada a home and all that the word signifies.

"The Canadian Government adheres to the principle that refugees and displaced persons should not be forced to return to their countries of origin unless they are willing so to do. If they are so willing, then every assistance should be given them to return to their homes. This, we believe, is the policy which has been carried out faithfully by the International Refugee Organization, and any attempt to discredit this very worthwhile and most necessary humanitarian organization surely does not deceive anyone. The purposes behind these attempts are well-known. They are foreign to the principles, purposes and spirit of the United Nations as expressed in its Charter....."

Trade Office At Manila: Opening of a new office of the Trade Commissioner Service in the Philippines, at Manila, was announced on May 13 by the Minister of Trade and Commerce, Mr. Howe.

F. H. Palmer, formerly Commercial Counsellor at Stockholm, will proceed to Manila this autumn to open this new post, the 45th in a network of Canadian trade offices throughout the world.

Canadian trade with the Philippine Islands has increased from \$1.8 million 1938 to more than \$16 million last year, \$9.8 million of which comprised Canadian exports. Canada's principal imports from the Philippines include copra, manila fibre, coconut and chrome ore.

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Among the main products Canada sells to the Philippines are wheat flour, canned fish, fertilizers, lumber and newsprint, apples and mining machinery.

"Since the end of the war, Canada has been the Philippines' second most important source of supply", Mr. Howe stated, "and it is expected that Canadian sales to this dollar market will expand as the new republic develops".

ICAO Third Assembly: The Third Assembly of the International Civil Aviation Organization will be held in Montreal, commencing on June 7, 1949. Its duration is expected to be between two and three weeks.

The Fourth Session of the ICAO Legal Committee will be held in Montreal at the same time. On the agenda are such matters as Revision of the Warsaw and Rome Conventions, the legal aspects of search, assistance and rescue, and the avoidance of double insurance requirements.

"Crescent" Home-Bound: H.M.C.S. "Crescent" is on the way home to Canada, it was announced by Naval Headquarters on May 12. Despatched on a cruise to the Far East on January 28th to be available to assist in the evacuation of Canadian citizens should that prove necessary, the ship has since been in Chinese waters. The Canadian Ambassador to China has now reported that all Canadians desiring to leave have had ample opportunity and that no useful purpose would be served by having the "Crescent" continue to stand by. Accordingly, the "Crescent" is returning to Canada where it will take part in the Navy's summer training programme.

Yukon Old Age Pensions: An agreement providing for the first time for the payment of old age and blind pensions in the Yukon Territory has just been signed, the Minister of National Health and Welfare, Mr. Martin, has announced.

Across Canada: In the general election campaign the Prime Minister, Mr. St. Laurent, and the Leader of the Progressive Conservative Party, Mr. Drew, were both speaking in the Maritimes at the week-end....Harold Wilson, President of the British Board of Trade, was reported from St. John, N.B., as saying that an increase in exports to Canada is the only solution of the Anglo-Canadian trading problem....The Minister of Trade and Commerce, Mr. Howe, was quoted as saying in Ottawa, on the eve of Anglo-Canadian trade talks, that Canada is prepared to give "all the help she can"....Ford Motor Company of Canada has announced that 2,000 employes will be laid off because of the strike in the United States Ford plant at Dearborn, Mich. The foregoing items are based on Canadian Press dispatches.



# AIRMAIL BULLETIN

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Tuesday, May 17, 1949.

**More Wheat Acreage:** Canadian farmers will seed 3,000,000 more acres to spring wheat this year than last, making a total of just under 27,000,000 acres seeded to wheat for harvest in 1949, the Bureau of Statistics estimates on the basis of intentions indicated at April 30. At the same time an increase of over a half-million acres in summerfallow in the Prairie Provinces is anticipated, bringing the total summerfallow to 20,600,000 acres.

Decreases are looked for in Canada's other major grain crops. Oats are expected to be down four per cent from last year to 10,800,000 acres and barley down seven per cent to 6,000,000. Extremely sharp declines will occur in seedings of rye and flaxseed, the extent of the change from last year in these two crops being 43 per cent and 75 per cent, respectively. The acreage to be seeded to potatoes this year is five per cent below the 1948 level.

Intended wheat seedings in the Prairie Provinces are estimated at 26,000,000 acres, up 3,000,000 acres from the 1948 level of 23,000,000. Ontario's wheat acreage for harvest in 1949 is currently placed at 762,800 acres, a decline of 16 per cent from the 1948 harvested area. Little change from 1948 is anticipated in the remaining provinces where wheat is a relatively minor crop. Fall wheat has been seeded to some extent in Alberta and Saskatchewan in recent years but official estimates on these seedings are not yet available. It is thought, however, that the total of such wheat on the Prairies is perhaps less than 300,000 acres, most of which is in Alberta. This year it is reported that poor germination and winterkill have taken a heavy toll of the winter cereals seeded in western Canada.

**Weather Ship Network:** Continued operation of the North Atlantic Ocean Weather ship network was assured on May 11 when member states of the International Civil Aviation Organization signed an agreement to cover the operation of the network for a three-year period from July 1, 1950. The agreement provides for ten stations to be operated by 25 ships of the following nations:

United States	14
Canada	1
United Kingdom	4
France	2
Netherlands	2
Norway	2

There will be a financial adjustment among participating nations with Belgium paying \$100,000. (£25,000) annually and Denmark paying \$92,000. (£23,000) annually to Norway toward the cost of operation of one station off the Norwegian coast. Another two nations -- Ireland and Portugal -- will make cash contributions of \$4,000. (£1,000) each annually to be applied toward the scheme in general.

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The 10 stations of the network will continue to supply the meteorological data, communications and rescue services now being provided for North Atlantic air traffic under an ICAO agreement written in London in 1946 and expiring June 30, 1950. The old agreement provided for 13 stations but was never fully implemented. The new agreement will re-locate the stations for increased efficiency and economy of operation.

**Five D.P.'s Deported:** The Minister of Labour, Mr. Mitchell, announced on May 16 that he had been advised by the Canadian representative of the International Refugee Organization that five persons brought to Canada from Displaced Persons Camps had been returned to the camps. The persons had been deported for lack of co-operation and, the Minister stated, that they had not measured up to the requirements of their occupations and their physical background had not been fully disclosed before coming to Canada.

Mr. Mitchell stated that out of the thousands of workers who had been brought to this country from the D.P. Camps, there were very few cases where it was necessary to send them back. The vast majority of these new Canadians have proven themselves to be faithful and conscientious workers but in a few cases there has been evidence that kindness and consideration has been taken for weakness and in such cases the persons will be returned.

**Radioactive Ore Hunt:** As the new prospecting season gets under way, the search for radioactive materials is being resumed. Before the war, discovery of radioactive ore had been a hit-and-miss affair, based mainly on visual observation. Now, however, the Geiger-Mueller tube, which registers even trace amounts of radioactive substances, has made systematic radium and uranium prospecting possible.

The Division of Physics of the National Research Council of Canada is doing pioneer work on a radically new design, which weathered its first field trials successfully last year and should soon be ready for commercial use.

**Labour Legislation Administrators:** In welcoming delegates to the Eighth Annual Conference of the Canadian Association of Administrators of Labour Legislation, which opened in Ottawa on May 16, Arthur MacNamara, Deputy Minister of Labour, asked the delegates to consider the possibility of a national conference on accident prevention similar to the conference called by President Truman in Washington earlier this year.

**Labour Income:** Canadian labour income in February is estimated at \$605,000,000, down \$3,000,000 from January, but up \$56,000,000 or 11 per cent from the estimate for February 1948, according to the Bureau of Statistics.

Increases in labour income from January to February occurred in manufacturing, transportation, communication and storage, finance and fishing. These increases, however, were overbalanced by decreases in all other industries.

**Across Canada:** In the general election campaign leaders of three parties - Liberal, Progressive Conservative, and C.C.F. - were campaigning in the Maritimes yesterday....Harold Wilson, President of the United Kingdom Board of Trade, now on a trade tour of Canada, said in a press conference here on Monday that unless the United Kingdom increases exports to this country, Canada will find markets in the United Kingdom disappearing.... The Canada Temperance Act was voted out of Manitoulin Island on Monday by a 2 to 1 majority vote. The federal law, which prohibited the sale but not the drinking of liquor, had been in effect since 1914.

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Vol. 7, No. 91 Wednesday, May 18, 1949.

**Record Rail Revenues, Costs:** Continuing the gains of earlier months, railway revenues and expenses reached all-time record totals for the month in February. Operating expenses exceeded the relative advance in revenues, resulting in a decrease in net operating revenues. According to the Bureau of Statistics, operating revenues in February totalled \$65,970,000, up 10.5 per cent over the same month last year. Operating expenses advanced from \$58,627,000 to \$65,771,000, an increase of 12.2 per cent, and the net operating revenues were \$199,400 compared with \$1,086,000.

Freight revenues improved \$6,559,000 or 13.7 per cent over the same month of 1948 to total \$54,535,000, while express rose 10.9 per cent. Passenger fares were down \$226,000 or 4.1 per cent to \$5,312,000, while mail declined slightly and all other revenue account receded 11.6 per cent to \$2,552,000.

Tonnage of revenue freight carried was down 2.7 per cent at 12,285,000 against 12,628,000, while revenue tonnage mileage dropped by 3.1 per cent. The number of fare passengers aggregated 2,769,000 compared with 2,954,000 a year ago, a decline of 6.2 per cent, while the revenue passenger mileage fell 7.3 per cent. Empty freight car mileage registered a sharp increase over the preceding February, climbing 24.2 per cent, or some 12,660,000 miles, while loaded mileage declined six per cent.

**Appeal To Scientists:** Human scientists must abandon "leisurely learning" and devote themselves to the task of saving the human race from its "present state of suicidal insanity", Dr. Brock Chisholm was quoted by the Canadian Press as saying Tuesday night at a meeting in New York City in tribute to the late Dr. Harry Stack Sullivan, founder of the William Alanson White Institute of Psychiatry in New York.

Dr. Chisholm, former Canadian Deputy Minister of National Health, now is Director-General of the World Health Organization of the United Nations.

He called on human scientists -- those engaged in psychology, psychiatry, anthropology, sociology and similar subjects -- to "accept a major share in what has to be done."

"Driven by panic and confusion, the onrush of the human race toward self-destruction will not wait for a few more generations or even a few more years, for our leisurely learning. . . . We have other preoccupations but none of them is so widely important as the human relations between the peoples of the world.

"The greatest need is not for leaders on a world scale, or even on a national scale. It is for people who are able and willing to carry the available knowledge of the motives and mechanisms of human thinking and behaviour to the people who need to know these things. . . ."

**Engineering Feat At Canso:** Government approval has been given to a contract authorizing Foundation Maritime Limited of Halifax to make test borings in the Strait of Canso where the eight piers of a proposed low-level railway and vehicular bridge will be constructed, according to an announcement by the Minister of Transport, Mr. Chevrier. The test

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borings will consist of drilling holes on the centre line of the proposed bridge, and the Minister said that the work will start next month and is expected to be completed before the close of navigation.

Making the test borings will each prove an engineering feat, inasmuch as the average depth of the water at low tide is 185 feet, added to which is the strong tidal currents and the rise and fall of water levels.

To make the tests will require approximately 190 feet of casing to be lowered, weighing about 40 tons, and the erection of a working platform on which to mount the drilling machinery. The test borings will be carried out inside the casings, through the overlying soil and to a depth of ten feet into the bed-rock to ensure a foundation suitable for the bridge piers.

**Public Health Research:** Grants totalling more than \$18,000 have been approved by the Department of National Health and Welfare for public health research work at the University of Toronto, the Minister, Mr. Martin, announced on May 17.

The funds, which are being allotted under the federal health plan, are to initiate two projects through the purchase of laboratory equipment. The first deals with the study of the clinical uses of isotopes in the therapy of certain types of malignant disease and other types of disease that may lend themselves to this kind of treatment.

The second project will concern the study of hormones and their relation to disease in humans and the application of this knowledge to clinical problems.

**CJOR Wins Radio "OSCAR":** A Canadian radio station -- CJOR, Vancouver -- in competition with 560 stations in North America has won a radio "OSCAR." The Canadian Association of Broadcasters announced on May 17, the Canadian Press reports from Vancouver.

The competition, an annual event, was conducted by the American Exhibition of Educational Programs at Columbus, Ohio. This was the third consecutive year that the Vancouver station has taken a "Columbus" award.

It won the "OSCAR" this year for taking a first in the "Furthering International Understanding" section for its series "Destination Palestine," written and produced by Dick Diespecker in support of the United Jewish Appeal.

**Across Canada:** An electronic computer that reads, writes and dashes off solutions to the most difficult mathematical problems at the push of a button will be built at the University of Toronto, President Sidney E. Smith announced on Tuesday, according to The Globe and Mail of Toronto.... The crash of an Auster, a British type light training plane, into a pond a mile northeast of the R.C.A.F. station at Trenton late Tuesday killed two Air Force officers, -- Sqdn. Ldr. H.G. Keillor, Staff Officer at Central Air Command, and Sqd. Ldr. J.E. McLurg, of the R.C.A.F. Central Flying School at Trenton, the Canadian Press reported.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 92

Thursday, May 19, 1949.

**Departmental Appointments:** The Secretary of State for External Affairs announced on May 19 appointment by the Civil Service Commission of Mr. Léon Mayrand and Mr. Herbert Owen Moran as Assistant Under-Secretaries of State for External Affairs. Mr. Mayrand was formerly Head of the American and Far Eastern Division of the Department of External Affairs and Mr. Moran was Special Assistant to the Under-Secretary.

Mr. Mayrand was born in Montreal in 1905. He was admitted to the Quebec Bar in 1929 and obtained his diploma from l'Ecole des Sciences Politiques in Paris in 1931 and his doctorate of laws from the University of Montreal in 1933. He was on the staff of "La Patrie" from 1933 to 1934. Mr. Mayrand joined the Department of External Affairs in 1934 and has served in London, Rio de Janeiro and Moscow as well as in Ottawa. He was a member of the Canadian Delegation to the second part of the third session of the United Nations General Assembly which has just concluded its meeting at Lake Success.

Mr. Moran was born in Peterborough in 1908. A graduate of the University of Toronto, he studied at Osgoode Hall and was called to the Ontario Bar in 1935. He practised law in Toronto. Mr. Moran served overseas for five and a half years and in 1945 became Officer I/C, Canadian Section Headquarters, British Army of the Rhine. He retired from the army with the rank of Colonel, joined the Department and became Head of the Economic Division. He was appointed Special Assistant to the Acting Under-Secretary of State for External Affairs in October, 1948.

**Purebreds For Italy:** One hundred and twenty-five purebred Canadian Holstein-Friesian heifers will be leaving Montreal May 21 on the S.S. Marchport, bound for Italy, the Department of Trade and Commerce announced on May 18.

This order for Canadian Holstein-Friesian cattle was placed by Italian breeders, following smaller token shipments over the past six months.

In November, 1948, four Holstein-Friesian bulls, valued at \$15,000, were flown to Italy via New York, marking the first shipment of Canadian purebred cattle to that country. In March of this year, an additional eleven head of cattle were flown from Malton to Italy, the first such air shipment direct from Canada to Europe.

Italian breeders have expressed great satisfaction with Canadian purebred Holstein-Friesian cattle, and it is expected that further orders will be placed in this country.

**Retail Sales Higher:** Canadians stepped-up their spending in retail stores in March, making purchases to the value of \$577,730,000 or six per cent more than in March last year, according to the monthly estimate by the Bureau of Statistics. The total was well ahead of both January and February when the respective figures were \$493,370,000 and \$469,520,000.

Aggregate dollar sales for the first quarter of this year stood at \$1,540,620,000 compared with \$1,482,410,000 in the same period of 1948, a gain of four per cent.

Due to the fact that Easter fell in March in 1948 and in April this year, the full significance of March trading will not be revealed until April sales have been estimated, states the Bureau report. It is expected that after April results are known, the March-April volume will show a substantial gain. Tax reductions announced in the budget address were probable factors in the advance in sales in March.

**Forest Fire-Fighting Costs:** Canada's forest fire-fighting costs in 1948, amounting to more than 2½ million dollars, were the highest on record. In terms of measurable damage combined with fire-fighting cost, the loss from forest fires in 1948 was exceeded only by that of the 1941 fire season during the 20-year period for which Canada-wide records of forest fires have been compiled, according to information released by the acting Minister of Mines and Resources, Mr. MacKinnon. The all-Canada forest-fire statistics are prepared annually from information supplied by all provincial and federal forest-fire protection agencies in Canada.

Although the number of forest fires, 5,368, was about normal, the total area burned amounted to some 3,185,000 acres; representing an increase of 70 per cent over the average burned acreage for the previous ten years.

The amount of merchantable timber on lands burned over in 1948 was equal to that used by all the pulp and paper mills in Canada for a 7½ month period, based on the average mill consumption from 1937 to 1946.

**Strike Reaches Great Lakes:** Ramifications of the Canadian Seamen's Union (T.L.C.) strike reached into Great Lakes traffic yesterday, engendering not only bitter inter-union charges but possible international angle, the Canadian Press reported.

The strike had its inception March 1 when the C.S.U., said to be Communist-dominated, ordered its members from Canadian East Coast deep-sea ships in protest against signing of contracts by the owners with the Seafarers' International Union (A.F.L.).

From Detroit yesterday the S.I.U. told its allied A.F.L. unions along the inland waterway to deny cargo service to three Canadian firms whose vessels are partly manned by C.S.U. crews, the report said.

The S.I.U. said its move was directed against Communism on the lakes and named more than 50 C.S.U.-manned ships as targets of the drive.

**Across Canada:** Gérard Picard, President of the Canadian Catholic Confederation of Labour, was in conference for two hours yesterday with the Minister of Labour of the Province of Quebec, Mr. Barrette, and it was assumed in the Canadian Press report that the talks were concerned with the Asbestos strike, which has been in effect since February 13....While the other three party leaders were campaigning in the Maritimes yesterday, Solon Low, Leader of the Social Credit Party, spoke at Hines Creek, Alta.



# AIRMAIL BULLETIN

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Friday, May 20, 1949.

**Prairies Crop Report:** Continued dry weather and high temperatures are causing rapid deterioration of moisture reserves throughout the Prairie Provinces. In large areas of Saskatchewan and Alberta rain is urgently needed to promote germination and is generally needed throughout the west to promote growth. Seeding is well advanced but has been brought to a halt in many areas where drought is severe. Grasshoppers are hatching rapidly in many southern areas and control measures are under way in the most seriously affected districts, according to the Bureau of Statistics' May 17 report.

Growth of crops in Manitoba has been very satisfactory to date. Reserve moisture is being rapidly depleted, however, and general rains are greatly needed to improve the crop outlook.

While about 83 per cent of Saskatchewan's wheat crop is now in the ground, seeding has been brought to a halt in many areas in the south, southwest and northeast of the Province, where the moisture deficiency is particularly severe. In some of these districts only 60 to 75 per cent of the intended wheat crop is in. About half of the Province's coarse grain acreage is seeded. Grasshoppers are hatching in large numbers in many areas and control measures are already in operation between Moose Jaw and Saskatoon.

Alberta suffered from warm, dry, windy weather during the past week. A general rain is needed badly throughout the Province to promote germination. Moisture supplies are fair to good on summerfallow fields, while stubble seeded fields are dry. Sub-soil moisture in most of the Province is being rapidly depleted.

**RCAF Appointment:** Air Commodore F.R. Miller, CBE, formerly Air Officer Commanding the RCAF's Air Materiel Command, is to become Air Member for Operations and Training at Air Force Headquarters, Ottawa, it was announced on May 20 by the Minister of National Defence, Mr. Claxton. Air Commodore Miller, at present in Washington, D.C., where he is attached to the Canadian Joint Staff, takes over his new duties September 1, with the rank of Air Vice Marshal.

A/C Miller will take over as head of the Operations and Training Division from Air Vice Marshal C.R. Slemon, CB, CBE, who becomes Air Officer Commanding, Central Air Command, Trenton, Ont.; upon the retirement of Air Vice Marshal E.E. Middleton, CBE.

**Family Allowances:** When the family allowance cheques for May are issued this week, total payments since this program began to operate three years and 11 months ago will pass the one billion dollar mark.

This was announced on May 20 by the Minister of Health and Welfare, Mr. Martin, who pointed out that family allowance payments are now running at \$23,600,000 per month.

With the inclusion of 122,400 children from the new Province of Newfoundland, the total number of children now receiving family allowances has passed the 4,000,000 mark.

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**World Wholesale Prices:** Wholesale prices continued to move upward in many countries during the second half of 1948, although peak levels in others appears to have been reached or passed, according to the semi-annual report on world price movements by the Bureau of Statistics. Buyer's markets were developing in some of the major cereal products, and supply conditions eased also in a few other commodities such as rubber, tea, coffee and spices, towards the end of the year. Currency difficulties continued to have an adverse effect upon demand for commodities important in international trade.

Declines in cost-of-living series ranging from 0.2 per cent to 1.3 per cent were shown by the United States, the United Kingdom, Czechoslovakia and Norway. The United States index of the Bureau of Labour Statistics recorded a decrease in October, and continued downward, showing a net decline for the six months of 0.2 per cent. In the United Kingdom, the cost-of-living index showed a drop for July. Part of the loss was regained later, but the December level was 0.9 per cent below the June peak.

Cost-of-living advances for other countries, in many instances, were at less than half the rate shown for the second half of 1947. Increases, with a few exceptions, ranged within the limits of one per cent and four per cent.

The United States Bureau of Labour general wholesale index touched a post-war peak of 169.5 for August, but receded to 162.3 for December, to show a net decrease from June to December of 2.3 per cent. The Board of Trade wholesale price index for the United Kingdom averaged 0.6 per cent lower in December than in June, although still 8.5 per cent above December, 1947. The Canadian wholesale price index reached 159.7 for November, the highest level since August, 1920. This appeared to mark a turning point. The wholesale price index for Australia advanced seven per cent between June and December.

**All-Canada Conference:** Attended by representatives of the provincial departments of the Attorneys General and the provincial departments of Health and Public Welfare, a two-day federal-provincial Conference on Criminal Statistics held its first session on May 19 at Ottawa. The Conference was opened by the Deputy Minister of Trade and Commerce, Mr. Mackenzie.

**Tobacco Acreage Up:** Acreage planted to tobacco in Canada this year is estimated to be seven per cent greater than in 1948, amounting to 117,930 acres as compared with 110,590, according to the Bureau of Statistics.

**Across Canada:** Dr. P.E. Moore, head of the Department of National Health and Welfare's Indian Services Branch, reported to the Northwest Territories Council yesterday that the influenza epidemic which recently killed 18 Eskimos at Cambridge Bay, on Victoria Island, inside the Arctic Circle, is apparently the same deadly virus which swept the world 30 years ago.... Talks aimed at settlement of Quebec Province's strike of 5,000 asbestos workers continued in Quebec City; without any official announcement as to results.... Appointment of Professor Charles E. Smalley-Baker as Dean of Osgoode Hall was announced from Toronto yesterday. The foregoing items are reported by the Canadian Press.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Vol. 7, No. 94 Monday, May 23, 1949.

**March Foreign Trade:** Canada's total foreign trade in March was valued at \$454,900,000, showing an increase of 6.3 per cent over the corresponding month last year, according to figures released by the Bureau of Statistics. Aggregate value for the first quarter of this year was up to \$1,330,900,000 from \$1,265,600,000 in the same period of 1948, or by five per cent.

The rise in the value of total foreign trade both for the month and quarter was due to an increase in the value of imports, domestic exports being slightly lower in both periods. In the month the value of imports rose 20 per cent and in the quarter by 13.7 per cent. Domestic exports were down five per cent in the month and two per cent in the quarter.

As a result of the rise in the value of imports and the decline in the value of domestic exports, Canada had a debit balance on her foreign trade of \$16,900,000 in March -- the first since April last year -- as compared with a favourable balance of \$33,900,000 in March, 1948. In the first quarter of this year there was a small overall debit balance of \$600,000 as compared with a favourable balance of \$95,000,000 in the same period of 1948.

The debit balance on the month's trade with the United States was \$44,900,000 as compared with \$24,200,000 in the corresponding month last year, raising the three-month total to \$132,800,000 from \$107,900,000 in the same period of 1948. The credit balance with the United Kingdom in the month was down to \$11,300,000 from \$37,700,000 in the same month last year, and in the first quarter to \$63,200,000 from \$115,000,000.

**Import Trade Higher:** Showing gains in total purchases from both Commonwealth and foreign countries and increases in seven of the nine main commodity classifications, Canada's imports for consumption during March advanced in value to \$235,900,000 as compared with \$197,100,000 in March last year, bringing the cumulative value for the first quarter of the year to \$665,700,000 as against \$585,300,000 in 1948.

Imports from Commonwealth countries in the month totalled \$43,900,000 compared with \$32,500,000 a year ago, and in the three months rose to \$115,300,000 as against \$92,600,000. Total from foreign countries rose to \$192,000,000 in the month from \$164,500,000 in 1948, and in the quarter to \$550,400,000 from \$492,700,000.

Purchases from the United Kingdom during March continued the upward trend of the two previous months this year, being valued at \$28,343,000 as against \$22,918,000 in February and \$21,601,000 in March last year. Total imports for the first quarter of the year were up to \$76,666,000 compared with \$61,062,000 a year ago.

Imports from the United States in March rose in value to \$168,952,000 compared with \$138,299,000 a year earlier, making the cumulative total for the first quarter \$482,570,000 as against \$425,122,000 last year.

**New Dwelling Units:** The number of dwelling units completed in Canada in the first three months of 1949 is estimated at 17,800, up 6,300 or 54 per cent over the same period of 1948. The increase is attributed to the unusually higher carryover at the beginning of 1949. In spite of the greatly increased completions, the amount of work in progress remains high, according to the monthly report by the Bureau of Statistics.

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First-quarter starts rose 26 per cent or from 6,700 a year ago to 8,400, and the number under construction was reduced from only 56,500 at January 1 to 46,900 at March 1, the latter figure comparing with 37,500 at the end of March last year.

**International Trade Fair:** If it proves nothing else the Canadian International Trade Fair will prove that people of different towns, cities and villages from all over the globe have a common denominator--trade, the Trade Fair authorities have announced. From May 30 to June 10, the Trade Fair will welcome business people from Chepstow and Stoke-on-Trent in England; Motherwell, Glasgow and Alloa, Scotland; Naples, Florence and Milan, Italy; Detroit, Nashville and Los Angeles; Honolulu; Bangkok; Shanghai and Hong Kong; Bombay; New Delhi and Singapore; Niederbronn, Paris and Lyons; Newmarket, Montreal, Vancouver and Niagara-on-the-Lake; Stockholm, Caracas and Curacao; Sao Paulo, to name only a very few.

At this meeting place of the nations there will be no discussions on war, aggression, or defence. Ordinary people with goods to sell will display them before people who need them, and the man in the street of all the cities, towns and villages they call home, will benefit from their peaceful activities, the news release continues.

**Polish Veterans:** The Minister of Labour, Mr. Mitchell, has reported that at least 250 of the Polish veterans who came to Canada in 1946 and 1947 for jobs on farms were now either operating farms for themselves or had well-laid plans for doing so in the future.

Approximately 80 of these men were in Ontario, with the remainder established in every province with the exception of Newfoundland. Some of them had purchased their own acreage, while others had rented land or were operating farms on a crop-sharing basis.

**Mail Service To China:** Effective immediately mail service to China is temporarily suspended, the Post Office Department announced on May 21, with the exceptions mentioned below.

Regular mail, that is all mail except parcel post, may still be sent to the provinces of Fukien, Kwangtung, and Kwangsi only.

Mail for China will therefore be accepted only for the destinations indicated.

**Across Canada:** In the general election campaign, the Prime Minister, Mr. St. Laurent, was speaking in Quebec, at the week-end; the Leader of the Progressive Conservative Party, Mr. Drew, spoke in his home constituency, at Metcalfe, in Carleton; while the Leader of the C.C.F. Party, Mr. Coldwell, wound up his Maritime speaking campaign with two meetings in Cape Breton....Richard H. ("Dick") Greer, 70, one of the leading figures of the Canadian bar, died in Toronto yesterday....The Toronto Builders' Exchange will apply to the Ontario Minister of Labour, Mr. Daley, for permission to prosecute the unions involved in the walkout of 6,000 building tradesmen in Toronto, unless the strike deadlock is broken soon, Thomas Beattie, Chairman of the Exchange's Labour Relations Committee, was quoted by the Canadian Press as saying in Toronto yesterday. He said the member-contractors consider the strike, which enters its fourth week today, illegal.



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Wednesday, May 25, 1949.

U.S. -- Canada Committee Meets: The Department of External Affairs announced on May 25 that the first meeting of the Joint United States-Canada Industrial Mobilization Committee will be held in Washington on June 1. The members of this Committee as previously announced after the exchange of notes between representatives of the two Governments on April 12 are:

Mr. Harry J. Carmichael, C.M.G., Chairman,  
Industrial Defence Board of Canada

Mr. Sydney Pierce, O.B.E., Associate Deputy  
Minister of Trade and Commerce, Canada

Dr. John R. Steelman, Acting Chairman, National  
Security Resources Board of the United  
States.

Mr. Donald F. Carpenter, Chairman, Munitions  
Board of the United States.

COTC Summer Training: This summer approximately 2050 university COTC cadets plus members of the command contingents and cadets from Royal Roads and the Royal Military College will receive up to 16 weeks training at various corps schools and military installations across Canada.

The university officer cadets, representing 24 Canadian universities, began reporting for the practical phases of their training the first week in May and groups will be joining their corps at intervals until the end of June. Candidates for commissions in the Royal Canadian Armoured Corps began reporting for the first and second practical phases of their training at Camp Borden, Ont., on May 7, while the first group of third phase cadets joined the Lord Strathcona's Horse at Camp Wainwright on the same date. Cadets taking the third practical phase of their training with the Royal Canadian Dragoons began arriving at Petawawa Camp on May 14.

In the Royal Canadian Artillery, COTC training is being carried on at the Royal Canadian School of Artillery at Shilo, Man., Picton, Ont. and Esquimalt, B.C. These cadets also began arriving the first week in May. COTC members of other corps will receive their practical training at the Royal Canadian School of Signals, Kingston, Ont., the Royal Canadian School of Military Engineering at Chilliwack, B.C., the Royal Canadian School of Infantry at Camp Borden, Calgary and Valcartier, the Royal Canadian Ordnance Corps School at Montreal, and the Royal Canadian Electrical and Mechanical Engineers School at Barriefield, Ont. A number of cadets training for commissions in the Royal Canadian Army Medical Corps and the Royal Canadian Dental Corps will serve in various military hospitals and dental clinics in addition to those attending the RCAMC and RCDC schools.

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R.C.A.F. Appointment: Air Force Headquarters announced on May 25 appointment of Group Captain J.B. Harvey, AFC, 37, of Winnipeg, as Senior Personnel Staff Officer of Central Air Command. G/C Harvey succeeds G/C E.M. Reyno, AFC, 32, of Herring Cove, N.S. who has been appointed Chief Instructor at the R.C.A.F. Staff College in Toronto.

Army Appointment: Lt.-Col. J.M. Delamere, MBE, ED, 39, of Ottawa, has been appointed Assistant Adjutant and Quartermaster General at Headquarters Eastern Command, Halifax, Army Headquarters announced on May 25.

Canal Traffic Up: Reflecting increased movements of soft coal, iron ores, other ores, gasoline, barley and flaxseed, the tonnage of all freight passing through the Canadian canal systems during 1948 reached 23,559,313 tons, a gain of 2,045,374 tons or 9.5 per cent above the volume recorded in the 1947 season. Last year's tonnage has been exceeded only by the 24,636,462 tons attained in 1938.

Eskimo Research: Scientists will try this summer to construct the story of age-old Eskimo migration across the frozen Canadian Arctic, the Canadian Press reported today from Washington. Details of the trek from Hudson Bay to Greenland, says the report, may lie in ancient ruins on Cornwallis Island, 1,700 miles due north of Winnipeg. The Smithsonian Institute was quoted as saying these details will be studied by Dr. Henry B. Collins, Jr., archaeologist, in co-operation with his assistant, J. P. Michea, temporarily with the National Museum of Canada.

Across Canada: The Canadian Legion on May 24 launched a drive to get "every Canadian citizen qualified to vote to cast his ballot" in the approaching election....British Columbia's three major cities were faced with the possibility of a transportation tie-up with the announcement on May 24 that 3,000 employees of the British Columbia Electric Railway Company had voted in favour of strike action in support of wage claims....Snow fell during most of yesterday, Victoria Day, in Timmins, Ont. The foregoing items are based on Canadian Press reports.





# AIRMAIL BULLETIN

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Thursday, May 26, 1949.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke yesterday at Noranda, Que.; the Leader of the Progressive Conservative Party, Mr. Drew, spoke at Biggar, Sask.; and the Leader of the C.C.F. Party, Mr. Coldwell, spoke at Brantford, Ont....Scots from across Canada are preparing to answer the call of the Overseas Scots' Reunion Club for the first organized return to the old country since 1938, the Canadian Press reports from Winnipeg. More than 100 from Canada alone, it was stated, will make the journey, the Scots from Canada making the trip this week-end, in three chartered aircraft....After visiting agricultural areas in the Maritimes and Quebec, 65 members of the International Federation of Agricultural Producers left Montreal last night for Ottawa, preliminary to attendance at the International Federation's Conference at Guelph on May 31, The Montreal Gazette reported.

Industrial Disputes: Time loss due to work stoppages arising out of industrial disputes during April was little changed from the previous month, according to the monthly summary of strikes and lockouts issued by the Minister of Labour, Mr. Mitchell.

Three strikes accounted for more than 93 per cent of the total time loss-asbestos miners and millworkers at various centres in Quebec, bakery workers in Winnipeg and Selkirk, Manitoba, and seamen in Canadian and foreign ports.

Preliminary figures for April, 1949, showed 18 strikes and lockouts in existence, involving 7,877 workers, with a time loss of 139,500 man-working days, as compared with 10 in March, 1949, with 5,978 workers involved and a time loss of 135,725 days. In April, 1948, there were 18 strikes involving 4,678 workers with a time loss of 51,269 days.

International Trade Fair: Imagine a department store selling everything from costume jewellery and pocket combs to diesel engines and dockside cranes, gathered from 35 different countries throughout the world and spread out on counters and in display groups along a distance of four miles! That in effect is what the Canadian International Trade Fair will resemble most on opening day, May 30, the Trade Fair authorities report. The goods are grouped into 21 trade classifications so that they may be compared and inspected without the potential customers performing a marathon tour.

A delegation of Shanghai merchants has arrived in Toronto to display their products at the Trade Fair. Despite the Civil War raging in China they have advised that they were able to get 36 cases of their wares shipped and arrange their visas and passages.

Cabbage Imports: Effective May 26 and until further notice, cabbage may not be imported under open general permit into the provinces of Ontario and Quebec, the Emergency Import Control Division of the Department of Finance announced on May 25.

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This does not apply, however, to cabbage that was actually in transit to a consignee in Canada on May 25.

In making this announcement it was explained that the domestic crop is above average and is expected to be more than sufficient to meet the needs in the provinces of Ontario and Quebec.

If serious local shortages develop in any part of Ontario and Quebec, special permits for imports will be considered.

Cabbage imports will remain under open general permit throughout the remainder of Canada.

Employment And Payrolls: Employment in Canada's major industrial divisions at the beginning of April was down from the March level, but higher than a year ago. Aggregate payrolls were slightly lower than at March 1, but 12 per cent above last year, while average weekly earnings were up slightly from March 1 and 11 per cent above April 1 last year.

According to the Bureau of Statistics, the advance index of employment in the eight leading industries, on the base 1926=100, was 187.6 on April 1 this year as compared with 188.8 at March 1, and 186.6 at April 1, 1948. Average weekly earnings amounted to \$43.31 compared with \$43.27 a month earlier, and \$39.03 a year ago.

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# AIRMAIL BULLETIN

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Friday, May 27, 1949.

**Senior Naval Appointments:** Changes in three senior Royal Canadian Navy appointments were announced on May 27 by Naval Headquarters.

Commodore Horatio Nelson Lay, O.B.E., 46, of Ottawa, formerly Assistant Chief of Naval (Plans) and (Air), will assume the duties of Naval Member of the Canadian Joint Staff and Canadian Naval Attache in Washington, D.C., on July 15. He will succeed Commodore V.S. Godfrey, O.B.E., of Ottawa, whose previously announced appointment as Commodore Newfoundland takes effect on the same date.

Until he takes up his Washington appointment Commodore Lay will carry out the duties of Assistant Chief of the Naval Staff (Plans). Captain C.N. Lentaigne, D.S.O., of Ottawa, Director of Naval Aviation, has been appointed Assistant Chief of the Naval Staff (Air).

Commodore Roger E.S. Bidwell, C.B.E., 49, of Peterborough, Ontario, and Halifax, at present Naval Member of the Directing Staff at the National Defence College, Kingston, will succeed Commodore Lay as Assistant Chief of Naval Staff (Plans) when the latter goes to Washington.

**Memorial To Indian Dead:** A memorial to 22 Six Nations and Mississagua Indians who lost their lives on active service during World War II will be unveiled at Ohsweken, Ontario, on Sunday, May 29, by His Excellency, the Governor General, Viscount Alexander of Tunis, it was announced on May 26 by the Minister of Mines and Resources, Mr. Gibson.

Accompanied by Her Excellency, Lady Alexander, and members of his staff, the Governor General will be met at Brantford by Lt. Col. E.P. Randle, Indian Superintendent. Col. Gibson, Major D.M. MacKay, Director of the Indian Affairs Branch, and other officials will be present.

Brigadier O.M. Martin, of Toronto, an enfranchised Indian of the Six Nations Band, will be one of the principal guest speakers.

**Lord Boyd Orr Honoured:** Lord Boyd Orr--hailed as "a true prophet of peace"--on Thursday, in Ottawa, suggested the construction of a strong world food organization to halt the spread of Communism, the Canadian Press reported.

Organizer of the United Nations Food and Agriculture Organization and later Director-General, the world-famed nutritionist spoke at a luncheon given by the federal Government. It was attended by more than 100 delegates to the International Federation of Agricultural Producers' Conference which opens in Guelph, Ont., May 31.

While farmers' representatives from 22 nations applauded, Sir James Turner of London, President of the I.F.A.P., presented Lord Boyd Orr with a gold medal especially struck by the I.F.A.P.

**Seek Lower Freight Rates:** Lower freight rates will be a dominant theme of submissions on railway matters placed before the Royal Commission on Transportation during its hearings opening next week, the Canadian Press reported.

From Newfoundland to the West Coast, all provinces--with the possible exception of Ontario and Quebec--will put forward requests for action to bring about lower freight charges in their own areas.

These proposals are being formulated against a background of sizeable rate increases that have gone into effect in the last 14 months.

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Rain Gladdens Prairies: Fairly general light rains across the northern sections of Alberta and Saskatchewan and over Southern Manitoba Wednesday night and Thursday have brightened the outlook of many Prairie farmers.

With warmer weather forecast for Friday and more light rain, especially in Alberta, set-backs caused by frost damage in the last few days are expected to be offset soon.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, returned to Ottawa last night by air from Timmins; the Leader of the Progressive Conservative Party, Mr. Drew, held a press conference in Edmonton, Alta.; the Leader of the C.C.F. Party, Mr. Coldwell, spoke at Windsor, Ont.; and the Leader of the Social Credit Party, Mr. Low, spoke over a C.B.C. radio network....Newfoundland holds its first provincial election today. Liberals and Progressive Conservatives both have a full slate of candidates....The strike of common labourers which tied up construction in Toronto for four weeks ended yesterday.

# AIRMAIL BULLETIN

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Monday, May 30, 1949.

Air Transport Discussions: The Department of External Affairs released on May 30 the text of a joint announcement by the Canadian and United States delegations to the recent meeting held in New York for the purpose of considering revision of the bilateral air transport agreement between the two countries.

"The Canadian and United States delegations announced that the discussions which had been under way during the past week on the revision of the bilateral air transport agreement between the two countries had been recessed. They stated that the discussions would be resumed at an early date."

Newfoundland Election: The Liberals' commanding lead in partial returns from Newfoundland's election Friday, gave them assurance they will form the first provincial Government in the Island under the leadership of Premier Joseph R. Smallwood, the Canadian Press reported from St. John's, Nfld. When the count halted for Sunday the result was: 11 Liberals, one Progressive Conservative and one Independent elected with four Progressive Conservatives and two Liberals leading in the six other seats heard from. There are 28 seats in the new Legislature.

International Congress: Canadian doctors will figure prominently among the more than 150 physicians from 25 foreign countries attending the seventh International Congress on Rheumatic Diseases, to be held at the Waldorf-Astoria Hotel in New York, May 30 to June 3, the headquarters of the Canadian Arthritis and Rheumatism Society has announced. Along with more than 400 American doctors they will participate in the largest clinical and scientific meeting ever held for the study of these diseases. The world's leading authorities will report advances in the treatment of arthritis, rheumatism, rheumatic fever, gout and allied diseases.

They will hear the first full report on the revolutionary use of Compound E by Dr. Philip S. Hench and his colleagues at the Mayo Clinic.

1949 Radar Experiments: With the opening of navigation on the Great Lakes and other Canadian inland waterways, the National Research Council's motor vessel "Radel" is launching her 1949 program of radar experiments, the Council has announced.

Blind navigation by means of the prototype model of a merchant marine radar, recently developed in the National Research Laboratories, again heads the list of projects.

A particularly valuable feature of the new radar is its short minimum detection range, which is less than 25 yards. This advantage was demonstrated on last year's trips, when the captain steered the "Radel" through the restricted waters of the Rideau, the St. Clair and the Detroit Rivers, from a radar control-switch below deck. This year, the "Radel" will be used for trials designed to reduce the minimum detection range even further by means of very fast sweeps; this would enable a vessel to enter narrow harbour gaps and to dock at crowded piers without needing visual aid.

(over)

Record Refrigerator Production: Canadian manufacturers turned out an all-time record number of domestic electric refrigerators and domestic washing machines in March, according to the Bureau of Statistics. The month's output of refrigerators reached a total of 15,900 units as compared with 13,300 in the preceding month and 10,400 in the same month last year, while the production of domestic washing machines of all kinds rose to 34,100 units from 29,300 in February and 26,800 a year ago.

Air Force Day June 11: Canada's annual Air Force Day will be held this year on Saturday, June 11, and the public is warmly invited to attend open house which will be held by RCAF stations across the country, it has been announced by the Minister of National Defence, Mr. Claxton.

Hangars and buildings at Air Force stations will be open to the public, and special ground displays will show the jobs being done by the RCAF of today, and the equipment with which it works. Wherever possible, flying displays will be held, and sports and dances will be held on many stations.

Dr. Wride's Appointment: Appointment of Dr. Gordon E. Wride of Regina as an Assistant Director of health insurance studies in the Department of National Health and Welfare was announced on May 30 by the Minister of National Health and Welfare, Mr. Martin.

He will assist Dr. F.W. Jackson, director of health insurance studies, in the development and administration of the \$30,000,000 federal health program.

Across Canada: The former Minister of Justice, Mr. Ilsley, has been appointed a judge of the Supreme Court of his native Province of Nova Scotia, it was announced May 27....Epic, owned by E.P. Taylor, won the King's Plate at Toronto Saturday by two and a half lengths....The Dionne quintuplets celebrated their 15th birthday on Saturday.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, CANADA

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Vol. 7, No. 99

Tuesday, May 31, 1949.

**U.S. Investments In Canada:** United States capital is flowing into Canadian industry at unprecedented rates, the Bureau of Statistics reported on May 30.

Preliminary returns for 1948 indicate that total U.S. investments in Canadian business and industry for that year may exceed \$2,700,000,000 over 1947 and a gain of at least \$272,000,000 over 1946.

It means an increase of more than \$300,000,000 over the pre-war 1939 total of \$1,881,000,000.

The biggest part of the 1948 total showed in manufacturing which in two years jumped from \$1,366,000,000 in United States capital in 1946 to more than \$1,600,000,000 in 1948.

While the Bureau lacks up-to-date figures on other foreign capital in Canada, it noted that in 1947 when U.S. capital amounted to \$5,187,000,000, total foreign investment came to \$7,175,000,000.

U.S. investments compared then with \$1,642,000,000 held by the United Kingdom and \$346,000,000 held by other overseas countries. (CP)

**Exports To U.K. Increase:** A sharp increase in exports to the United Kingdom brightened Canada's trade picture during April, the Bureau of Statistics reported on May 30.

During the month, exports to the U.K. were valued at \$63,049,000 compared with \$44,353,000 in April last year. Total exports to all countries were \$237,800,000, compared with \$216,800,000 the previous month, and \$212,300,000 in April, 1948.

The increase shipments to the U.K. reversed a downward trend shown earlier this year, but total exports to that country for the first four months of 1949, at \$202,484,000, were still well below the \$220,143,000 shipped in the similar period of 1948.

Total exports to all countries for the four-month period were \$896,600,000, compared with \$884,400,000 a year ago. (CP)

**Jobs In Oil Fields:** The Minister of Labour, announced on May 30 that as a result of an enquiry made by the Trades and Labour Council of Edmonton and the Branch of the Canadian Legion of that city, he had received reports from the Employment Offices in Calgary and Edmonton in regard to the complaint that the labour field in the oil-drilling area near Edmonton was being over-run by importation of labourers from the United States.

The reports indicated that there were a number of drilling outfits which, by reason of the attractiveness of the new Edmonton Territory, had brought full crews from the United States, due largely to the fact that they had not known what the labour conditions would be like in Canada. The Minister pointed out that these drilling outfits had gradually changed their American crews to Canadian and in future it had been arranged that skilled men only would come from the States and that the unskilled portion of the crew would be filled in with available Canadian labour.

(over)

His Majesty's Birthday: Twenty-one-gun Royal Salutes will be fired at traditional saluting stations across Canada at 12 noon, Monday, June 6, to mark the official celebration of the King's birthday, Army authorities have announced.

The guns will be manned by personnel of either Active or Reserve Force artillery units, depending upon what troops are stationed at the centres concerned. The salutes will be fired at provincial capitals and at Ottawa and Vancouver.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke at Hawkesbury, Ont., yesterday; the Leader of the Progressive Conservative Party, Mr. Drew, at Vancouver; and the Leader of the C.C.F. Party, Mr. Coldwell, at New Liskeard, Ont.... Pierre Queuille, son of France's Prime Minister, arrived at Quebec yesterday on board the Empress of France, en route to Ottawa, to join the staff of the French Embassy, the Canadian Press reported.... Latest Newfoundland election campaign results were announced this morning as: Liberals 19, Progressive Conservatives 5, Independent 1, Deferred 1, to come 2.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Wednesday, June 1, 1949.

Notes To Hungary, Roumania: The Department of External Affairs announced on June 1 that Canada, Australia and New Zealand were associated with further United Kingdom notes delivered on May 31 to the Governments of Hungary and Roumania in connection with violations of clauses of the Peace Treaties which provide for the protection of fundamental human rights. On April 2, the Department announced that Canada was formally associated with United Kingdom and United States notes of protest to the two countries. As the replies received were highly unsatisfactory and did not answer the charges made against Hungary and Roumania, further notes were delivered. These notes inform the two Governments that a dispute has arisen and is being referred, as envisaged by the Treaties of Peace, to the United States and Soviet Heads of Mission in each of the capitals.

The notes to the Heads of Mission recite the history of the dispute and call for joint consideration by the United Kingdom, the United States and Soviet representatives in each capital. If agreement cannot be reached within two months, the matter will be referred to an International Commission.

Canada, not being a signatory of the Peace Treaty with Bulgaria, is not associated with the United Kingdom notes to the Bulgarian Government and to the U.S. and Soviet Heads of Mission in Sofia. The United States Government simultaneously is taking parallel steps with respect to the three Balkan countries.

Deportation Appeal Dismissed: The Minister of Mines and Resources, Mr. Gibson, announced on May 31 that the appeal of Dimitri Leschenko against deportation had been dismissed. The case was given some prominence in the press a few weeks ago due to the fact that Leschenko admitted during a Board of Inquiry held by the Immigration Service that he had been a Soviet spy who operated behind German lines and later in British occupied territory. Careful inquiry failed to reveal good reason why he should be allowed to remain in Canada and deportation is being effected because of misrepresentation connected with his entry to this country.

Grain Marketing: The Minister of Trade and Commerce, Mr. Howe, announced on June 1 that it is the Government's intention to authorize the Canadian Wheat Board to undertake the marketing of western-grown oats and barley delivered by producers during the 1949/50 crop year, commencing on August 1.

This policy is authorized by an amendment to the Canadian Wheat Board Act, passed by Parliament during the 1948 session. In that session of Parliament and again during the 1949 session, Mr. Howe indicated that the Canadian Wheat Board would be authorized to undertake the marketing of oats and barley on condition that the Governments in the Prairie Provinces would indicate their support by passing complementary legislation.

The Saskatchewan Legislature passed a complementary Act in 1948, and the Alberta and Manitoba Legislatures did likewise during their 1949 sessions. Accordingly, the Government intends to authorize the Canadian Wheat Board to undertake the marketing of oats and barley, commencing on August 1.

(over)

Canada, U.S., U.K. Markets: The Montreal Gazette, on its front page this morning, published the following analysis of Canadian, United States and British markets:

"Prices went into a sharp, general decline on United States and Canadian markets yesterday as volume of selling increased heavily. Wall Street attributed New York's break, which carried the Dow Jones industrial averages down more than three points and left the general level at a 14-month low, to continued signs of a developing recession in business. The seventh consecutive weekly cut in steel production schedules was especially bearish.

"Losses at Montreal ranged up to more than four points, with volume more than double Monday's. Mines broke at Toronto, with closing levels the lowest since mid-March of last year. Grains weakened at Winnipeg and Chicago in sympathy with the setback in securities.

"London closed generally lower, with prices back to the levels that prevailed last July."

Prince Bernhard In Canada: An official reception was tendered Prince Bernhard of the Netherlands in the City Hall at Montreal on May 31 at which Mayor Camillien Houde proposed a toast to Her Majesty the Queen of the Netherlands, the Montreal Gazette reports.

At the ceremony, Prince Bernhard presented Mayor Houde with a glass goblet emblazoned with the Dutch coat of arms. The goblet was a gift from the Burgomaster of Amsterdam.

Later in the day, the Prince was guest of honour at a luncheon given by the Minister of National Defence, Mr. Claxton, at the Windsor Hotel.

At the City Hall ceremony, a message from the people of Montreal was delivered to the President and Directors of Royal Dutch Airlines (U.L.M.) which will make Montreal a regular place of call this summer.

Across Canada: The International Refugee Organization expects to resettle 324,500 refugees during the 12-month period starting in July, including 15,000 to Canada, the Canadian Press reported from Lake Success.... The Quebec Minister of Labour, Mr. Barrette, was reported as saying in Quebec that agreement on several points had been reached in proposals for settling the asbestos strike.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Thursday, June 2, 1949.

U.S.-Canada Committee: The Department of External Affairs announced that the first meeting of the Joint United States-Canada Industrial Mobilization Planning Committee was held in Washington on June 1. The meeting was primarily limited to a discussion of the organizational pattern to be followed in the light of the exchange of notes in Ottawa on April 12 that established the Committee. This exchange stemmed from a general agreement reached on June 7 of last year that the two Governments should exchange information on problems of mutual interest concerning the industrial mobilization planning activities of the two countries.

All members of the new committee were present and participated in the meeting....

There was general agreement on a number of procedural points pertaining to the Committee's operations. Concluding the list of procedural points upon which agreement was reached were the following:

- "(f) That joint sub-committees as appropriate and under the co-ordination of the two executives shall be designated by the principal committee to consult and exchange information on specific activities of mutual U.S.-Canadian mobilization planning interest; that the summary of points discussed by the joint sub-committees and the action recommended be submitted through the two executives for consideration or review by the principal committee as necessary.
- "(g) That the magnitude and scope of subjects for possible consideration and exchange of information is so great as to warrant careful study within both Governments as to the priority of approach to be taken in exploring these problems of mutual interest to Canadian and U.S. mobilization planning against the contingency of an emergency."

Rains Aid Prairie Crops: Timely rains have fallen over wide areas in the Prairie Provinces and average precipitation since the first of April is now much nearer normal than it was two weeks ago. Despite this overall improvement, moisture reserves remain far below normal throughout much of central, east-central and north-eastern Alberta; western and east-central Saskatchewan, and in a few localities in Manitoba. In these areas frequent rains during the growing season will be required to produce a satisfactory crop. Pastures are already suffering seriously in these districts. Heavy frosts have occurred in all three provinces but damage has evidently been limited in most cases to early stands of oats and barley. Some reseedling has been required in central and northern sections of Alberta and Saskatchewan. Grasshoppers are hatching freely in affected areas and control measures are in full swing. The infestation is particularly severe in central Saskatchewan but the ultimate extent of the damage cannot yet be estimated.

(over)

Defence Research Board Meets: The Defence Research Board of Canada will hold its quarterly meeting in Halifax, June 11 to 13, it has been announced by the Minister of National Defence, Mr. Claxton.

The meeting of the Board coincides with meetings of the Royal Society of Canada and of the National Research Council, both of which are being held in Halifax in the same week.

1949 Geodetic Surveys: The Geodetic Survey will have the busiest season in its history when it places thirty-five parties in the field in 1949, according to an announcement made by the Minister of Mines and Resources, Mr. Gibson, on June 1.

The parties will operate in areas from Newfoundland to the Yukon and the Arctic islands. The program provides for considerable work in the Province of Newfoundland and in the Quebec-Labrador iron areas.

Grants To Universities: Three universities, Western Ontario in London, Queen's in Kingston and Laval in Quebec City, have just been granted more than \$20,000 from the federal health grants for special research and the development of new medical services in neuropathology and cancer control, the Minister of National Health and Welfare, Mr. Martin, said on June 2.

R.C.A.F. Appointment: Air Force Headquarters has announced the appointment of Wing Commander W.F.M. Newson, DSO, DFC, 31, of Victoria, B.C., and Ottawa as Commanding Officer of RCAF station Centralia, Ont., home of the RCAF's Flying Training and Instrument Flying Schools. He replaces Wing Commander W.C. Van Camp, DFC, 31, of Marwayne, Alta., who has been transferred to North West Air Command Headquarters, Edmonton, where he becomes Senior Personnel Staff Officer.

Across Canada: Harold Wilson, President of the Board of Trade, arrived home in London on June 1 and was reported as declaring himself very satisfied with the results of his Canadian tour....Judge Irénée Lagarde of Montreal on June 1 committed three asbestos union officials for trial and declared he had "never presided at such a revolting hearing as this one"....Toronto Stock Exchange prices staged a slow recovery on June 1 from the sharp declines of the day previous....Hearing of an appeal by Sam Carr is being held up by delay in transcription of lengthy evidence....The foregoing are based on Canadian Press reports.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, June 3, 1949.

Investment In Canada: "Announcement of the formation of a group of United States advertising, management and financial interests for the purpose of facilitating and promoting the investment of American capital in Canada was made by Albert E. Kircher, President, and G. Russell Girardin, Vice-President, of The Albert Kircher Advertising Agency of Chicago, who recently visited Toronto in connection with the International Trade Fair.

"Mr. Kircher pointed out that his company has long maintained a close interest in connection with Canada and other parts of the Empire, and expressed his belief that a hitherto unprecedented era of economic development was in prospect for the country. In view of recent statements by leading members of the Government in Washington urging the investment of surplus American capital in other countries, he stated that it was logical that American businessmen should first look to Canada, a country with which the United States is closely bound by economic, cultural and other ties...." (Canadian International Trade Fair News)

Tuberculosis Control: An expenditure of \$11,000 has been approved by the Department of National Health and Welfare for research into two phases of tuberculosis control in Ontario, the Minister of National Health and Welfare, Mr. Martin, announced on June 3.

The first of these will deal with advanced studies in pulmonary function to be carried out by Dr. John H. C. Douglas in a specially-equipped laboratory of the Chest Medical Division, Columbia University, Bellevue Hospital, New York City, at a cost of \$5,000. The research involves use of the Millikan oximeter, an apparatus being developed to measure the extent of pulmonary disability.

The second project is for the study of the preparation of a new form of B.C.G. and its administration. The work will be carried out at the School of Hygiene, University of Toronto, at a cost of \$6,000. It is hoped that a method will be found to prepare B.C.G. in powdered form, thus allowing satisfactory use when a considerable time elapses between its preparation and administration.

International Payments: The Bureau of Statistics today released a comprehensive report entitled "The Canadian Balance of International Payments, 1926 to 1948." The first chapter of this volume is devoted to a discussion of the uses and nature of balance of payments statements, while the second chapter deals with the characteristics of the Canadian balance of payments. Chapters three, four and five discuss the course of Canadian balance of payments during the interwar years the wartime period, and the early postwar period. Chapter six deals with Canada's international investment position.

The volume is divided into three sections. Part one contains a description and analysis of trends in international transactions with statistics covering the period from 1926 to 1948. A description of the sources of information and statistical methods appears in part two -- bringing up to date the detailed description of methods developed in the period up to 1939 which were described in the report, "The Canadian Balance of International Payments, A Study of Methods and Results", published in 1939. Part three contains detailed statistical tables.

(over)

Leading Minerals: Output of all but six of Canada's 16 leading minerals moved upwards in March over the corresponding month last year, while in the first quarter, production was advanced in all but five items. In the month there were declines in asbestos, lead, lime, natural gas, salt and silver; in the quarter there were decreases in asbestos, clay products, lead, silver, and zinc. In both periods, the sharp fall in the production of asbestos was a result of the labour dispute.

Population Of Newfoundland: Of a total population of 242,946 in Newfoundland, 10 years of age and over at the 1945 Census, 210,064 or 87 per cent were reported as being able to read and write. Comparative figures for 1935 show that 221,384 persons were 10 years of age or over, and of these, 174,337 or almost 79 per cent were reported as being able to read and write.

The increase in the 10-year period in the number of persons who were able to read and write was 35,727, or more than 20 per cent. Conversely, the number of persons 10 years of age or over reported as being unable to read or write dropped from 40,458 to 29,072 during the same period. These facts are revealed in a report released by the Bureau of Statistics, based on the results of the Census of Newfoundland, taken by the Newfoundland Government in 1945.

Employment Upswing: The Minister of Labour, Mr. Mitchell, announced on June 3 that at the middle of May unplaced applicants registered for employment in Canada with the National Employment Service were 51,400 fewer than one month previous.

Unplaced applicants at May 12 for Canada totalled 178,800 as compared with 230,200 at the middle of April.

The seasonal upswing in employment had been felt in all regions with Quebec leading the way with a drop in unplaced applicants of 17,900 in this 30-day period. Ontario showed a reduction of 12,600; the Prairie Provinces 10,200; Pacific Region 8,700; and the Maritimes 1,900.

The situation in British Columbia had greatly improved during recent weeks, Mr. Mitchell stated. On May 19, unplaced applicants in the Vancouver area numbered about 14,500, 3,400 fewer than the month previous. Unemployment Insurance "live claims" in that city at the end of April stood at about 11,400 as compared with 22,800 at the end of February.

List Of Hospitals: A list of hospitals operating in Canada has been published by the Bureau of Statistics. The various types of hospitals -- public, private and nursing homes, hospitals and homes for incurables, tuberculosis sanatoria and tuberculosis units in other hospitals, mental institutions, and Federal Government hospitals -- are shown by provinces and are listed alphabetically according to location. Figures on the bed capacity of each are also given.

Across Canada: The R.C.A.F. reported last night that a search plane has sighted missing flyers Ernie Boffa and Fred Riley beside their crashed Anson aircraft about 55 miles northwest of Coppermine, N.W.T. and 160 miles inside the Arctic Circle. It was hoped the flyers would be picked up today....The 58-year-old SS "Northumberland" burned at Port Dalhousie early yesterday morning with a loss of \$300,000. The foregoing items are based on Canadian Press reports.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Tuesday, June 7, 1949.

Canada - U.S. Air Agreement: The Department of External Affairs announced on June 5 that the delegations representing the Canadian and United States Governments which have been discussing bilateral air arrangements between the two countries have concluded and signed a new bilateral air agreement on scheduled air services to replace the one presently in effect which was signed early in 1945.

The new agreement differs from its predecessor in form in that it adopts the pattern for bilateral agreements that has been evolving in recent years. This pattern, which is based on certain standard articles developed at the Chicago International Air Conference in 1944, is known generally as the Bermuda-type agreement since the first agreement of this type was concluded in Bermuda between the United States and the United Kingdom.

The new agreement provides for the exercise of traffic rights in each country by scheduled airlines of the other on certain agreed international through routes. Certain changes were made in the existing network of trans-border air services between the two countries.

The changes in trans-border services are that the United States has been granted a direct route between New York and Toronto, replacing its existing route from Buffalo to Toronto. This route will directly parallel the existing Canadian route from Toronto to New York. The United States has also received a route from Great Falls, Montana, to Edmonton, Alberta, which may be operated in conjunction with the existing U.S. service from Great Falls to Lethbridge.

Canada has received a direct route from Montreal to New York which will directly parallel the existing U.S. route between New York and Montreal.

Under these arrangements carriers of both countries may both operate between the largest city in the United States and the two largest cities in Canada. In other respects the existing pattern of trans-border services is not changed.

In addition the United States has been granted two international through routes, the first from the United States through Gander, Newfoundland, and on across the Atlantic and the second from the United States through Edmonton to Alaska and the Orient. U.S. carriers on these routes may pick up and set down traffic at Gander and at Edmonton.

Canada has been granted a through route to Hawaii and on to Australasia and a through route to Florida and on to the Caribbean. On these routes Canadian carriers may pick up and set down traffic at Honolulu and at Tampa, Florida.

World 1949 Wheat Crop: The outlook for the world's 1949 wheat crop has shown some improvement over the past month, states the Bureau of Statistics in its monthly review of the wheat situation.

The May 10 crop report of the United States Department of Agriculture placed the current winter wheat crop at 1,021 million bushels and indicated that with average yields on the prospective spring wheat acreage, a total wheat crop of 1,312 million bushels could be harvested. A crop of this order would approach the 1947 record of 1,367 million and would exceed by a wide margin the 1937-46 average of 943 million bushels.

Gen. McNaughton Honoured: General A.G.L. McNaughton, CH, CB, CMG, DSO, has accepted the appointment of Honorary Colonel Commandant in the Corps of Royal Canadian Electrical and Mechanical Engineers, the Minister of National Defence, Mr. Claxton, announced on June 7. He has been Honorary Colonel of the Corps since March 1946, but now vacates that appointment to accept the senior one.

Army Staff Courses: Fifty-four Canadian Army officers have been selected to attend the forthcoming staff courses at the Canadian Army Staff College, Kingston, Ont., the Staff College at Camberley, England, and the Staff College at Queenscliffe, Australia, Army Headquarters has announced. The next course at Kingston starts in January 1950.

International Trade Fair: Attendance at the second Canadian International Trade Fair on Wednesday June 1, the first public day, reached the record total of 24,000. This is an increase of about 5,000 over the first public day's attendance last year.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke in Quebec City Monday; the Progressive Conservative Leader, Mr. Drew, spoke in Brandon, Man.; and the C.C.F. Leader, Mr. Coldwell, spoke in Winnipeg....Gustave Lanctot, former Dominion Archivist and authority on Jacques Cartier, was quoted by the Canadian Press as stating on his return from St. Malo that he believed not only that he had found the burial place of Cartier but that he had unearthed Cartier's 400-year-old skelton, almost perfectly preserved, in the Cathedral of St. Malo.





## AIRMAIL BULLETIN

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Wednesday, June 8, 1949.

**Import Control Changes:** The Emergency Import Control Division has announced that the Minister of Finance, Mr. Abbott, has authorized some adjustments in the emergency import controls which will modify restrictions on the importation of a considerable number of items in which British exporters have a particular interest.

The commodities affected are minor items such as vases, jardinières, fountain pens and propelling pencils, some ornaments, costume jewellery, some paper products, desk sets, picture and photograph frames, electric irons and some other small household appliances. No one of these is a large item of trade.

All these items may be imported from non-scheduled countries on and after July 1, 1949, under open general permit. At the same time holders of existing quota under Category 4 (Miscellaneous) of Schedule II will be permitted to import these commodities from scheduled countries against their existing quotas. In other words importers holding quotas in Category 4 will have a wider range of goods for which their quotas may be used, but they will not have larger quotas and hence no increase in total dollar expenditure is involved.

In scheduled countries from which the above goods may be purchased by Category 4 quota holders within their existing quotas are Cuba, Dominican Republic, Guatemala, Haiti, Panama, El Salvador, Switzerland, Russia, Venezuela and the United States.

The non-scheduled countries in which the same goods can be purchased under open general permit are all other countries not listed above.

**Medical Fellowships:** Medical Fellowships have been awarded by the National Research Council to 38 graduates in medicine to enable them to pursue postgraduate research during 1949-50.

The grantees represent eleven different universities, including one in Australia, one in Scotland and one in China. The fellowship holders will carry on their research investigations at fourteen research institutions. Eight of these research centres are located in Canada, five in the United States, and one in England. Distribution of the awards by institutions at which they will be held is as follows: McGill, 9; Western Ontario, 9; Toronto, 6; Stanford, U.S.A., 1; Montreal Neurological Institute, 3; Alberta, 1; Johns Hopkins Hospital, Baltimore, U.S.A., 1; Dalhousie, 1; Oxford, England, 1; Manitoba, 1; Royal Victoria Hospital, Montreal, 1; Duke University, Durham, U.S.A., 1; Cambridge, U.S.A., 1; Utah, U.S.A., 1; Peter Bent Brigham Hospital, U.S.A., 1.

Medical Fellowships vary in amount from \$1500 to \$2500, depending on the previous training and experience of the candidates.

The Division of Medical Research of the National Research Council also makes grants-in-aid to Canadian universities for medical research studies on approved subjects. During the present year, 128 such grants valued at \$267,832.95 are being held. Value of the 38 Medical Fellowships awarded this year is \$75,500.

(over)

Resources Dept. Surveys: Nine Geographical Bureau parties, with assignments ranging from the Arctic to the shores of the Great Lakes and the Interior Plateau of British Columbia, will carry out field investigations during the coming summer, it is announced by the Minister of Mines and Resources, Mr. Gibson.

One party has already commenced work, three others will leave Ottawa early this month, and the remaining four are scheduled to start their investigations during the first part of July.

Transportation Commission: A study of the possibilities of railway nationalization was suggested to the Royal Commission on Transportation by the Saskatchewan Government on June 6 at Regina.

At its opening hearing in Saskatchewan Province, the Commission also received a Saskatchewan Government proposal for federal subsidies to aid certain uneconomic rail operations.

Both proposals were incorporated in an outline brief filed with the Commission some weeks ago and formally placed on the record at the June 6 hearing.

The Commission, in the early stages of a Canada-wide tour of investigation into all forms of federally-controlled transport, also heard Saskatchewan's Co-operatives Minister, L. F. McIntosh, call for greater co-ordination of Canada's carrier services.

Cost-Of-Living Up: Showing a slight upward movement for the second successive month, Canada's official cost-of-living index rose one-fifth of a point between April 1 and May 2, from 159.3 to 159.5. The March-April increase was one-tenth of a point, the Bureau of Statistics reports.

At the May 2 level, the index was 6.2 points above May last year, and one-tenth of a point below the peak figure of 159.6 touched three times -- at the first of October and November last year and January this year. From August, 1939 to May, 1949 the increase in the cost-of-living index was 58.2 per cent.

Unemployment Insurance: Claims for unemployment insurance benefits in April totalled 68,979 as compared with 103,402 in March and 59,265 in the corresponding month last year, according to the Bureau of Statistics. At the end of the month there were 134,500 ordinary claimants on the live unemployment register compared with 185,800 at the end of March and 105,400 at April 31, 1948.

Motor Vehicle Sales: Sales of new motor vehicles in April showed a further advance on the gain recorded in March, rising 46 per cent in number and 56 per cent in value over the corresponding month last year. Sales in March were up 18 per cent in number and 29 per cent in value over March last year. As in March, the gain was due mainly to larger sales of passenger cars, according to the Bureau of Statistics.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on May 26 amounted to 95,630,000 bushels, down 4,149,000 from the preceding week's total, but 39,114,000 higher than on the corresponding date last year, according to the Bureau of Statistics.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, campaigning in Quebec, has had to cancel two days' speeches because of a minor attack of laryngitis; the Leader of the Progressive Conservative Party spoke at Carman, Man....The aircraft carrier "Magnificent", damaged when she grounded on a submerged rock off Nova Scotia's south shore Saturday, is to go into drydock for repairs,...Thirty-five Canadian seamen from five ships strike-bound in British ports, picketed the United States Embassy in London's Grosvenor Square....The Canadian Press is the basis for the foregoing items.



## AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, June 9, 1949.

Prairie Crop Conditions: While widespread rains over the greater part have improved crop conditions in the West, cold and drought were reported killing crops in southern and western Ontario. The usually rich farmlands of the Ontario region have had 14 rainless days and unseasonable frosts. Rich tobacco lands may need reseeding.

The growing crops of the Prairie Provinces, however, are now in quite good condition, the Bureau of Statistics reports, except in fairly larger areas of central Alberta and south-central and south-western districts of Saskatchewan, where rain is still urgently required. While the situation has improved remarkably in the last two weeks, sub-soil moisture reserves are still inadequate in many areas and much additional moisture will be required to bring the growing crops to maturity.

Cooler, wet weather during the past fortnight has retarded grasshopper infestation, although severe outbreaks are reported from some localities in central Saskatchewan. Grasshopper control campaigns are being carried on in the affected areas there and elsewhere, with good results generally reported. Recovery from frost damage has been good but some reseeding of coarse grains was necessary in a few districts.

In Manitoba seeding is almost completed, although some delay has taken place due to heavy weed growth and the necessity for some reseeding. Crops in general are progressing satisfactorily in Manitoba with fall rye heading out. Early wheat is well stooled on a heavy stand, although there is considerable late crop.

As a result of the recent rains, general crop prospects in Saskatchewan are greatly improved, except in south-central and south-western districts where moisture conditions are still unsatisfactory. Conditions in the eastern half of the province appear quite favourable with grain stands fair to excellent, wheat averaging five inches and coarse grains three to four inches in height. In other areas stands are slightly shorter.

Good rains were received over much of Alberta this past week. Seeding is now completed in most of the province and, weather permitting, very little will remain by the end of the week. Grain crops are quite generally fair to good with the important exception of a large moisture deficient area in the central part of the province.

ICAO Third Assembly: The Third Assembly of the International Civil Aviation Organization was opened at Montreal on June 7 by Dr. Edward Warner, President of the ICAO Council. Delegates and observers representing 33 nations and 2 international organizations were welcomed by the Canadian Minister of Transport, Mr. Chevrier, and by Dr. Leon Lortie, representing the City of Montreal.

This year's Assembly, which is expected to last about two weeks, will concern itself mainly with administrative and financial matters. It will receive a report on the past year's operations from the ICAO Council, it will adopt the Organization's budget for 1950 and will allocate the costs among the 54 nations which make up ICAO's membership, and will consider a staff pensions plan.

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ICAO Measurement Plan: Substantial progress toward producing a single set of dimensional units for use along the world's airways was announced on June 9 by the International Civil Aviation Organization. So far, 34 of the Organization's 52 member nations have agreed to take the first step in a plan designed to relieve the confusion in air-ground radio communication caused by the differing systems of measurement now employed in various countries. ICAO officials point out that, although this problem of weights and measures and distances being expressed in different units is not peculiar to aviation, the danger of a mistake or misunderstanding due to a multiplicity of measuring units is probably more real and more important to the pilots and crews of aircraft in flight than to anyone else.

The ICAO standardization plan consists of an agreement on five tables of units incorporating elements of both the metric and the foot-pound-second systems.

Industrial Employment: Industrial employment in Canada showed the customary seasonal contraction in volume between March 1 and April 1, but at the latter date was at a higher level than for any previous year for which monthly statistics have been compiled, according to the Bureau of Statistics. The aggregate payrolls reported were also substantially above a year earlier, but slightly down from March 1 this year.

Data tabulated by the Bureau from 20,073 of the larger establishments in the eight major industrial divisions show a decline of 0.7 per cent in their working forces as compared with March 1. This decline conforms to the pattern indicated in 22 of the 28 previous years for which the Bureau has collected these figures, the Bureau's report states, but is rather below average in extent and decidedly smaller than recorded a year earlier.

McKee Trophy Award: The Minister of National Defence, will present the McKee Trans-Canada Trophy to Flying Officer R.B. West, DFC, AFC, of Medford, N.S., during the afternoon of Air Force Day at Rockcliffe, Saturday, June 11, it was announced on June 9 by Air Force Headquarters, Ottawa. The award of the trophy to F/O West, for his contribution to Canadian aviation during 1948, was announced recently.

Geographical Bureau Chief: The appointment of Dr. James W. Watson as Chief of the Geographical Bureau was announced on June 8 by the Minister of Mines and Resources, Mr. Gibson. He comes to Ottawa on extended leave from the Faculty of Science at McMaster University, Hamilton, Ontario.

Across Canada: The Progressive Conservatives retained the provincial riding of Cochrane North in yesterday's by-election caused by the death of the former Progressive Conservative member of the Ontario Legislature.... The strike of the Canadian Seamen's Union was ruled illegal yesterday by the British Columbia Supreme Court....The basis for the foregoing items are Canadian Press reports.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Friday, June 10, 1949.

Dr. Cameron Delegation Head: Dr. G. D. W. Cameron, Deputy Minister of National Health, will head the Canadian delegation to the Second World Health Assembly which opens in Rome next Monday June 13, it was announced on June 9 in Ottawa by the Minister of National Health and Welfare and the Secretary of State for External Affairs.

The world health program for 1950 to be discussed by the Assembly includes joint activity by the World Health Organization and the Food and Agriculture Organization in combating related problems of food and health; an expanded program of maternal and child health activities, including greater stress on immunization against childhood diseases; the first international program in the field of mental health; increased attention to typhus and plague; efforts to help member governments strengthen their public health services and operation of a limited medical-supply service to governments, as well as continuation of work in such fields as malaria, tuberculosis and venereal disease control.

In addition to the program for 1950, the Health Assembly will study administrative and financial problems, details of regional organization, membership applications and other matters directly or indirectly connected with the work of WHO.

Members of the Canadian delegation besides Dr. Cameron will be Dr. J. Gregoire, Deputy Minister of Health, Province of Quebec, and Dr. J. E. Plunkett, Honorary Secretary-Treasurer of the Royal College of Physicians and Surgeons of Canada, Ottawa, as alternate delegates; J. G. H. Halstead, of the Office of the Canadian High Commissioner in London and Dr. A. M. Savoie, Immigration Medical Officer in Rome, as advisers.

ICAO Third Assembly: The Third Assembly of the International Civil Aviation Organization was opened at Montreal on June 7 by Dr. Edward Warner, President of the ICAO Council. Delegates and observers representing 33 nations and 2 international organizations were welcomed by the Canadian Minister of Transport, Mr. Chevrier, and by Dr. Leon Lortie, representing the City of Montreal.

This year's Assembly, which is expected to last about two weeks, will concern itself mainly with administrative and financial matters. It will receive a report on the past year's operations from the ICAO Council, it will adopt the Organization's budget for 1950 and will allocate the costs among the 54 nations which make up ICAO's membership, and will consider a staff pensions plan.

Sardar Hardit Singh Malik, Indian High Commissioner to Canada, was elected President. Vice-presidents elected were Brigadier Hugo da Cunha Machado (Brazil); Ali Fuad Bey (Iraq); and Colonel Humberto Delgado (Portugal). Mr. R. Lebeau (Belgium) was chosen Chairman of the Assembly's Administrative Commission.

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Nova Scotia Election: The Liberal Party was returned to power in yesterday's provincial election in Nova Scotia. Premier Angus L. Macdonald and his entire Cabinet won their seats, while the Progressive Conservative Party Leader, Robert Stanfield, was returned in Cape Breton East. The final standing, as reported by the Canadian Press, is as follows:

Liberals. . . . .	27
Progressive Conservatives .	8
CCF. . . . .	2

The party standing after the last election on October 23, 1945, was:  
(7 new seats added since 1945)

Liberals. . . . .	28
CCF. . . . .	2
Total. . . . .	30

Rail Revenues, Expenses: Both operating revenues and expenses of Canadian railways, repeating the advances of earlier months this year, rose sharply in March over the corresponding month last year to reach new peaks for the month. The rise in operating expenses considerably exceeded the advance in revenues and both net operating revenue and operating income declined.

Operating revenue for the month totalled \$74,325,000, an increase of \$6,219,000 or slightly more than nine per cent over March last year, while operating expenses jumped \$9,755,000 or 16 per cent to \$70,612,000 as compared with \$60,857,000 a year earlier. Net operating revenue declined in consequence to \$3,713,000 as compared with \$7,249,000 and, after allowance for tax accruals, hire of equipment and joint facilities rents, operating income amounted to the reduced figure of \$1,315,330 as against \$3,654,475 in March last year.

International Trade Fair: One of the main purposes of E.C.A. is to establish international trade on a high level, and by providing the North American show window where European nations can display their products, the Canadian International Trade Fair, and any other such fairs which may be held in the United States in the near future, can do much to implement this policy, Alex Kirk, E.C.A. consultant said at the Trade Fair. He is one of a group of members from the Organization for European Economic Co-operation visiting the Canadian International Trade Fair.

Mr. Jaoul, Secretary of the Trade Committee of the O.E.E.C. commented that the second Canadian International Trade Fair was well timed insofar as European exhibitors are concerned, because right now most countries of Europe have reached their prewar level of production, and having satisfied domestic demand, are now ready to export on a large scale.

Across Canada: Twenty-four members of the Washington Board of Trade, with their guests, arrived in Ottawa yesterday on a good-will visit....Abe Hermann of the Israel Foreign Office, has been appointed Israel's Consul General in Canada, the Canadian Press reported from Tel Aviv.



## AIRMAIL BULLETIN

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Monday, June 13, 1949.

U.S. - Canada Air Agreement: The Acting Secretary of State for External Affairs, Mr. Claxton, on June 11 made the following statement:

A paragraph in the column "On and off the record" in the MONTREAL GAZETTE of Saturday, June 11, contains the suggestion that in connection with the recent Civil Aviation Agreement between Canada and the United States, the United States Government secured from the Canadian Government a supplementary secret agreement to the effect that the United States would "take over the Canadian aviation picture in its entirety" in the event of war.

This is completely false. No such agreement has been made between Canada and the United States and the full details of all agreements reached in connection with the recent civil aviation discussions have been made public in the text of the Bilateral Agreement and the accompanying Exchange of Notes regarding civil use of U.S. Military bases in Newfoundland.

Astronomical Society: The 81st semi-annual meeting of the American Astronomical Society will be held in Ottawa from Sunday through Thursday, June 19-23, it was announced on June 11 by the Minister of Mines and Resources, Mr. Gibson. The Society met previously at Ottawa in 1911 and 1929. The only other Canadian meeting was held at Toronto in 1935.

More than 100 Society members from astronomical centres in the United States and Canada will attend the meeting, which is being held in Ottawa at the invitation of Dr. C.S. Beals, Dominion Astronomer. United States members will come from points as distant as Pasadena, California. In addition to members of the staff of the Dominion Observatory, Ottawa, Canadians attending will include Dr. J.A. Pearce, Dominion Astrophysicist, and Dr. R.M. Petrie, Assistant Dominion Astrophysicist of the Dominion Astrophysical Observatory, Victoria, B.C., and representatives of the David Dunlap Observatory, University of Toronto.

Dr. Subrahmanyan Chandrasekhar, of Yerkes Observatory, University of Chicago, at Williams Bay, Wisconsin, noted for his outstanding research work in astronomy and astrophysics, will deliver the Russell Lecture on Tuesday night at a public meeting to be held in the National Museum Building.

The Russell Lectureship was established in 1946 in honour of Professor Henry Norris Russell, of Princeton University. It is considered the most important astronomical lecture given on the North American Continent and the invitation to present it is the highest honour the American Astronomical Society can bestow.

I.L.O. Annual Conference: Full participation of the International Labour Organization in the program of technical assistance for economic development recently proposed by the United Nations and the specialized agencies has been urged by I.L.O.'s Governing Body in a session at Geneva.

The Governing Body approved a proposal of the British Government delegate that the I.L.O.'s annual general conference which opened June 8 at Geneva take the following action:

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1. Affirm the principle of full I.L.O. participation in the proposed program of technical assistance for economic development;
2. Request the Governing Body to examine proposal made by I.L.O. Director-General David A. Morse for I.L.O.'s share in the program;
3. Authorize the Governing Body to make interim arrangements, if necessary, to permit I.L.O. to undertake its part of the program and to obtain the funds required for it.

Only the Polish Government delegate voted against the motion.

The Governing Body, which has also been concerned with the question of forced labour and with plans for I.L.O. activities in the coming year, will resume its sittings at a convenient date during the annual conference. It is meeting under the chairmanship of Shamaldharee Lall, of India.

Award For Army Book: For the first time, a government publication has received one of the Governor General's literary awards. Col. C.P. Stacey, Director of the Canadian Army Historical Section, has been awarded top honours in Academic Non-Fiction for his book, "The Canadian Army 1939-45".

Cost-Of-Living: Cost-of-living indexes for six of the eight regional cities recorded increases during April, while two moved slightly lower, according to the Bureau of Statistics. Firmer prices for foods were mainly responsible for the advances, although clothing, and homefurnishings and services registered minor gains at a few centres. Lower fuel prices at Montreal and Saskatoon were sufficient to reduce the component indexes for these two centres. At Toronto, however, a reduction in fuel costs failed to overcome an increase in foods.

Wildlife Officer: The appointment of J.S. Tener to the position of Wildlife Management Officer in the Dominion Wildlife Service at Ottawa has been announced by the Minister of Mines and Resources, Mr. Gibson.

A long term plan for special intensive studies of wildlife in the National Parks of Canada was announced by the Deputy Minister of Mines and Resources, Dr. Keenleyside.

Carloadings: Railway carloadings in Canada for the week ending June 4 advanced to 73,967 cars compared with the revised total of 66,157 cars in the preceding holiday week, but were down nearly five per cent from 77,695 cars in the corresponding week last year, the Bureau of Statistics reports.

Across Canada: Nearly 800 candidates have signified their intention of contesting the June 27 general election....The Prime Minister, Mr. St. Laurent, resumes at Longueuil, Que., tomorrow, his election campaign, interrupted last week by a laryngitis attack; the Progressive Conservative Leader, Mr. Drew, spoke Saturday at Kirkland Lake, and the C.C.F. Leader, Mr. Coldwell, spoke at Vancouver, B.C....Saturday, June 11, was Air Force Day, when all Air Force stations held open house. More than 12,000 persons witnessed an aerial circus at Ottawa....The first reunion of the Canadian Women's Army Corps was held at Toronto at the week-end, about 1,100 in attendance.. The Canadian Press is the basis for the foregoing items.



GOVERNMENT



OF CANADA

# AIRMAIL BULLETIN

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DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

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Tuesday, June 14, 1949.

Mr. Howe On World Trade: The following are excerpts from the speech of the Minister of Trade and Commerce, Mr. Howe, before the International Chamber of Commerce, at Quebec City, on June 13:

"...Our Canadian domestic prosperity depends largely upon our external trade. It is especially important to Canada that the scope and magnitude of international trade be expanding, rather than diminishing. It is for that reason that Canada has taken a leading role in all international measures designed to restore a sound and stable world economy...."

"We recognize that to insulate our economy from world competition would be to foster uneconomic developments which would inevitably bring in their wake higher costs, and lower standards of living. I believe that what is true of Canada is true of most, if not all, other nations. At present, we find in every civilized country an endeavour to work out some modification of the free price system, by which peaks and valleys may be ironed out--some plan by which a high level of employment may be maintained, coupled with a measure of stability to the primary producer. This objective is a development in the process of democracy in an increasingly complex world, and as such has much to commend it. However, great care must be taken in the use of whatever device is employed, be it bulk contract, floor price programs, pool arrangements, protection from outside competition by direct licence, or otherwise, to ensure that there is no undue influence on prices that may prejudice established and sound international trading relationships."

"There is an inevitable tendency, for countries that, through circumstances, cannot for the present permit unlimited imports from dollar countries, to trade among themselves, thereby building up a high cost area with which others can trade only with difficulty, or in the extreme, not at all...."

"Democratic nations cannot afford to let really basic trade relationships be permanently damaged. It is fundamental that nothing must be permitted to interfere, either with their unity of political purpose, or with their community of commercial relationships...."

"There is always the possibility--indeed, almost the certainty--that the course taken by one country to meet its own interests will, in some respects, run counter to the long established commercial interests of another country. We have to face the likelihood that the overall process of economic reconstruction will carry with it some major degree of adjustment in commercial relations. The greatest single problem in economic statesmanship that looms up today is that of ensuring that progress is not made at too heavy a cost in the form of commercial cleavage--in the closing out of traditional and basically sound trade between individual countries, or between groups of countries...."

Mr. Hannam New President: Farm organizations of 25 nations, speaking through the delegations attending the Third Annual Conference of the International Federation of Agricultural Producers, have elected a Canadian, Herbert H. Hannam, as their International President. Mr. Hannam, who began his career as a farm boy but a few miles from the conference hall where he was chosen head of the world organization, succeeds Sir James Turner, of London, England, who has guided the international organization since its inception in 1946.

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The election of the new President, who is also President of the Canadian Federation of Agriculture, was effected at the closing session of the Conference on June 10.

H.D. Louwes head of the Netherlands national farm organization, was continued as First Vice-President; Pierre Martin, who heads France's national farm organization, was continued as Second Vice-President, and Albert Goss, veteran head of the National Grange of the United States was elected Third Vice-President.

The conference chose Stockholm, Sweden, as the seat of the next annual conference.

Across Canada: Eight hundred and fifty one candidates were nominated yesterday to contest the 262 House of Commons seats in the general election of June 27....The \$20,000,000 Aluminum Co. of Canada plant at Kingston, Ont. was completely shut down yesterday as a strike called by the United Steelworkers of America (CIO-CCL) entered its second day....The foregoing items are based on Canadian Press reports.



# AIRMAIL BULLETIN

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Wednesday, June 15, 1949.

Crop Conditions Vary: Scattered rains only fell over the Prairie Provinces during the past week and mean temperatures varied from 3.4 degrees above normal in Manitoba to 7.5 degrees above normal in Saskatchewan. These weather conditions made for good growth in those areas which benefited from the rains received in the latter part of May and early June, but in many sections, particularly in western, south-western and south-central Saskatchewan and in central and north-central Alberta, rain is urgently needed to halt deterioration, reports the Bureau of Statistics.

In Manitoba the situation is relatively favourable, except for areas around Winnipeg and Teulon where moisture is required. In eastern and northern Saskatchewan and in southern Alberta and the Peace River area prospects remain favourable and the general appearance of the crops is good. However, with moisture reserves relatively low, continued satisfactory progress even in these areas will depend upon the receipt of further timely rains.

Grasshoppers are hatching in many areas but widespread poison spray campaigns are evidently proving quite effective. Despite this, there is still potential danger of serious grasshopper damage, particularly in some parts of central Saskatchewan where heavy losses have already been reported from some localities.

Growing conditions in British Columbia, especially in the Peace River and central-interior sections, have been good but more moisture is needed over much of the province.

Prolonged drought, accompanied by unseasonable extremes in temperature, has seriously reduced crop prospects in Ontario. Heavy precipitation is urgently needed in central and south-western Ontario where conditions are most serious.

Tobacco, soy beans, corn and tomatoes have been particularly hard hit by late frosts, necessitating considerable replanting of these crops. The dry, cool weather and frosty nights have retarded growth of practically all field crops. In the greater part of Ontario the drought is the most severe on record and immediate, prolonged rains are needed to ensure even a partial recovery in the most seriously affected areas. Last night's (June 13) showers provided the first relief that some areas have had for several weeks.

Weather conditions in the province of Quebec vary all the way from extremely dry in western districts, especially around Montreal, to extremely wet in the area from Lake St. John to Gaspé and Baie de Chaleur.

Anti-Sub. Exercises: The Minister of National Defence, Mr. Claxton, announced June 15 that a Royal Air Force Squadron of Coastal Command is to visit Canada in mid-July, to take part in anti-submarine exercises off the East Coast. The RAF aircraft, general reconnaissance Lancasters, will work together with RCN anti-submarine vessels and RCAF aircraft in the exercises. A modern submarine on loan to the RCN from the Royal Navy will take part.

Both naval vessels and aircraft will practice anti-submarine searches and attacks, using methods developed to cope with post-war submarine improvements, including the snorkel, a device allowing submarines to remain submerged for a lengthy period of time.

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Similar trials were held last November, when exercises were carried out with United States submarines. Detailed reports on the exercises compiled by Canadian and US authorities indicate that both RCAF and RCN aircraft scored numerous successes. A total of 35 air attacks was noted during the first two days of the exercises, and the American report states that "All submarines expressed high regard for the Canadian aircraft. Air Operations appeared to be of very high order".

Commercial Failures: Commercial failures in Canada showed a further increase in the first quarter of this year to extend the upward trend of the last three years. Liabilities of defaulting firms also moved up. The majority of the failures occurred in Quebec, the increase over the first quarter of 1948 amounting to about 30 per cent. The gain in Ontario was comparatively slight.

According to the Bureau of Statistics, commercial failures in the first quarter of 1949 totalled 270 as compared with 203 in the same period of 1948, 120 in 1947, 54 in 1946, and 371 in the first quarter of 1939. First quarter liabilities amounted to \$4,196,000 compared with \$3,406,000 in the same period of 1948, \$1,432,000 in 1947, \$1,467,000 in 1946, and \$3,592,000 in the first three months of 1939.

Trading concerns failing in the first quarter of this year numbered 93 against 67 in the same period of 1948. The increase in manufactures was from 39 to 57, while service firms of different descriptions were 21 per cent greater at 51. The miscellaneous group, including construction and transport, showed failures of 48 compared with 30.

Arctic Air Display: Residents of Aklavik, near the Arctic coast at the mouth of the Mackenzie river, were treated to an Air Force Day display on Saturday (June 11) when three photo survey Dakotas did a fly past in formation over the settlement. The display set a "farthest north" record for Air Force Day activities before the public.

The three aircraft, from 414 Photo Survey Squadron, Rockliffe, were returning to their temporary base at Norman Wells, NWT, after a photo flight, and their route took them over the Mackenzie delta. Deciding that the people there should see at least something to remind them it was Air Force Day, they put on the formation fly past over Aklavik, and repeated it at several other points, including Fort McPherson, Arctic Red River and Fort Good Hope.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke yesterday in Montreal and the Leader of the Progressive Conservative Party, Mr. Drew, in Hamilton and Brantford, Ont....Hot, humid weather prevailed over most of Canada and the drought throughout most of southern and central Ontario entered its nineteenth day.... British Columbia voters went to the polls today in a provincial election.



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Thursday, June 16, 1949.

British Columbia Election: The Coalition Government of Premier Byron Johnson was re-elected with an increased majority in yesterday's provincial election in British Columbia. Premier Johnson and all members of his Cabinet won their seats. The C.C.F., which had 11 members in the last Legislature, this morning appeared to have elected only six, including its Leader, 42-year-old Harold Winch.

The party standing as reported by the Canadian Press this morning was as follows:

Elected	
Coalition. . . . .	39
CCF. . . . .	5
Independent. . . . .	1
Labour. . . . .	1
Leading	
Coalition.. . . .	1
CCF. . . . .	1
Total . . . . .	<u>48</u>
Standing at Dissolution	
Coalition. . . . .	36
CCF. . . . .	11
Labour.. . . .	1
Total . . . . .	<u>48</u>

Labour Income: Canadian labour income for March is estimated at \$605,000,000, unchanged from the preceding month, but \$61,000,000 or 11 per cent higher than in the same month last year, according to the Bureau of Statistics.

Slight advances were recorded in the secondary industries, manufacturing, construction, transportation, trade and the services, but these were counterbalanced by losses which occurred in the primary industries, forestry, fishing and mining. The index of employment in nine leading non-agricultural industries decreased from 188.1 on March 1 to 186.6 on April 1, while average weekly earnings for the same industries showed an increase from \$43.15 on March 1 to \$43.22 on April 1.

Total labour income for the first quarter of this year is estimated at \$1,818,000,000, an advance of \$180,000,000 over the similar period a year earlier.

National Museum Field Work: An expanded program of field work will be undertaken this year by the National Museum of Canada according to an announcement by the Minister of Mines and Resources, Mr. Gibson. Eighteen parties will conduct archaeological, botanical, ethnological, and zoological research.

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Five archaeological parties will work in British Columbia, Saskatchewan, Manitoba, Ontario, the Arctic and Yukon Territory. Dr. Jean Michea, with Henry Collins Jr., Smithsonian Institution, will investigate the ancient habitations of Eskimos who, hundreds of years ago, moved in the area between Boothia and Greenland. The work will be carried on at Resolute Bay and Cornwallis Island, N.W.T. Transport will be supplied by the R.C.A.F. and the U.S.A.A.F.

Dr. Douglas Leechman, archaeologist, will work in British Columbia, north of Prince George, on a continuing study of migration routes from Asia to North America.

Soldiers' Votes: Members of the Canadian armed forces no matter where they may be on polling day, will have the opportunity to exercise their franchise in the forthcoming general election, Defence Department officials said on June 16. Whether on duty in Washington, D.C., in London, Eng., or in any part of Canada, they will be able to vote for the candidate of their choice in the electoral district where their place of "ordinary residence" is located.

Sault Ste. Marie Armoury: The first post-war armoury to be built in Canada will go to the city of Sault Ste. Marie, Ont., for the use of its 49th Heavy Anti-Aircraft Regiment, the Minister of National Defence, Mr. Claxton, has announced. Construction is expected to start early this Fall, and will take about one year to complete at a cost of more than \$750,000.00.

The strategic importance of the area together with the inadequate accommodation at present available to the Reserve Force there, dictated the choice of Sault Ste. Marie.

Civil Aviation: Bolstered by improved passenger and mail earnings, Canadian air carriers reported total revenues of \$2,387,613 in January, a gain of 24 per cent over the \$1,919,308 received in the corresponding month last year, according to the Bureau of Statistics. Expenses increased to a greater extent, totalling \$2,888,256 for the month, up 21 per cent, contrasting with the advance of \$468,305 in receipts. Net operating revenues showed a deficit of just over half a million dollars as against \$461,359 in January, 1948. An operating debit in January appears to conform to the seasonal pattern in post-war experience. Scheduled carriers had revenues of \$2,074,534 and expenses of \$2,513,340 in January.

Across Canada: A \$1,000,000 fire levelled two industrial blocks in Vancouver, B.C., yesterday. The area was bounded by First Avenue from Ontario to Main, and False Creek. Four persons were injured....Scattered showers brought only patchy relief to drought-stricken southern Ontario last night.

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Friday, June 17, 1949.

**10,500,000-Acre Oil Deal:** One of the biggest oil deals in Canadian history, involving 10,500,000 acres of Saskatchewan's potential oil land, was concluded this week with two groups of American oil companies, Saskatchewan's Minister of Resources, J. H. Brocklebank announced on June 16 at Regina, the Canadian Press reported from Regina.

One of the groups is headed by Tide Water Associated Oil Company and the other by Sohio Petroleum Company.

Their deal was made with Gulf Securities Corporation, Ltd., Montreal, holders of 50 oil permits from the Saskatchewan Government.

The Tide Water group has acquired 36 permits covering about 9,000,000 acres. This includes a block of 6,000,000 acres in the west-central area of the province between Saskatoon and Swift Current.

It also includes 1,000,000 acres in the Qu'Appelle area, 1,000,000 acres in the southeast section of the province adjacent to the Manitoba border and 1,000,000 acres in the extreme southwest.

**Favours Free Markets:** A resolution favouring return to free markets in commodities was adopted by a group meeting of the International Chamber of Commerce at Quebec City on June 16, the Canadian Press reported.

The group was that on International Trade and Markets, whose Chairman, Stanley N. Jones, President of the Winnipeg Grain Exchange, declared that "those opposed to the operation of free markets are grasping the present opportunity to have their theories put into practice, and to destroy for all time the machinery of the free market."

**Economic Integration:** Economic integration between Canada and the United States was suggested to the Royal Commission on Transportation on June 16 by an Alberta Government witness.

Prof. Andrew Stewart, head of the Department of Political Economy of the University of Alberta, said the West would benefit heavily from reciprocity with the U.S. through stimulated trade, while the East would not suffer.

Prof. Stewart made the suggestion under examination after delivering a brief for the Government at the opening session of the Edmonton hearings of the Commission, on a country-wide tour of inquiry into national transportation problems, according to the Canadian Press.

**Border Traffic:** Highway traffic between Canada and the United States was 14 per cent heavier in April than in the same month of 1948, according to the Bureau of Statistics. The advance was principally due to Canadian traffic returning from the United States which increased by 40 per cent. United States traffic entering Canada advanced only five per cent.

The comparison between traffic in the two years is influenced by the fact that Easter occurred in April this year but in March last. For that reason a more valid comparison can be made by considering the aggregate volume of traffic for the two months of March and April. Data for the two months show an increase of 10 per cent in total traffic across the border, United States vehicles increasing by two per cent and Canadian vehicles by 32 per cent.

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Coal Output Down: Production of coal in Canada in May was about three per cent lower than in the corresponding month last year, a decrease in Alberta counterbalancing gains in all other producing provinces. Despite the fall in the month, output for the five months ending May rose eight per cent over the similar period of 1948. Imports were down .04 per cent in the month and one per cent in the cumulative period.

Across Canada: Southern Ontario's drought continued unbroken with many areas entering their twenty-first rainless day....In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke over the CBC national radio network; the Progressive Conservative Leader, Mr. Drew, spoke at Chatham, Ont., and the C.C.F. Leader, Mr. Coldwell, spoke at Edmonton, Alta.





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Monday, June 20, 1949.

Finds Canada Had "Good Year": The Minister of Labour, on June 18, issued a summary of the Eighth Annual Report of the Unemployment Insurance Commission for the fiscal year ended March 31, 1949.

Canada has had a "good year", the Minister reports. It was featured by industrial growth and record high employment. With the total labour force at an all-time high of 5,109,000 in September, 1948, 5,042,000 workers were employed. There were of course seasonal contractions, but at no time was there any serious widespread unemployment.

Employers notified the offices of 1,149,707 vacancies or opportunities for employment and all but a very small percentage of the vacancies were filled. The few which went unfilled were for special classes or registered during times when men were in short supply. A number of large organizations have informed the Unemployment Insurance Commission, and the public, that they now do their entire hiring through the Employment Service.

During periods of greatest seasonal contraction occurring in the past year, the total number of unplaced applicants registered in local offices of the Unemployment Insurance Commission was slightly in excess of four per cent of the labour force. While in some areas of the Maritime Provinces and in British Columbia the number of persons seasonally out of work was higher than in other districts, it may be said that all sections of the country and all industries shared in the general prosperity.

Employment in building and construction reached a record high point.

During the year a total of 50,610 displaced persons were admitted to Canada. Of this number 20,434 were selected overseas by representatives of the Department of Labour and placed in employment by the National Employment Service. This group included some 6,500 domestics and household workers and approximately 4,000 persons for agricultural employment. The remaining 30,176 displaced persons who entered Canada during the year came as close relatives of residents of Canada or were admitted on the nomination of employers. A substantial proportion of this group were employable people who were placed in employment through the National Employment Service. In addition 500 skilled workers from Malta were admitted for specified employment.

During the fiscal year more than 40,000 British emigrants came to Canada. Many of them, without special trade skill, were eager to find a new life in agriculture or through employment in Canada's mines and forests. Among the new arrivals, however, were also technical and professional workers and many skilled craftsmen and artisans whose training and experience assured them a welcome in Canadian industry.

Wholesale Sales Up: Dollar volume of wholesale sales advanced slightly less than two per cent in April over the same month last year, following a gain of seven per cent in March, an increase of one per cent in February, and a slight decline in January. Cumulative figures for the first four months of this year stand 2.7 per cent above the similar period of 1948.

According to figures released by the Bureau of Statistics, the general unadjusted index of sales, on the base 1935-39=100, stood at 290.3 in April, 283.4 in March, and 285.4 in April last year.

(over)

Trends in the different regions of the country showed considerable variation in April. Wholesalers in the Prairie Provinces recorded the greatest increase at 14 per cent, while sales of wholesalers in Ontario were up two per cent. A decline of four per cent was reported for Quebec, while in British Columbia, sales were down six per cent, and in the Maritime Provinces by eight per cent.

Retail Sales Up: The value of Canada's retail trade was sharply higher in April when sales reached \$669,000,000 and exceeded April, 1948 dollar volume of \$573,000,000 by 17 per cent. The occurrence of Easter and the prevalence of favourable weather conditions in April this year were partially responsible for the high level of consumer spending. Last year seasonal Easter buying was concentrated in March. Tax reductions provided in the budget released additional purchasing power which also helped to swell retail sales.

Sales in the January-to-April period of 1949 were \$2,211,610,000, while volume in the same period of last year amounted to \$2,055,590,000, a gain of eight per cent.

The April increase was the largest recorded in several months and is in contrast to the more moderate gains in earlier months of the year. The advance in January was one per cent, February five per cent, and March, six per cent.

Inventory Values: Total inventory values in Canadian manufacturing industries appear to have fallen slightly at the end of April for the second consecutive month, according to preliminary reports received by the Bureau of Statistics.

The Bureau's preliminary index of estimated inventory values at the end of the month stood at 130.6 per cent of the average 1947 value as against a revised 132.5 per cent at the end of March. The decline is the largest in total value since the Bureau began the series in January, 1947. It may indicate, the Bureau says, that the rate of postwar inventory accumulation, which had been decreasing during 1948, may have reached its peak in February.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke at Smith's Falls, Ont., at the week-end; the Leader of the Progressive Conservative Party, Mr. Drew, spoke at Three Rivers, Que., and the Leader of the C.C.F. Party, Mr. Coldwell, spoke at Winnipeg....The Minister of Transport, Mr. Chevrier, on June 20 announced two new Air Transport Board directives having an important bearing on domestic civil aviation.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 113

Tuesday, June 21, 1949.

**Halifax Marks Bicentenary:** Halifax City embarks on its 201st year today, June 21.

To mark the occasion, one of the longest parades ever seen in Canada will wind through the port city's flag-bedecked streets.

It will be just 200 years ago since Edward Cornwallis founded Halifax, oldest English-speaking city in the country. A descendant, the present Lord Cornwallis, will take the salute as the parade passes the reviewing stand.

Thousands of persons will march in the five-mile long spectacle. Included will be units of the Navy, Army and Air Force floats of all shapes and sizes. A detachment of the North Nova Scotia Highlanders will don 1749 vintage uniforms--the same style Edward Cornwallis' troops wore.

Floats will vary from the Navy's 'tween-decks scene on a 1749 frigate to the Canadian National Railways' locomotive of a century ago. The locomotive--the Samson--was the first steam engine used in Nova Scotia.

For two years the city has been making plans for the \$200,000 birthday party. Under the guidance of Leonard W. Fraser, a Halifax lawyer, the bicentenary committee has been laying the foundations for three months of anniversary activity. (CP)

**ICAO Suspends Six:** International Civil Aviation Organization's Third Assembly, at its concluding meeting in Montreal on June 20, suspended once again the voting powers of six member states for failure to discharge completely their financial obligations for a period exceeding two years, the Montreal Gazette reports.

Failure by certain of the nations to pay their share of I.C.A.O.'s costs of operation, was attributed to difficulties in obtaining Canadian dollars.

The six states were: Poland, Bolivia, El Salvador, Nicaragua, Paraguay and the Kingdom of Jordan.

The Second Assembly, held last year at Geneva, Switzerland, suspended the same six states from voting at Assembly sessions. Monday's action, however, was considered more severe as it included suspension of voting rights in all I.C.A.O. meetings, including those of the Assembly, the Council and their subsidiary bodies.

The resolution, framed by the administrative commission and recommended for adoption by the Assembly, called for "the suspension of voting power or other action to be taken in the case of contracting states failing to discharge their financial obligations to the organization."

Delegates from several Latin American countries as well as delegates from Czechoslovakia and Iraq voted against the resolution, which was adopted by a large majority.

The resolution carried a rider that "the suspension of the vote of any state in the organization . . . shall be immediately revoked upon payment in full of that state's contributions which are in arrears more than two years."

**Potato Export Permits:** Effective on June 20, export permits will be granted for the shipment of table stock potatoes to the United States, the Minister of Trade and Commerce, Mr. Howe, has announced.

(over)

In November 1948 the Government announced that an agreement had been reached with the United States Government to prevent any possible flooding of the American table stock market and consequent damage to their price support program. At the same time, by channelling seed potato exports through recognized seed buyers, Canada retained her important seed outlet in the United States.

The supply position has now changed materially and with the concurrence of the United States Government, exports of Canadian table stock to the United States will again be permitted.

Throughout the year permits have been granted for exports of potatoes to other markets.

RMC \$1,000,000 Dormitory: Work on the new, \$1,000,000 dormitory building at Royal Military College, Kingston, Ont., is expected to begin almost immediately, the Minister of National Defence, Mr. Claxton, has announced.

The all-limestone structure, expected to take about 18 months to complete, will provide living accommodation for 150 cadets plus administrative offices, equipment storage rooms and a regulation-sized swimming pool to be constructed according to Olympic specifications.

Cadet Trades Training: From Royal Canadian Army Cadet units all across Canada an expected 1,675 youths will arrive at special camps in July to begin a 42-day trades training course. The course is the outcome of a highly successful experiment conducted last summer on a small scale.

Assistance To Hospitals: The federal Department of Health has announced approval of grants totalling more than \$253,000 to assist five hospital construction projects in London, Ont.; Sorel and Matane, Que.; Sackville, N.B.; and Windsor, N.S. The combined increase in bed capacity for the five hospitals will be more than 435.

RCAF Rescue Operations: The RCAF took part in 116 different search and rescue operations during the 12 months ending March 31, 1949, and its planes flew more than 2500 hours on these operations, it is announced by Air Force Headquarters, Ottawa.

Across Canada: In the general election campaign now drawing to its close, the Prime Minister, Mr. St. Laurent, spoke at a meeting in Ottawa at which the former Prime Minister, Mr. King, acted as Chairman; the Progressive Conservative Party Leader, Mr. Drew, spoke at Quebec City, and the C.C.F. Leader, Mr. Coldwell, spoke at Regina, Sask....In a paper presented at the 81st meeting of the American Astronomical Society, which opened in Ottawa Sunday, Dr. R. N. Thomas, of Princeton University's Institute for Advanced Study, estimated the temperature of the atmosphere around the sun to be half a million degrees centigrade.



# AIRMAIL BULLETIN

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Wednesday, June 22, 1949.

**Increasing School Enrolment:** Enrolment in the elementary grades (one to eight) of Canadian schools will be an estimated 600,000 greater by 1953-54 than it was in 1946-47, due to the increased birth rates of the 1940's. The extra pupils will require the employment of an additional 18,000 teachers -- a number greater than the present elementary school staff of either of the two largest provinces.

This forecast is made in the biennial survey of "Elementary and Secondary Education in Canada, 1944-46" issued today by the Bureau of Statistics.

The secondary school grades -- those above eight -- will begin to feel the effect of the increase between 1953 and 1955, according to the report. Considering immigration, the increased use of transportation, the effect of larger units of administration, and other means being adopted to increase the holding power of the schools, a total increase of 800,000 pupils seems likely in the next 10 years.

This large increase, amounting to 35 per cent over the present enrolment, it is pointed out, will require a great expansion in the educational system, in the form of new schools, additional classrooms and more equipment, as well as increased staffs.

**Memorial To Canadians:** Highlight of Dominion Day celebrations in Britain this year will be a service at Westminster Abbey at which two chairs and faldstools will be presented to the Abbey by the Canada Club in the presence of the King and Queen, the Canadian Press reports from London this morning.

Intended as a memorial to Canadians who died in the Second World War, the chairs will be formally presented to the Dean of Westminster, Dr. Alan Don, by C.B. Cowley, Honorary Secretary of the Canada Club.

The chairs, made of Canadian birch stained and polished to a dark tone, are of Venetian pattern with oval bases in front carved with a maple leaf. Each prie-dieu (kneeling desk) displays the arms of Canada.

The King and Queen will be received at the great west door of the Abbey by the Dean and Chapter and L.D. Wilgress, Canadian High Commissioner in the United Kingdom. The procession then moves eastward through the church to the lantern where the King and Queen take their seats facing the high altar.

**Lady Byng Dies:** Viscountess Byng of Vimy, widow of the former Canadian Governor-General, died Monday at Thorpe Hall, her home, it is announced by the Canadian Press, from Thorpe-Le-Soken, Essex, England.

Viscount Byng served as Governor-General from 1921 to 1926. He commanded the Canadian troops in France for a time during the First Great War.

Lady Byng was 78. Her funeral will be held Friday.

On a visit to Canada in 1940 she donated a Spitfire fighter plane in memory of her husband, who died in 1935. She stipulated that it be flown by a Canadian.

(over)

New Air Services: Two devices to help aircraft land in bad weather conditions have been approved as standards for world-wide use by the Council of the International Civil Aviation Organization, which at a meeting in Montreal has approved international standards on aeronautical telecommunications.

The two devices are the Instrument Landing System (ILS), which permits a pilot to land in low visibility by following the indications of two pointers on his instrument board, and Ground Controlled Approach (GCA) which allows a ground radio operator to talk the aircraft down while watching a radar screen which shows its exact position.

Farm Wages: Average rates of wages for male farm help were generally higher at the middle of May this year than a year earlier, according to reports received by the Bureau of Statistics from correspondents in all parts of Canada. Increases were less than in the previous 12 months, and in a few cases the rates of wages were lower.

With board provided by the employer, the average farm wage rate per day was \$4.04 at mid-May, the same figure as reported for January 15 this year -- compared with \$3.93 at May 15 last year, and \$3.59 in 1947.

Without board, the average daily rate was \$5.06 for all Canada against \$4.89 in 1948 and \$4.55 in 1947. In this case, rates were up in all provinces except Saskatchewan, where reports indicate a slight decline to \$5.15 as compared with \$5.17.

Industrial Disputes: Three strikes accounted for more than 87 per cent of the time loss due to work stoppages arising from industrial disputes in Canada during May, 1949, according to the monthly summary of strikes and lockouts issued by the Minister of Labour, Mr. Mitchell.

The strike of asbestos miners and mill-workers in various centres in Quebec, together with the strike of seamen in Canadian and foreign ports, and a strike of construction labourers in Toronto were responsible for 87.2 per cent of the time loss and almost 70 per cent of the total workers involved in all work stoppages during the month.

Although the number of strikes in existence, and the number of workers involved during the first five months of 1949 was in each case considerably lower than the corresponding period in 1948, the time loss during the same period was approximately 25 per cent higher.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, addressed 13,500 persons at Toronto, and the Progressive Conservative Leader, Mr. Drew, spoke at Granby, Que..... George Ignatieff had a sharp exchange with Semen K. Tsarapkin, Russian delegate, in the working committee of the United Nations Commission for Conventional Armaments at Lake Success yesterday...The Ottawa Journal announced discontinuance of the morning editions of the Journal, commencing July 4.



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Thursday, June 23, 1949.

**Prairie Crop Report:** Cooler weather and rains have maintained and even improved crop prospects in some parts of the West, but there remain large areas in Saskatchewan and Alberta where serious deterioration is continuing. The outlook in Manitoba and most of eastern Saskatchewan is generally good to excellent, while crops in southern sections of Alberta have responded to recent rains. In south-western Saskatchewan particularly, and to a somewhat lesser extent in central and west-central areas of that province, rains are urgently needed. Similar conditions prevail over most of central Alberta from the Calgary-Edmonton line eastward to the Saskatchewan border. Drought is causing rapid deterioration in this large area and frost has caused local damage. Grasshopper infestations appear to be well under control in all three provinces, although the possibility of severe damage still exists, particularly in the most seriously affected districts of central Saskatchewan.

Rains and cool weather during the past week in Manitoba have further improved the crop outlook in that province.

Although general crop prospects have improved in Saskatchewan during the past month, poor conditions still exist in the greater part of south-central and south-western districts.

Although cool weather has helped to maintain conditions in some areas, crops are deteriorating rapidly in much of central Alberta.

**Three New War Vessels:** The first contract in the naval anti-submarine escort shipbuilding program was announced on June 22 by the Minister of National Defence, Mr. Claxton, who stated that Canadian Vickers Limited, of Montreal, would commence work immediately on the preparation of detailed working drawings of the hull structure for the first three ships from the basic design provided by the Royal Canadian Navy.

Every effort will be made to advance the work without delay and it is hoped that the first keels will be laid down at the end of the year or early in 1950.

"These will be classed as major war vessels and, as such, are the first to be designed completely in Canada," the Minister continued.

While specific details of the ships cannot be disclosed for reasons of security, they are designed primarily for the detection and destruction of modern fast submarines. They will be the first to be built anywhere to meet the new requirements.

In function they replace the frigates and corvettes of the Second World War. Like the latter vessels, their design has been worked out so that in the event of an emergency they can be produced rapidly and in quantity.

**Scientific Congresses:** Canada will be represented at two important scientific congresses being held in Europe in July, according to an announcement by the Minister of Mines and Resources, Mr. Gibson.

W. B. Timm, Director of the Mines, Forests and Scientific Services Branch, will head the Canadian delegation to the Fourth Empire Mining and Metallurgical Congress held in Great Britain July 9 to 23. Mr. Timm will present a paper outlining the changes in Canada's mineral resources during the past ten years.

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Other members of the Department attending are Dr. R. B. MacKay, Geological Survey, and C. S. Parsons, Chief, Bureau of Mines. The program includes visits to certain centres in England, Scotland and Wales, where various phases of mining and metallurgical developments will be seen at first hand. Mr. Parsons will also visit iron mines and metallurgical works in Belgium, Luxembourg, and France.

D. A. Macdonald, Dominion Forester, and Col. J. H. Jenkins, Assistant Superintendent of the Ottawa Forest Products Laboratory, will represent the Department at the Third World Forestry Congress in Helsinki, Finland, July 10 to 20.

ICAO Third Assembly: With economy as its keynote, the ICAO Third Assembly completed its sessions at Montreal on June 20 by voting a budget of 2,810,607 Canadian dollars for the operation of the International Civil Aviation Organization during 1950. This marks a reduction of \$261,000 from the original estimates of the ICAO Council and will allow ICAO to continue its working program at the present level but does not allow for any expansion. Of the total budget, \$200,000 will come from ICAO's working capital fund, and the remainder is assessed to the Organization's 54 member nations with regard to their interest in international civil aviation and to their ability to pay. The 1949 budget is \$2,649,685.

Other budgetary resolutions approved by the Third Assembly on June 20 include one designed to ease the difficulty encountered by certain nations in obtaining Canadian dollars by allowing the ICAO Secretary General to accept a portion of the contributions of Contracting States in currencies other than dollars, and another which suspends the voting power of six Member States for failure to discharge their financial obligations to the Organization for a period exceeding two years.

Across Canada: In the general election campaign, the Prime Minister, Mr. St. Laurent, spoke at Shawinigan Falls, Que., the Progressive Conservative Leader, Mr. Drew, spoke at Montreal, and the C.C.F. Leader, Mr. Coldwell, spoke at Broderick, Sask.... Lewis H. Brown, Chairman of the Board of the Johns Manville Company, announced at Montreal yesterday that ten million dollars originally to be spent for the development of the company's Asbestos, Que., property, would be used in connection with a new asbestos mine located near Larder Lake, Ont. near the Quebec border. The foregoing items are based on Canadian Press reports.





# AIRMAIL BULLETIN

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Monday, June 27, 1949.

Six New Senators: J. Adelard Godbout, Premier of Quebec from 1939 to 1944, and five other Liberal legislators from Eastern Canada were elevated to the Senate Saturday, June 25, the Canadian Press reported under a Montreal dateline.

The Prime Minister, Mr. St. Laurent, returning from Newfoundland to spend the last days of the federal election campaign in his own Province, announced the appointments, the dispatch continued.

Those appointed to the Upper House besides Mr. Godbout are: Dr. Thomas Vincent Grant of Montague, P.E.I., member of the last Parliament for King's; Henry Read Emmerson of Dorchester, N.B., former member of Parliament for Westmorland; Hon. J. J. Hayes Doone of Black's Harbor, N.B., Secretary-Treasurer in the New Brunswick Government; William Alexander Fraser of Trenton, Ont., former member of Parliament for the Ontario riding of Northumberland; and William Henry Golding of Seaforth, Ont., former member of Parliament for Huron-Perth.

The appointments increase Liberal representation in the 102-seat Upper Chamber from 67 to 73.

Each Senator from Quebec is appointed to represent one of 24 divisions corresponding with former electoral divisions of the old Province of Lower Canada. Mr. Godbout will sit for Montarville.

Canada Votes Today: Today is federal election day in Canada, with 262 members to be elected to the House of Commons from among 846 candidates running. The number of candidates by Parties are; 260 Liberals; 249 Progressive Conservatives; 180 C.C.F.; 55 Union of Electors; 27 Social Credit; 19 Labour Progressives and 58 from minor groups. The number of voters registered is reported by the Canadian Press to be nearly 8,000,000. The standing in the last Parliament was; 125 Liberals; 69 Progressive Conservatives; 32 C.C.F.; 12 Social Credit; 6 others; one vacancy.

The campaign finished at the week-end with the Prime Minister, Mr. St. Laurent, touring the Quebec district and delivering more than half a dozen speeches, according to the Canadian Press; Mr. Drew, the Progressive Conservative Leader, wound up his campaign with an address in the Auditorium in Ottawa; Mr. Coldwell, C.C.F. Leader, spoke at Biggar, Sask.

Voting hours are from 8 a.m. until 6 p.m., local Standard Time. Election result broadcasts are arranged for from 7 p.m. on until midnight.

Bagotville RCAF Station: A two and one-half million dollar building program is to be carried out for the RCAF at Bagotville, P.Q., to bring the station up to operational requirements, it was announced June 21 by the Minister of National Defence, Mr. Claxton. Bagotville was an active RCAF station during the war, but it has not been used as a permanent base for some years. It was announced last year that Bagotville was being reactivated, in accordance with development of the RCAF's postwar plans.

The work includes extension of the runways, an extensive building program to provide barracks and married quarters, erection of a supply building, and a new sewage disposal plant.

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1948-49 Canada Year Book: The 1948-49 edition of the Canada Year Book is now available. This volume is the official statistical annual of the country and contains an up-to-date account of the natural resources of Canada and their development, the history of the country, its institutions, its demography, the different branches of production, trade, transportation, national accounts and public finance, education, labour, and so on. In brief, it is a comprehensive study, within the limits of a single volume, of the social and economic conditions of Canada.

This new edition, which extends to 1,300 pages, has been thoroughly revised, and includes in its 32 chapters the latest material available at press time. In addition to the regular chapter material there are several special articles dealing with the physical geography of the Canadian western Arctic, the climate of Canada, the contribution to science made by the Dominion Astrophysical Observatory, and the chemical industry in Canada.

Displaced Persons: Following are latest statistics, up to May 31, on Displaced Persons admitted to Canada:

Group workers (those brought over at the request of industry).....	34,628
Those joining Canadian relatives.....	35,410
Orphans for whom private organizations have made special provision.....	1,045
Total.....	<hr/> 71,083

Across Canada: Frank Hall on Saturday night told 200 members and guests of the 40,000-member Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, of which he is Vice Grand President, that they must have the 40 hour week, the Ottawa Journal reported this morning. The Brotherhood recently served notice that among other things it would seek this year from Canadian railways a 40-hour week for 48-hour pay.

Note: (No Bulletin was published on Friday, June 24.)



# AIRMAIL BULLETIN

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Tuesday, June 28, 1949.

**Landslide Liberal Victory:** The Liberal Government of Prime Minister Louis S. St. Laurent was returned to office yesterday, June 27, in what the Canadian Press report of this morning describes as "an unprecedented Atlantic-to-Pacific election sweep which all but eliminated the C.C.F. as a national party and shattered a Progressive Conservative bid for power."

The Canadian Press this morning gave the final party standing, by provinces, on yesterday's voting together with the standing at dissolution, as follows:-

Final party standing:

Liberals.....	193
Progressive Conservatives.....	42
CCF.....	12
Social Credit.....	10
Ind.....	4
Ind. L.....	1
Others.....	0
<b>TOTAL.....</b>	<b>262</b>

Standing At Dissolution

Liberals.....	125
Progressive Conservatives.....	69
CCF.....	32
Social Credit.....	12
Others.....	6

The margin of Liberal victory exceeded the most optimistic forecasts of any of its leaders and supporters, and pro-Liberal sentiment was not confined to any one province or region. From earliest Newfoundland returns until the time differences across the country finally yielded the Pacific Coast returns, it was the same story: an overwhelming swing to Government candidates.

Newfoundland and the other Maritime Provinces reported Liberal victories in about the proportion forecast for this region, but earliest Quebec returns, quickly following, heralded the ultimate, surprising Quebec Province result of 68 Liberals, 2 Progressive Conservatives and three Independents.

Manitoba voted in 12 Liberals, one Progressive Conservative and three C.C.F. members, and then Saskatchewan followed with one of the highlights of election surprises: 15 Liberals elected, one Progressive Conservative and only four C.C.F. members, whereas Saskatchewan had sent 18 C.C.F. members to the last Parliament. British Columbia, where the two main opposition parties had considerable hopes, voted in 11 Liberals, three Progressive Conservatives and three C.C.F. members. Yukon's one seat went Liberal.

(over)

The Canadian Press summary of results by Provinces was as follows:-

Party	Total	Nfld.	PEI	NS	NB	Que.	Ont.	Man.	Sask.	Alta.	BC.	Yukon
Lib.	193	5	3	9	8	68	56	12	15	5	11	1
PC	42	2	1	3	2	2	25	1	1	2	3	0
CCF	12	0	0	1	0	0	1	3	4	0	3	0
SC	10	0	0	0	0	0	0	0	0	10	0	0
Ind.	4	0	0	0	0	3	0	0	0	0	1	0
Ind.-L	1	0	0	0	0	0	1	0	0	0	0	0
Total	252	7	4	13	10	73	83	16	20	17	18	1

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Several well known and veteran members of the last House of Commons fell by the wayside in the voting. Hon. John Bracken, former Progressive Conservative Leader, was defeated, as were John T. Hackett, K.C., only straight Progressive Conservative member elected from Quebec in the 1945 election, and J.M. Macdonnell, Progressive Conservative financial critic in the last House of Commons. Mrs. Gladys Strum, C.C.F. member in the last House, was defeated, as were the other 14 women candidates. The veteran John R. MacNicol was defeated in Toronto. Hon. Harry H. Stevens, one time Minister of Trade and Commerce, running as a Progressive Conservative in Vancouver Centre, was defeated by Liberal Ross Campney.

The Liberals surprisingly won 56 of Ontario's 83 seats, having held only 33 of the 82 Ontario seats at dissolution. The C.C.F. lost Ontario riding to the Liberals but regained South York from the Conservatives.

Camillien Houde, Montreal Mayor, won a seat in Montreal as an Independent; Ludger Dionne, Quebec textile manufacturer who brought 100 displaced Polish girls from Europe after the war to work in his mills, was defeated in Beauce riding by an Independent.



## AIRMAIL BULLETIN

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Wednesday, June 29, 1949.

**Foreign Trade Higher:** Canada's total foreign trade in April was valued at \$483,000,000, showing an increase of 9.3 per cent over the corresponding month last year, according to figures released by the Bureau of Statistics. Aggregate value for the first four months of this year moved up to \$1,813,800,000 from \$1,707,400,000 in the similar period of 1948, or by 6.2 per cent.

Both imports and domestic exports were higher in the month and four-month period. The advance in the value of imports was seven per cent in April and nearly 12 per cent in the cumulative period. The value of exports was up 12 per cent in April, and one per cent in the four months.

Imports for consumption from all countries in April were valued at \$242,700,000 as compared with \$226,700,000 in the corresponding month last year, and in the four months at \$908,400,000 compared with \$812,000,000. The April total for domestic exports was \$237,800,000 compared with \$212,300,000 a year ago, and in the four months at \$896,600,000 compared with \$884,400,000 last year.

Foreign commodities were re-exported in April to the value of \$2,484,000 compared with \$2,752,000 in the same month last year, and in the four months at \$8,828,000 compared with \$11,009,000.

With imports slightly higher than domestic and foreign exports, Canada had a small deficit of \$2,400,000 on the month's foreign trade with all countries as compared with a deficit of \$11,600,000 in April last year. There was also a small overall debit balance of \$3,000,000 in the four months ending April as compared with a favourable balance of \$83,400,000 in the like period of 1948.

The debit balance with the United States was \$65,100,000 on the month's trade as compared with a deficit of \$48,000,000 in the corresponding month last year, and in the four months totalled \$197,900,000 compared with \$155,900,000 a year earlier. The credit balance with the United Kingdom in the month was \$33,400,000 compared with \$19,800,000 a year ago, and in the four months, \$96,600,000 compared with \$134,800,000 a year ago.

**Commodore Dismissed:** A five-man Navy court martial on June 28 dismissed Commodore G. R. (Gus) Miles, OBE, 47 of Rothesay, NB, from command of the aircraft carrier Magnificent and sentenced him to be reprimanded, the Canadian Press reported today from Halifax.

The court martial, presided over by Admiral E.R. Mainguy, Atlantic Coast flag officer, convicted Commodore Miles, senior officer afloat, of "negligently or by default suffering" the 18,000-ton flat-top to be "hazarded" and "stranded" off Nova Scotia's south shore, June 4, the report continued.

The big ship had 200 feet of her bottom ripped out when she went aground off White Point Beach, 70 miles from Halifax, on what an officer aboard the carrier said was a "submerged, uncharted rock" 150 yards off shore. She is now in dry-dock at Saint John, NB, for repairs.

The court acquitted Commodore Miles on two charges of having hazarded and stranded the carrier by negligence or default. The navigation officer, Lt. Cmdr. W.D.F. Johnston, of Barnstead, Surrey, England, will be tried on the same charges before a separate court martial on June 29.

Navy officers said the Court's findings will be sent to Ottawa for review by the Minister of National Defence, Mr. Claxton, who has the power to decrease but not add to the sentence.

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Australia Air Service: Postal communication between Canada and Australia will be greatly improved with the inauguration of direct air service on July 13, reports the Post Office Department.

On this date the Canadian Pacific Airways will commence their new Pacific operation leaving Vancouver at 10:45 a.m. and thereafter every alternate Wednesday, and due in Sydney, Australia at 5 p.m. the following Sunday. (Local Standard Time)

Leaving Sydney, Australia, on July 22 the mail plane is due in Vancouver at 12:30 a.m. July 25. Flights will leave Sydney for Vancouver, thereafter, every alternate Friday.

This is the first direct All-Canadian Air Mail service between the two countries, and operates in addition to the existing direct Trans Pacific A.M.S. from Vancouver, and in addition, likewise to the Air Mail connections made via the United States planes to and from Australia.

Employment and Earnings: Employment in leading establishments in the eight major industrial divisions showed moderate improvement at May 1, reversing the downward movement indicated in immediately preceding months, according to preliminary figures released by the Bureau of Statistics. The rise in employment was accompanied by a slight advance in total payrolls. Per capita weekly earnings, however, were down slightly from April but above May last year.

The advance index number of employment, based on 1926 as 100, stood at 188.6 -- a new high for May 1 -- as compared with 187.6 at April 1, and 186.5 at May 1, 1948. Marked seasonal curtailment was noted in logging operations in the Eastern and Central provinces, but the trend in numerous other industries was favourable at the beginning of May.

RCAF Appointment: Appointment of Wing Commander R.M. Cox, DFC, AFC, of Fort Garry, Man., as senior RCAF Air Cadet Liaison officer at Air Force Headquarters, Ottawa, replacing Wing Commander W.F.M. Newson, DSO, DFC, is announced by Air Force Headquarters. W/C Cox, wartime commander of an RAF Mosquito bomber squadron, whose operations constituted one of the most highly guarded of Allied bombing techniques, was on the directing staff of the RAF Staff College in Britain before taking his new position.

Across Canada: The press speculated today that Canada's new 21st Parliament would be called into session in September....Premier Joseph Smallwood of Newfoundland was ordered in court to answer charges that he intimidated votes in the federal riding of St. John's West and hearing was set for July 7....The possibility of recounts in at least nine ridings as a result of close votes in Monday's general election was reported by the Canadian Press. Progressive Conservatives were declared winners in five of the closely-contested ridings, Liberals in three, and the ninth is that of Mayor Houde in Montreal, who ran as an Independent.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, June 30, 1949.

Prime Minister Nehru To Visit Canada: Prime Minister Pandit Jawaharlal Nehru of India has accepted the invitation of the Prime Minister of Canada, Mr. St. Laurent, to visit Canada in October, it was announced from New Delhi, India today. Mr. St. Laurent's invitation, confirmed by the Department of External Affairs in Ottawa, was extended on behalf of the Government and people of Canada, adding:

"The Canadian people would appreciate the opportunity of welcoming you as Prime Minister of a sister nation of the Commonwealth, and as the distinguished leader of the people of India."

Three U.S. Ships To Arctic: The Department of External Affairs announced on June 29 that three United States ships will spend about two months in northern waters this summer. Sailing from United States and Canadian east coast ports in July they will supply fuel and provisions to the joint weather stations in the Canadian Arctic that have been established there since 1947. The stations are maintained by the Canadian and United States Governments, and representatives of Canadian government departments will take part in the expedition. The senior Canadian representative will be Mr. J.W. Burton of the Northwest Territories Administration, Department of Mines and Resources, Ottawa.

The ships, the U.S.S. "Edisto", an icebreaker, the U.S.S. "Wyandot", a transport, and the U.S.S. "LST-533", serving as a cargo vessel, will be under the command of Captain Basil N. Rittenhouse, U.S.N., embarked in the "Edisto".

The expedition will carry north the yearly stock of Canadian and United States supplies required by the four joint weather stations now in operation at Prince Patrick Island, Ellef Ringnes Island, Cornwallis Island and Ellesmere Island. If conditions are favourable, the icebreaker may also endeavour to land additional supplies at Alert, the site near Cape Sheridan (northern Ellesmere Island) chosen last summer for a weather station to be put into operation at some future date. This site has been given its name in honour of H.M.S. "Alert", one of the ships of the British explorer, Sir George Nares, who in 1875-6 carried out the first survey of the north coast of Ellesmere Island.

The U.S.S. "Edisto" will carry helicopters to facilitate navigation through the ice and, if time permits, will investigate routes to and sites for possible future weather stations.

Woman May Be Elected: Earlier announcement that no woman candidate had been elected to the House of Commons in Monday's voting may be wrong. Mrs. Dorothy Steeves, C.C.F. candidate in Burnaby-Richmond, B.C., this morning is reported to be leading by 16 votes over her Liberal opponent, T.J. Goode. The count is not yet official. Another election result now declared to be uncertain is that in Melfort constituency in Saskatchewan, where a Liberal, T.R. MacNutt, appeared to have been elected on the early count. A Canadian Press despatch from Prince Albert last evening said that with four polls still to be heard from P.E. Wright, C.C.F. is now leading by 42 votes. Should the C.C.F. take the two seats in question the Liberal strength in the House of Commons would be reduced from the 193 originally reported to 191, and the party strength of the C.C.F. increased from 12 to 14.

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Commonwealth Conference: The Prime Minister, the Right Honourable Louis S. St. Laurent, today issued the following statement:

The Canadian Government, together with other Commonwealth Governments, has received an invitation from the Government of the United Kingdom to send a representative to a meeting of Commonwealth Finance Ministers in London to discuss the dollar situation. The meeting is to take place towards the middle of July and the Honourable Douglas Abbott, Minister of Finance, will attend to represent the Government of Canada. Mr. Abbott will go to London by air next week. Appropriate Canadian officials will act as advisers to the Minister. Dr. W.C. Clark, Deputy Minister of Finance, and Mr. Norman Robertson, Secretary to the Cabinet, have already left for the United Kingdom and Mr. L.D. Wilgress, the Canadian High Commissioner will also participate.

In view of the fact that Canada is not part of the Sterling Area, and has specially close economic and financial relations with the United States, preliminary informal talks will be held with United Kingdom and United States authorities prior to the Commonwealth meeting.

It is understood that Mr. John W. Snyder, U.S. Secretary of the Treasury, is leaving shortly for Europe and Mr. Abbott looks forward to discussing with him problems of mutual concern.

Magnificent's Damage \$275,000: Survey to the hull of H.M.C.S. "Magnificent" has been completed at Saint John, N.B. drydock and cost of repair is expected to be somewhat less than \$275,000, it was announced at Naval Headquarters on June 30.

Navigation Officer Reprimanded: A five-man Navy court martial on June 29 sentenced Lt. Cmdr. W.D.F. Johnston, 31-year-old English-born navigation officer of the aircraft carrier "Magnificent", to be reprimanded, the Canadian Press reported from Halifax.

The court martial, presided over by Capt. E.P. Tisdall of Ottawa, Director-General of Naval Ordnance, convicted Lt. Cmdr. Johnston of hazarding the 18,000-ton flat-top through negligence or default when she ran aground off Nova Scotia's south shore June 4.

Across Canada: Newfoundland's first provincial Legislature will open July 11, Premier Smallwood announced last night, according to the Canadian Press. The Premier also announced minor shifts in his Cabinet....Lt.-Gen. Maurice Pope, head of the Canadian Military Mission in Berlin, arrived back in Ottawa yesterday.





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Monday, July 4, 1949.

Record Investment Plans: Canadian expenditures for capital goods in 1949 are now estimated at approximately 3.4 billion dollars, which is 11 per cent higher than the estimated actual expenditure of \$3 billion last year, the Minister of Trade and Commerce, Mr. Howe, announced on June 30.

The \$3.4 billion estimate is an upward revision of a forecast made at the beginning of the year by the Department of Trade and Commerce. The earlier forecast was for a total expenditure of \$3.3 billion.

In releasing this report, which was prepared by the Economic Research and Development Branch of the Department with statistical assistance from the Bureau of Statistics, the Minister noted that the mid-year review indicated little change of investment plans by Canadian business, individuals, institutions and governments formulated six months ago.

If these investment plans are realized, 1949 will be a record year of investment activity in Canada. Most of the increase of investment indicated in the mid-year survey appears to be owing to greater availability of materials and labour and improved deliveries of machinery and equipment. While there appears to have been little change in the total demand for capital goods, investment plans of individual firms vary more significantly than in past years with some firms spending more than they expected and others less. On the whole, demand for capital goods remains strong. Where reduction in expenditures has occurred, the main reason given has been the high construction costs currently prevailing.

Jets To Perform In U.S.: Canadian Vampire jet fighters will show the maple leaf roundel of the RCAF to large crowds at three air shows in the United States this summer, it was announced June 30 by Air Force Headquarters, Ottawa. An aerobatic team of several Vampires from 410 Fighter Squadron of the Regular Force, stationed at St. Hubert, P.Q., will perform at Orchard Field, Chicago, July 3 and 4, and at Willow Run Field, near Detroit, August 6 and 7. A similar team of Vampires drawn from one of the Auxiliary Squadrons in Western Canada will fly at St. Paul, Minn., from August 28 to September 6.

The Vampires flying at the Chicago show will leave St. Hubert July 1, and will be accompanied by a Dakota carrying ground crew personnel for servicing the speedy jet fighters. The aircraft are appearing at Chicago at the request of the American Air Force Association, which is holding a convention there.

The appearance of the St. Hubert aerobatic team at Willow Run will be in conjunction with the Michigan International Air Fair, and the performance of the Western Vampires at St. Paul will be before crowds attending the Minnesota State Fair.

Appearance of the Canadian jet fighters in the United States is a two-way arrangement, American Air Force planes having appeared at similar Canadian shows. Thirty-six F-51 aircraft of the USAF 107th Fighter Group, Niagara Falls, N.Y., flew over Hamilton on May 15, and numerous other American Air Force planes have appeared in Canada on various occasions.

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Servicemen's Election Vote: The servicemen's vote, 60 per cent Liberal, made no change in party standings in the June 27 federal election, the Canadian Press reported.

However, it came within two votes of producing a stalemate in a riding held by the Progressive Conservatives--Annapolis Kings in Nova Scotia.

The party standings remained: Liberals, 192; Progressive Conservatives, 42; CCF, 13; Social Credit, 10; Others, 5; Total, 262.

The result of a five-day advance poll for regular servicemen, reservists at summer camps and veterans confined to hospital were made public Sunday by Jules Castonguay, Chief Electoral Officer.

The servicemen's votes gave the Liberals 13,797 of the 22,714 total, the Conservatives 5,316, the CCF 2,294, Social Credit 369, and the rest of the other parties, including 32 ballots marked for the Communistic Labour-Progressives.

Honour Newfoundland's Dead: The whole of Canada joined with Newfoundland on July 3 in honouring the Island's dead in two world wars. The Army, Navy and R.C.A.F. had crack, crisp units on hand for the occasion, the Canadian Press reported from St. John's.

The Minister of National Defence, Mr. Claxton, placed a wreath at the foot of the war memorial here as the official representative of the federal Government. It was a day of brilliant sunshine.

The ominous rumble of bombers blended with mournful music of an Army band during the impressive ceremony, witnessed by some 20,000 persons who lined Duckworth and Water streets. The destroyer Nootka was tied up nearby and her complement took part.

Export Of Cheese: Permits for the export of all types of cheese to any destination will be granted freely, effective immediately, the Minister of Trade and Commerce, Mr. Howe, announced on June 30.

Across Canada: Sixty five persons lost their lives through accidents in Canada over the holiday week-end just concluded....The heat wave which has gripped eastern Canada for the last several days continued into today. Temperatures have been in the nineties.



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Tuesday, July 5, 1949.

Canada - Sweden Agreement: The Department of External Affairs announced on July 4 that Canada and Sweden have concluded an agreement modifying their visa requirements for temporary visitors.

Beginning July 1, Canadian citizens, who are bona fide non-immigrants (visitors, not seeking employment nor permanent residence) and who are in possession of valid Canadian passports may, without previously obtaining a Swedish visa, visit Sweden for periods each not exceeding three consecutive months.

Swedish subjects, who are bona fide non-immigrants coming to Canada and who are in possession of valid Swedish passports, will receive, from the Canadian Legation in Stockholm, visas, free of charge, valid for an unlimited number of entries to Canada during a period of twelve months from the date of issue of such visas.

This agreement in no way exempts Canadian citizens or Swedish subjects from the necessity of complying with the Immigration and residence regulations of Sweden and Canada.

May Export Statistics: Canada's domestic exports in May, showing the usual seasonal trend, increased in value to \$272,900,000 from \$237,800,000 in April, but were 3.4 per cent below the value of \$282,300,000 for May last year, according to trade returns released by the Bureau of Statistics. Aggregate value for the five months ended May, was slightly above that for the corresponding period of 1948, amounting to \$1,169,600,000 as against \$1,166,600,000.

Shipments to the United States during May increased in value over both April and May last year, while those to the United Kingdom showed a further gain over the preceding month but a drop from last year. Sharp gains over a year ago were recorded in exports to the Union of South Africa, India and Pakistan, and decreases in sales totals to European and Latin American countries.

Wheat exports during May, as in April, were sharply above a year ago, shipments of farm implements and machinery nearly doubled in value, and smaller but distinctive gains were registered for grains other than wheat, cattle, fish and fishery products, newsprint, zinc and products, and ships and vessels. Major commodity decreases were in flour, bacon and hams, planks and boards, wood pulp, automobiles and parts, aluminum, asbestos, and coal.

Merchandise exports to the United States in May were valued at \$121,199,000 as compared with \$110,654,000 in April and \$114,711,000 in May last year. For the first five months this year the value of sales across the border was \$577,004,000 as against \$536,264,000 in the January-May period of 1948, a gain of nearly eight per cent.

May shipments to the United Kingdom amounted in value to \$72,403,000, up from \$63,049,000 in April but down from last year's May figure of \$85,058,000, which was the highest monthly value in 1948. Cumulative value for the five months stood at \$274,887,000 compared with \$305,201,000 last year, a decrease of nearly 10 per cent.

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Securities Transactions: Security transactions between Canada and other countries in April resulted in a sales balance of \$4,200,000, the largest since November, 1946. Total transactions in the month amounted to \$38,600,000, the highest monthly total in the current year, but only slightly higher than the monthly average of \$34,800,000 in 1948.

Transactions during the first four months of the year resulted in net sales in each month but February. The cumulative sales balance at the end of April was \$4,100,000, contrasting with purchase balances of \$6,400,000 and \$5,000,000 in the same periods of 1948 and 1947.

The sales balance in April was principally due to trade with the United States, in which there was an excess of sales over purchases of \$3,900,000. The most prominent transactions were sales of United States stocks and Canadian municipal bonds and repurchases of Canadian stocks.

Living Costs At New Peak: The Bureau of Statistics cost-of-living index advanced from 159.5 to 160.5 between May 2 and June 1. The increase established a new peak for the index and placed it 0.9 points above the previous high of 159.6 recorded for October and November 1948, and January, 1949.

The May-June advance was entirely attributable to a rise in the food index of 3.4 points to 202.9. This was accounted for by a further seasonal rise in meats combined with a number of other increases, the most important of which were fresh vegetables and oranges.

The indexes of homefurnishings and services and fuel and light moved contrary to the total index, both declining 0.4 points to 167.7 and 128.7, respectively. Clothing remained unchanged at 183.3 as did miscellaneous at 128.4. In both of these groups scattered small increases and decreases balanced each other. The rent index remained at 122.4.

Residential Building Up: Residential building in Canada rose sharply during the first four months this year with completions and starts both showing substantial gains over the same period last year. There were 25,100 dwelling units completed in the period, an increase of 6,800 or 37 per cent over the same period of 1948, according to estimates by the Bureau of Statistics. This gain is due to the high carry-over of houses under construction at the end of 1948. Starts were also made on 16,900 dwelling units in the first four months of this year, an increase of 12.7 per cent over the same period of 1948.

"Pre-fab." House To Arctic: Laden with approximately 700 tons of supplies for Government Arctic stations in the Hudson Bay and Strait, the Department of Transport Icebreaker, the C.G.S. "N.B. McLean", sailed on July 4 from Quebec City to undertake annual duties of opening navigation in these northern waters. The powerful icebreaker has a heavy itinerary which will keep her fully occupied until late October of this year or when the last Europe-bound vessel passes through the Strait.

The 700 tons of cargo carried by the "N.B. McLean" this year will include a four-room prefabricated house which is being taken to Resolute Island and will be erected there to replace the one which was burnt down February of this year.

Across Canada: The federal riding of Annapolis-Kings in Nova Scotia has swung from the Progressive Conservative to the Liberal column in the June 27 election results as the declared count was announced: Liberal candidate A. A. Elderkin 13,196; Progressive Conservative candidate George Nowlan 13,189. A recount will be sought....A record in United States tourist traffic was believed to have been established on Independence Day weekend....Eastern Ontario and Quebec received cool weather relief from a week's sizzling heat today.

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Wednesday, July 6, 1949.

April Production Peak: Canada's production set a peacetime record in April, the Bureau of Statistics reported on July 5.

The index of production for the month hit 187.2 compared with 185.5 for March and 184.1 for April, 1948. The previous peacetime high was set in December, 1948, when the index rose to 185.8. The index is based on 1935-39 equals 100.

"Increased production of durable goods was primarily responsible for the increase, with the sub index for transportation equipment moving from 252.5 in March to 266.7 for April, while that for motor vehicles moved from 189.3 to 212.9," said the Bureau. "In both these cases new highs since 1945 were reached."

In another section of its report on current economic conditions, the Bureau said the May monthly average of the weekly wholesale price index of industrial materials dropped "rather sharply" from that of April, the figures being 149.9 and 153.9, respectively.

"This drop in the wholesale price index may well reflect the indication of increased production . . ." said the Bureau.

Wholesale prices for Canadian farm products moved up from 147.3 in April to 147.6 in May. In May, 1948, the index was 150.4.

The report covered the employment situation up to March 5. On that date the civilian labour force was estimated to total 4,899,000, compared with 4,825,000 on February 21, 1948 and 4,706,000 at March 1, 1947.

The report also dealt with commercial failures in the first quarter of this year and showed that in the period some 270 firms went bankrupt. It was the largest quarterly total since 1941 when there were 294 failures.

"Approximately 60 per cent of Canada's total foreign trade in April was in the form of exchange of goods with the United States," said the report. "We imported goods to the value of \$177,300,000, or 73 per cent of the total imports, in April, compared with \$169,000,000 in March and \$159,500,000 in April of last year."

New Defence Appointments: The Minister of National Defence, Mr. Claxton, has announced the appointment of Dr. John Joseph Green, M.B.E., of Ottawa, as Deputy Director General of the Defence Research Board, and Scientific Adviser to the Chief of Air Staff.

Dr. Green was educated at the University of London, taking his B.Sc. with first class honours and his A.R.C.Sc. from the Imperial College of Science and Technology in 1928. He was awarded the Imperial College Governors' prize in Physics, and a Sir Otto Beit Scientific Research Fellowship, completing his Ph.D. in aeronautics in 1930.

From 1930 to 1943 Dr. Green was on the staff of the National Research Council, Division of Mechanical Engineering, latterly as head of the Aerodynamics Section. In 1943 he enlisted in the R.C.A.F. and was appointed Chief Research Engineer, Test and Development Establishment, Rockcliffe. In 1943, Dr. Green received the M.B.E. for valuable public service in the field of scientific research, and in 1945 the King's commendation for valuable service in the air.

From 1945-49 Dr. Green was the Chief Research Aeronautical Engineer of the Air Transport Board, Ottawa.

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The Minister also announced the appointment of Mr. Carleton Craig as Chief Superintendent of the Canadian Armament Research and Development Establishment, Valcartier, Que. Mr. Craig is on loan for two years from McGill University, where he is Vice Principal of Dawson College and Associate Professor of Civil Engineering and Applied Mechanics.

He succeeds Dr. W.B. Littler, FRCS, of London, England, who has been on loan to the Defence Research Board from the British Ministry of Supply. Dr. Littler returned to the United Kingdom last month after serving in DRB for the past two years.

Rains Improve Crops: Rains have fallen over wide areas of the Prairie Provinces. Crop prospects in Manitoba remain generally excellent and material improvement is indicated in some sections of Saskatchewan and Alberta. Grain stands in Manitoba are heavy in most areas with nearly all early-seeded fields heading or in head. Rain is required, however, in the south-central portion of the Province around Morden where moisture supplies are still poor and lowered grain yields are anticipated.

Moisture conditions are much improved in the central part of Saskatchewan but the situation is little changed in the dry south-central and south-western districts.

Although the rains brought some relief to the drought affected areas in east-central Alberta, it is still too early to determine to what extent the crops have benefited.

Grasshoppers have been kept quite well in check in the affected areas of all three provinces. Sawflies are in full flight in southern Alberta and, while susceptible varieties of grain are severely infested, it is too early to determine the extent of the damage.

Crop prospects in Ontario remain considerably below average as a result of the recent prolonged drought.

In Quebec conditions are about average over most of the Province and the outlook is considered generally satisfactory.

I.L.O. At Geneva: The International Labour Organization's Governing Body at Geneva on June 30 approved establishment of a fact-finding and conciliation commission on freedom of association, for the purpose of international supervision of freedom of association, as suggested in proposals submitted by I.L.O. Director-General David A. Morse.

Across Canada: The Minister of Finance, Mr. Abbott, left last night by air for London, England, to attend the Commonwealth Conference....P. D. Ross, publisher of the Ottawa Journal for 61 years, died at his home yesterday at the age of 91....Two airmen from R.C.A.F.'s No. 400 squadron stationed at Toronto were killed yesterday when their aircraft crashed near Picton, Ontario.



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Thursday, July 7, 1949.

Commonwealth Finance Conference: The Prime Minister, Mr. St. Laurent, on July 6, issued the following statement:

The Minister of Finance, Mr. Abbott, is leaving by air today (July 6) for London for informal talks with United Kingdom and United States authorities and, subsequently, to represent the Government at the Meeting of Commonwealth Finance Ministers. The date on which the meeting will begin is now fixed for July 13.

Mr. M. W. Mackenzie, Deputy Minister of Trade and Commerce, and Dr. G. S. H. Barton, Special Assistant to the Minister of Agriculture, are flying to the United Kingdom at the same time as Mr. Abbott. They are both members of the United Kingdom-Canada Continuing Committee on Trade and Economic Affairs. The other two Canadian members of the Committee, Dr. W. C. Clark, Deputy Minister of Finance, and Mr. Dana Wilgress, High Commissioner for Canada, are already in London.

It will be remembered that this Committee was formed following the visit of Sir Stafford Cripps to Canada last September and held its first meeting last January. It was established as a means of ensuring continuity and close liaison between official representatives of the two countries.

The presence of these Canadian officials in London will afford opportunity for contacts and conversations with the United Kingdom members of the Committee. The extent of these conversations will naturally depend on circumstances as they develop.

International Fisheries: Government fisheries officials of both Canada and the United States will meet in Ottawa Thursday and Friday for routine discussions on administration of two West Coast international treaties, the Fisheries Department announced on July 6.

The discussions, which will deal with the operations of the International Pacific Salmon Fisheries Commission and the International Halibut Commission, are a continuation of exchange of views between Canadian and United States government administrators which began last year when the two Commissions met simultaneously for the first time at Ottawa.

Described as "strictly informal" the deliberations will be under the chairmanship of Stewart Bates, federal Deputy Minister of Fisheries. Attending the discussions will be officials of the Department of Fisheries and the Department of External Affairs; Dr. W. M. Chapman, of the U. S. State Department and officials of the U. S. Fish and Wild Life Service.

Britons Study Canadian Army: A close study of the Canadian Army and its place in the community life of Canada will be made by two British officers who will tour military installations and bases this month. They are Brig. G. D. G. Heyman, CBE, and Col. R. P. de Winton, CBE, both of the British Joint Services Mission (Army Staff) in Washington.

Scheduled to arrive in Canada on July 10 and remain until July 24, the two officers will visit such places as Montreal, Winnipeg, Fort Churchill, Edmonton, Whitehorse, Chilliwack and Vancouver, Army Headquarters announced on July 7.

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Brig. Heyman is well-versed in the mechanics of organizing and maintaining an army. A graduate of the Staff College at Camberley, England, he took an important part in planning the landings in Europe, North Africa and Sicily. In 1941 he commanded an infantry battalion and later became Director of Plans for the Middle East Forces. During 1946 and 1947 he was employed as deputy-chief of Internal Affairs and Communications Division in Germany as well as chairman of the de-Nazification Board in the Control Commission for Germany.

More Mines Divisions: Creation of three new Divisions within the Bureau of Mines to meet the greatly increased industrial demands being made upon its services, was announced on July 6 by the Minister of Mines and Resources, Mr. Gibson.

These new Divisions resulted from the sub-division of the former Mineral Dressing and Metallurgy Division which comprised the mineral dressing, metallurgical and radioactivity sections. By this re-organization each of the three will now have Division status.

Mr. R. J. Traill, Chief of the former Division of Mineral Dressing and Metallurgy, becomes Chief of the Division of Mineral Dressing and Process Metallurgy.

Dr. John Convey, previously chief metallurgist, becomes Chief of the Division of Physical Metallurgy.

The Division of Radioactivity will be headed by Mr. Arvid Thunaes, specialist in metallurgy.

Unemployment Insurance: Claims for unemployment insurance benefits filed in local offices across Canada in May totalled 63,700, down from the April figure of 69,000, but up from the May, 1948 total of 42,300, according to the Bureau of Statistics. At the end of the month there were 95,800 ordinary claims on the live unemployment register compared with 134,500 at the end of April and 71,000 at May 31, 1948.

A total of 150,700 persons received one or more benefit payments during May, amounting to \$5,511,100 for a total of 2,474,100 compensated unemployed days compared with 191,700 beneficiaries paid \$7,605,800 for 3,400,400 compensated days in April and 107,300 beneficiaries paid \$3,666,600 for 1,887,300 compensated days in May last year.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on June 23 amounted to 75,036,000 bushels compared with 80,881,000 on June 16, and 49,706,000 on the corresponding date last year, according to the Bureau of Statistics.

Overseas export clearances of wheat during the week ending June 23 totalled 5,870,700 bushels compared with 1,788,800 in the same week last year, and in the cumulative period, 153,602,100 bushels compared with 117,446,100.

Across Canada: The Canadian Congress of Labour last night announced suspension of five officials of the United Electrical Workers (CCL) for "slanderous and misleading" statements which have appeared in the U.E.W. official newspaper....Atlantic organizer H. C. (Bert) Meade of the Canadian Seamen's Union was sentenced to 21 days in jail in Halifax yesterday on conviction of illegal possession of offensive weapons....The foregoing are based on Canadian Press dispatches.





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Friday, July 8, 1949.

Grain Shortage Ended: With grain production in most world countries in 1948 exceeding or approaching pre-war levels, the stringent post-war shortage of grain is apparently at an end, states the Bureau of Statistics in its monthly review of the wheat situation. World food production and supplies during the 1948-49 year were materially higher than in the preceding year, and the grain export surplus was the largest since 1930-31.

As a result of the improved food situation there have been several important developments during the past year. The international allocation of all foodstuffs except rice has ceased. Bread rationing has been discontinued in most countries and ration controls on other foodstuffs have been considerably relaxed throughout most of Europe. Larger supplies of many foodstuffs, including wheat, have also been reflected in gradually declining prices.

The improvement in breadgrain supplies during 1948-49, together with fairly satisfactory current prospects for the 1949-50 crop, indicates that further adjustments will soon take place in the production and price patterns in many producing countries. The ratification of the International Wheat Agreement by enough countries to make the scheme operative shows that both importing and exporting nations are desirous of bringing a greater measure of stability to international wheat marketing.

Canada - Sweden Accord: Trade between Canada and Sweden may be carried on in future on either a United States dollar or a Canadian dollar basis, the Minister of Finance, Mr. Abbott, announced on July 8.

Heretofore exporters shipping to Sweden have been required to obtain payment in U.S. dollars. Under arrangements made with the Swedish authorities, Sweden is being designated as a "special arrangement" country as from July 11. Consequently Canadian dollars will also be acceptable in payment for exports to Sweden.

The arrangements also will enable Canadians to obtain permits through their banks for the expenditure of any reasonable amounts of Canadian dollars for travel to Sweden. Sweden is thus placed on the same basis, so far as Canadian travellers are concerned, as France, Belgium, Luxembourg, the Netherlands, Norway and countries in the sterling area.

Previously, travel expenditures in Sweden were in practice made in U.S. dollars and were therefore limited by the travel ration of \$150 U.S. covering the period from November 16, 1948 to November 15, 1949.

Air Squadrons To Rhode Island: Two Royal Canadian Navy air squadrons, No.'s 825 and 826, flew from their base at Dartmouth, N.S., to the U.S. Naval Air Station, Quonset Point, Rhode Island, on July 7, for approximately three months' combined training and manoeuvres with the U.S.N.

This is the latest in a series of training schemes designed to standardize techniques and methods employed by the Canadian Services with those of the United States Armed Forces.

The two squadrons form the R.C.N.'s 18th Carrier Air Group, flying Firefly Mark 1 and Mark 5 aircraft and specializing in anti-submarine operations. While with the U.S.N. they will train in American carrier landing methods and anti-submarine procedures. Flying will be done from U.S.N. carriers and U.S. Naval Air Stations in the Quonset Point area.

(over)

New P.E.I. Senator: Appointment to the Senate of the Minister of Public Works and Highways in the Prince Edward Island Government, George H. Barbour, was ratified yesterday by the Governor General on the recommendation of the Cabinet, the Canadian Press reported.

He fills the lone vacancy among the four P.E.I. seats in the Upper Chamber. The appointment reduces the total number of Senate vacancies to 13.

The appointment was one of the last acts by the Prime Minister, Mr. St. Laurent, before leaving for a vacation near Bathurst, N.B. He is expected to be gone from Ottawa at least two weeks and the Minister of Trade and Commerce, Mr. Howe, has been named Acting Prime Minister in his absence.

Newfoundland Shows Surplus: Newfoundland has shown a surplus of nearly \$5,000,000 in the three months since Confederation, the Provincial Finance Department announced yesterday, according to a Canadian Press dispatch from St. John's.

Across Canada: The Alberta Legislature prorogued yesterday after a four day special session in which eight bills were approved, mainly giving strong powers to the Petroleum and Natural Gas Conservation Board and the Executive Council to grant or refuse applications for gas export....Barbara Ann Scott has signed for an Ice Show tour of Canada, the Ottawa Citizen reports this morning.

# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Vol. 7, No. 126

Monday, July 11, 1949.

Commonwealth Finance Conference: The Canadian Press reported in part as follows on the Commonwealth Conference in London, England, attended by the Minister of Finance, Mr. Abbott:

London, July 10 -- (CP) -- Britain, Canada and the United States will try to achieve a world trade pattern in which sterling and dollar countries can operate within one multilateral system, it was announced today.

As the next step towards this objective, a British Treasury communique said, the three countries concerned will hold "technical and fact-finding discussions." These would be a prelude to further conferences at a ministerial level, tentatively scheduled for Washington in September.

On immediate problems, including the recent sharp fall in sterling-area reserves, the communique said:

"A number of supplementary measures were suggested which could be taken by the Governments either individually or in concert to strengthen the present position. In this connection no suggestion was made that sterling be devalued."

The communique was issued from Prime Minister Attlee's country residence at Chequers. It followed a three-day talk at the Treasury and Chequers among Douglas Abbott, Canada's Finance Minister, Sir Stafford Cripps, Britain's Chancellor of the Exchequer, and John Snyder, United States Secretary of the Treasury.

The three-power talks were called by Sir Stafford to meet the challenge of what he called "the age of economic re-adjustment." They will be followed Wednesday by the opening of a 10-day conference of Commonwealth finance ministers at which Canada's strong six-man delegation will play a key role as representatives of the Empire's only dollar country....

Trinidad Bars Dollar Trade: Trinidad, Canada's biggest customer in the British West Indies, Saturday suspended all imports from dollar areas, the Canadian Press reported from Port of Spain, Trinidad.

Thus, the flow of exports--notably grains and manufactured goods -- from Canada to Trinidad ceases immediately. The island's purchases in Canada last year totalled \$30,000,000, the report continued.

The Colonial Office revealed in London Friday it had asked Britain's Colonial Government to suspend temporarily the issuance of licences for imports from hard currency areas.

This development, aimed at reducing unnecessary spending of scarce U.S. funds, followed an announcement by Sir Stafford Cripps, Chancellor of the Exchequer, that United Kingdom gold and dollar reserves have dwindled below the danger level.

Another British Caribbean possession, Jamaica, froze dollar imports Friday for "an indefinite period." The ban will be enforced in all cases except those where suspension would have "grave effects" on the people.

Britain's other Caribbean colonies are expected to follow the lead of the two major trading islands, according to the report.

(over)

Eight Election Recounts: Eight recounts--half of them in Quebec--have been ordered in constituencies which had close races in the June 27 election, according to Canadian Press announcement this morning.

The recounts have been called in Magdalene Islands, Dorchester, Three Rivers and Montreal Papineau--all Quebec ridings--in the Ontario constituencies of Brant-Wentworth and Middlesex East, and in Annapolis - King's, Nova Scotia, and Regina City.

There may be other recounts requested in a number of additional ridings which had close races, but formal requests have not yet been made.

Liberal candidates hold the lead in four of the eight seats which will have votes recounted. Progressive Conservatives lead in three, and an Independent is the leader in the other riding.

Farm Cash Income Up: Farmers' receipts from the sale of farm products in the first three months of this year reached a total of \$406,386,000, showing an increase of almost seven per cent over the same period of 1948, according to the Bureau of Statistics.

Cash income from the sale of field crops at \$133,878,000 for the first quarter of 1949, was up more than 20 per cent over last year's corresponding total of \$108,721,000. The increase can be largely attributed to increased marketings of the five principal grains and a higher price for wheat.

Income from the sale of livestock and livestock products totalling \$264,776,000 for the January-March period of this year is relatively unchanged from that of the same period of 1948. With the exception of cattle and calves, the 1949 marketings of livestock were down this year as against last. Prices, on the other hand, were without exception, higher than a year ago with the index of livestock prices indicating an overall increase of more than 20 per cent.

Crude Petroleum: Continuing the gains of earlier months, Canadian production of crude petroleum and natural gasoline rose to an all-time monthly high in April. The rise in the month was principally due to sharply increased output in the Leduc and Redwater fields of Alberta. Production from Turner Valley was lower.

According to figures compiled by the Bureau of Statistics, output in April amounted to 1,845,400 barrels as compared with the previous peak of 1,748,400 attained in March, and was more than double the April, 1948 figure of 795,700 barrels. During the first four months of this year, output totalled 6,393,400 barrels as against 3,169,600 in the similar period last year.

Across Canada: The second of two Royal Navy submarines which are being loaned to the Royal Canadian Navy for anti-submarine training purposes will arrive at Halifax on July 12, Naval Headquarters has announced.... Mohammed Ali, Pakistan's first High Commissioner to Canada, arrived in Ottawa Saturday from New York, the Canadian Press announced.

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Tuesday, July 12, 1949.

I.L.O. At Geneva: The International Labour Organization on July 11 sent to its member Governments for possible ratification the text of a new world convention guaranteeing the rights of workers to organize and bargain collectively.

The instrument, which was adopted at Geneva on July 11 at the 32nd session of the International Labour Conference, supplements the 1948 convention on freedom of association.

The main points of the new convention are:

1. It protects workers against anti-union discrimination with respect to their employment.
2. It forbids making the employment of a worker subject to his refraining from joining a union or subject to his relinquishing union membership.
3. It forbids the discharge of a worker for union membership or for union activity outside working hours.
4. It protects both employers' and workers' organizations against interference by each other.
5. It calls for machinery appropriate to national conditions where necessary to ensure and respect organizing rights.
6. It asks for measures appropriate to national conditions where necessary to promote machinery for voluntary negotiation between employers and workers.

The document leaves to national laws or regulations the extent to which the convention shall apply to armed forces or police.

Public servants engaged in the administration of the member state are removed from the scope of the convention without prejudice to their rights or statutes.

In three and one half weeks of deliberations at the International Labour Organization's 32nd general Conference at Geneva, 550 delegates and advisers from 50 countries adopted three new International Labour Conventions and revised five others, approved three new Recommendations and revised another, and voted resolutions charting I.L.O. policy in several fields.

The Conference also approved a budget of \$5,983,526 for 1950.

Plan "Exercise Eagle": Plans for one of the largest operational exercises ever held by Canada's defence forces in peacetime are now complete and final preparations for "Exercise Eagle" are under way, it was announced on July 12 by Defence Headquarters. The exercise will be held between August 4 - 7 in Canada's northwest, along the Northwest Highway System.

Fighting paratroops, air crews, ground crews, vehicles, equipment, fighter and bomber planes and operational and administrative staff will converge on the operational base at Grande Prairie for several days prior to the start of the joint operation. It is expected that more than 1,000 servicemen will be based at the northern town while the exercise is taking place.

(over)

Grande Prairie, Alberta, and Fort St. John and Dawson Creek in British Columbia, and the Peace River bridge, about 12 miles southeast of Fort St. John, are to be the focal points when the Canadian Army and Royal Canadian Air Force combine to carry out high speed air-transport defence tactics.

Airborne men of the Princess Patricia's Canadian Light Infantry and fighters and bombers of the Royal Canadian Air Force will combine to carry out an airborne assault. The big training exercise has been designed to test the P.P.C.L.I. in their new role as an airborne, air-transported fighting battalion and to exercise R.C.A.F. fighter, bomber and transport squadrons in supporting the high speed attack.

Shortly after completion of "Exercise Eagle" a second phase of summer activities in the north will commence with "Exercise North III". More than 155 reserve force officers from units in Alberta and British Columbia, who had witnessed and taken part in "Eagle", will be moved up the Alaska Highway from Fort St. John to Whitehorse, Yukon, carrying out tactical exercises enroute. This year, "North III" is to study military problems between Whitehorse and the Alaska-Canadian border.

Spy's Appeal Quashed: Dimitry Leshchenko, confessed wartime Soviet spy, appeared last night to have lost his fight to remain in Canada, the Canadian Press reports from Winnipeg.

Chief Justice E.K. Williams on the Court of King's Bench on July 11 quashed an appeal by the one-time Russian Army officer against a Crown decision for deportation. The jurist found that the case of Leshchenko who came to Canada in the guise of an Estonian displaced person, had been handled within the provisions of the Deportation Act on all counts.

Find Lost Geologists: A six-man geological survey party, lost in Northwest Territories bushland for four days after missing a rendezvous with a civilian plane flying them supplies, was located Saturday by the RCAF, it was announced on July 11.

The men, whose names were not released immediately, were in good health. They had to live on squirrels and fish after their regular supplies gave out.

The party was working in the Lockhart Lake district, about 300 miles north of the Northwest Territories-Saskatchewan border.

Across Canada: Newfoundland's new Legislature opens on Wednesday. A pre-session meeting was held yesterday in the old Colonial Building when Reginald Sparkes, representing the northern district of St. Barbe, was chosen as Speaker....The Canadian Brotherhood of Railway Employees and other transport workers will begin talks on new agreements with the managements of both railways at Montreal, Friday, it was announced yesterday. The union is seeking a wage increase and reduction in work week from 48 to 40 hours with no reduction in take-home pay, and the checkoff. The foregoing are based on Canadian Press dispatches.

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Wednesday, July 13, 1949.

Commonwealth Finance Conference: The third major meeting of Commonwealth leaders in 10 months opens Wednesday in a new phase by the search for what Canada's Finance Minister, Mr. Abbott, calls "a reasonable kind of trading world," the Canadian Press reports from London this morning.

Finance experts from seven Commonwealth countries and Southern Rhodesia will assemble in the Cabinet Room at 10 Downing Street where Prime Minister Attlee will declare the talks open. All other meetings will be at the Treasury.

No agenda will be drawn until the first plenary sessions ends. A Treasury spokesman told a press conference Tuesday he has no idea how long the conference will last.

He said it has been called to discuss the dollar situation as it affects Commonwealth countries. Mutual co-operative measures would be sought to offset the recent sharp drop in the sterling area's gold and dollar reserves. But nobody should expect any sort of immediate solution, the spokesman added.

The conference would consider interim measures to meet the immediate problem of halting the drain on sterling-area dollar and gold reserves. Major decisions on long-term solutions could not be expected until the Anglo-American-Canadian economic meeting at Washington in September.

Proposals from the Commonwealth conference will be submitted for approval to the Commonwealth Governments by their respective finance ministers, the report continued.

Sir William Osler Centenary: The memory of a man who has been termed an "apostle of international medicine," Sir William Osler, was recalled Tuesday night by members of the teaching staff of the Faculty of Medicine McGill University, by the Osler Society and the Medical Undergraduates' Society of the University.

Past and present members of the Osler Society, an undergraduate organization at McGill, celebrated informally the centenary of the birth of Sir William at a private dinner followed by a visit to the Osler Library in the medical building of the university. A special display of the more important mementos of Sir William was placed on view in the library for the occasion.

Among those who attended were Dr. C.F. Martin, former Dean of the Faculty of Medicine, and Dr. Frederick Smith, present Dean; Dr. Wilder Penfield, Director of the Montreal Neurological Institute; and Dr. W.W. Francis, librarian of the Osler Library, and a cousin and friend of Sir William, the Montreal Gazette reports.

Fisheries Investigation: The federal Government's plans for assistance to the Canadian fishing industry will be discussed with fishermen of the four Maritime Provinces and Quebec during a 17-day tour to be undertaken by the Minister of Fisheries, Mr. Mayhew and his top assistant, the Canada Press reports this morning.

(over)

Mr. Mayhew and his party will fly to St. John's, Nfld., July 14, and will spend about a week on the Island. The Minister, making his first trip to Newfoundland since it became Canada's 10th Province, will be accompanied by Stewart Bates, his Deputy Minister, and Ian S. McArthur, Director of Economics in the Fisheries Department and Acting Chairman of the Fisheries Prices Support Board.

They will exchange views with representatives of the fishing industry on the best way of providing assistance to the fisheries.

July 12 Celebrations: Orangemen marched in each of Canada's 10 provinces on Tuesday to mark the 259th anniversary of the Battle of the Boyne.

In cities, towns and villages, members of the order paraded to the music of the fife and drum. Afterwards many of them cooled off at picnics.

Most of the parades were led by "King Billy" mounted on a white charger. The horse symbolizes the one William of Orange rode across the Boyne River just before the great battle of 1690.

A good deal of the spirit which led King Billy to victory over James II and crushed Roman Catholic ambitions for the British throne was retained by Orangemen in yesterday's parades.

Across Canada: Factory shipments of Canadian-made motor vehicles in May were maintained at the high levels of previous months this year, the total standing at 26,708 units compared with 26,685 in the preceding month, 25,566 in March, and 21,368 in May last year, according to the Bureau of Statistics....Department store sales rose sharply during the week ending July 2, the all-Canada figure averaging 27 per cent higher than in the similar period last year, according to preliminary figures released by the Bureau of Statistics.

NOTE: (No Bulletin number 116 was published)





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Thursday, July 14, 1949.

Canadian Military Observers: The nomination of three Canadian military observers to the United Nations Commission for India and Pakistan was announced on July 14 by the Minister of National Defence, Mr. Claxton, and the Secretary of State for External Affairs, Mr. Pearson.

The three Canadian Army officers selected are: Lt.-Col. A. G. Wygard, Ottawa; Maj. W. T. Thompson, M.C., Toronto and Maj. C. D. Ives, Charlottetown, P.E.I. They will leave Ottawa for New Delhi, India, via New York, on July 16, to replace Brig. A. V. Tremaine, CBE, Ottawa; Maj. W. H. L. Sellings, Winnipeg and Maj. M. F. P. Vallee, Quebec City who were appointed to the Commission last January. Lt.-Col. H. H. Angle, DSO, Kelowna, B.C., who was also appointed to the Commission at that time is remaining in India. Major Sellings and Major Vallee returned to Canada recently and Brig. Tremaine will return within the next few weeks.

Eight countries, including Canada, were invited to nominate observers on the Commission. They are the Argentine, Belgium, Brazil, Canada, Mexico, Norway, Sweden and the United States. The requirements were that all such observers should be English-speaking officers and from countries not immediately concerned with the differences between Pakistan and India. Further, they were selected from countries having no colonial possessions in the Far East.

Supplementary Reserve: The Supplementary Reserve, immediate source of additional specialists and technicians for the Canadian Army in the event of war, is to be better organized and progressively built up to required strength, the Minister of National Defence, Mr. Claxton, indicated on July 13.

The Army, apparently, wants to know just how many "experts" it can call upon in an emergency, and wants to list their peculiar qualifications and specialties. Just as important, it wants to know where they can be located in a hurry.

In the event of a national emergency, the Supplementary Reserve is expected to provide the basic administrative and directing personnel of units not included in the existing Reserve Force but required to complete mobilization. Its trained officers and men will also fill gaps in Reserve Force units, bolster instructional staffs, and provide technical experts for specialized work as it develops.

Commonwealth Finance Conference: The Canadian Press reported in part from London on the Commonwealth Finance Conference as follows:

London, July 13 (CP) -- Commonwealth ministers today formally opened their crisis conference with a broad discussion of long-term and fundamental aspects of the dollar problem.

It was understood the 60-odd delegates -- representing all the Commonwealth countries and Southern Rhodesia -- expressed general agreement with the principles outlined in a communique issued last Sunday after talks among the United Kingdom, Canada and the United States.

The communique pledged the three countries to review their economic and trading policies with the aim of attaining a world trade pattern within one multilateral system....

(over)

All members of the Canadian delegation today attended the opening session. Finance Minister Douglas Abbott spoke for Canada when the Dominion's turn came to outline the general attitude toward the current problem....

Canadians At Bisley: Thirteen Canadians yesterday qualified outright for the second stage of the King's prize, biggest individual event of the annual Commonwealth rifle shoot, the Canadian Press reported from Bisley Camp.

Lt.-Col. J. Neal Dow of Windsor, N.S., one of the qualifiers and a Bisley veteran, said it was the largest number of Canadian riflemen ever to reach the second stage for the coveted award.

Three other Canadians, including one unofficial competitor, will shoot off Thursday with 90 other marksmen to determine the last 77 of the 300 top scorers who qualify for the second stage Friday.

Sgt. Frederick Wallace of Toronto, making his first trip to Bisley, led the Canadians with 102 out of a possible 105 in the first stage.

Sea Furies Grounded: Sixteen Sea Fury aircraft of the Royal Canadian Navy's 19th Carrier Air Group, now at the Joint Air School at Rivers, Manitoba, have been temporarily grounded as a precautionary measure, it was announced at Naval Headquarters on July 13. Some modifications to the engines are necessary. Arrangements for the modifications are well in hand with the manufacturers and when these have been made the air group will continue its training schedule.

The Sea Fury is one of the newest and fastest propeller-driven carrier-borne aircraft in the world and is also used in the Royal Navy and other Commonwealth navies. In view of the advanced design of the machines, the need for modification is not unexpected or unusual.

Across Canada: The first Newfoundland Provincial Legislature opened at St. John's yesterday. The Throne Speech predicted sweeping legislation for social betterment in the new Province....Several thousand Indians in Alberta, the Yukon and North West Territories are being X-rayed for tuberculosis this month as part of a continuing drive for the elimination of this disease....Army Headquarters has announced the names of 29 veterans who will take part in this year's memorial ceremonies at Dieppe on August 19.



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Friday, July 15, 1949.

Marshall Plan Report: The Canadian Press reported in part as follows this morning on the effects of the Marshall Plan in Canada:

Ottawa, July 14 -- (CP) -- The Marshall Plan has brought approximately \$500,000,000 in scarce American dollars into Canada in its first 15 months of operation.

This figure, from an authoritative source, is a rough estimate of the value of goods bought in the Dominion by the 16 countries participating in the Economic Co-operation Administration and paid for with American dollars.

Up to the beginning of July the United States had allotted money for Marshall Plan countries to buy \$762,619,776 worth of goods in Canada. The figure is contained in a report on E.C.A. authorizations for purchases in the Dominion, made public here today.

However, up to the present it is estimated that only 70 per cent of the authorized purchases have been completed to the point where the American dollars have actually come to Canada.

The way in which Canada benefits from E.C.A. is this: The 16 Marshall Plan countries have worked out among themselves just how they are going to divide the \$6,364,762,967 thus far authorized for over-all purchases.

After that the countries decided individually on what things they would like to buy in Canada and pay for with the Marshall Plan money.

Up to May 31 E.C.A. had given the green light for those countries to use \$742,767,776 for buying various commodities from Canada.

Today's report shows that during the month of June there were further authorizations of \$19,852,000 -- bringing the total at July 1 to the figure of \$762,619,776....

U.K. Imports Curtailment: Following is partial text of the Canadian Press report this morning on the possible effects of the United Kingdom's curtailment of dollar-area imports:

Ottawa, July 14 -- (CP) -- An informed official said today that dollar-area import slashes by the United Kingdom may lead to some Canadian industry curtailing activity, possibly engendering a reduction in staff.

He said the industries likely to be affected would be copper, aluminum, pulp and paper and possibly tobacco.

He estimated that on the basis of Sir Stafford Cripps' announcement in London, cutting the U.K.'s 1949 dollar imports by 25 per cent, Canada would lose between \$60,000,000 and \$80,000,000 this year.

"If the slashes continue, then next year -- 1950 -- will be the crucial year," the official said. A continued 25-per-cent cut next year in Canadian exports to the U.K. would mean a loss of more than \$100,000,000.

While not unexpected here, the U.K.'s import slashes come at a time when Canada finds herself struggling out of a trade deficit with the United States and searching incessantly for more export markets to take a big supply of manufactured goods off her hands.

Trade Minister Howe said he wanted a few days to think over the import cuts before commenting. Yesterday he told a press conference the Government is planning reimposition of rigid controls on U.S. imports to help right the unfavourable trade balance with the U.S....

(over)

Crop Prospects: Crop prospects for all of Canada's more important field crops, except oats and sugar beets, were less favourable at June 30 this year than a year ago, according to the report on numerical condition of field crops at that date by the Bureau of Statistics. While conditions varied in different parts of the country, the all-Canada prospects for all major crops were also for yields below the long-time averages.

For wheat, the numerical condition, expressed as a percentage of the long-time average yield, was placed at 72 per cent at June 30, as compared with 95 per cent at June 30 last year. Adverse temperature and moisture conditions in the fall wheat belt of Ontario and in much of the spring wheat area of western Canada account largely for the low level of this year's wheat condition figure.

The dry, hot spring and lack of pre-seasonal rainfall in the major rye-growing areas of the West affected the development of the rye crop to such an extent that at 54 per cent, this crop had the lowest over-all condition figure of any Canadian field crop this year. At the same date last year the figure was 78 per cent.

Mr. Chevrier To London: The Minister of Transport, Mr. Chevrier, leaves for London on July 17 to represent Canada at a civil aviation conference. He will be accompanied by John R. Baldwin, Chairman of the Air Transport Board, A.S. MacDonald, legal adviser to the Board and a representative of the Department of External Affairs.

The meeting is being held in order to review and co-ordinate existing civil aviation agreements between Canada and the United Kingdom. The discussions will include matters relating to trans-oceanic aviation services, both Atlantic and Pacific.

Employment Higher: The trend of employment in the major industrial divisions was upward at the first of May as compared with April 1, advances being shown in Quebec Province and the four western provinces, and declines in the remaining provinces. The increase was seasonal in character and was accompanied by a small rise in the sums disbursed in weekly salaries and wages.

According to information furnished the Bureau of Statistics by 20,204 leading establishments, their staffs at May 1 rose 0.6 per cent over April 1. Based on the 1926 average as 100, the index number of employment stood at 188.6 -- a new high for the time of year -- as compared with 187.6 for April 1, and 186.5 for May 1, 1948.

France's 17 Awards: Seventeen awards have been conferred by the Government of France upon members of the wartime Royal Canadian Navy, Canadian Army and Royal Canadian Air Force, the Minister of National Defence, Mr. Claxton, announced on July 15. The awards are in recognition of distinguished services in the cause of the Allies in connection with the liberation of France during the Second World War.

Maj.-Gen. Letson Honoured: Major-General H.F.G. Letson, CB, CBE, MC, ED, secretary to the Governor General of Canada, has been appointed Honorary Lieutenant-Colonel of the British Columbia Regiment (13th Armd. Regt.), the Minister of National Defence, Mr. Claxton announced on July 15.

Across Canada: Barbadoes yesterday suspended issue of import licenses for goods other than essential foodstuffs, imported from Canada and the United States the Canadian Press reported from Bridgetown....The Newfoundland Legislature yesterday passed a bill providing for a 12-man Cabinet.

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Monday, July 18, 1949.

U.N. Scientific Conference: The Secretary of State for External Affairs, Mr. Pearson, announced on July 15 that the Canadian delegation to the United Nations Scientific Conference on the Conservation and Utilization of Resources, to be held at Lake Success from August 17 to September 6, will be headed by Deputy Minister of Mines and Resources, Dr. H.L. Keenleyside.

Authorized by decisions of the Economic and Social Council of the United Nations, the Conference is to be devoted to an exchange of ideas and experience on the techniques of resource conservation and utilization, their economic costs and benefits, and their inter-relations. The Conference will have no policy-making responsibilities. It will not bind governments nor will it formulate recommendations to them.

Members of the Canadian delegation will be:

Dr. G.S.H. Barton, Special Assistant to the Minister of Agriculture;

Dr. A.L. Pritchard, Director, Fish Culture Development, Department of Fisheries;

H.D. Fisher, Fisheries Research Board, Department of Fisheries; and four officials of the Department of Mines and Resources:

Dr. G.C. Monture, Chief, Mineral Resources Division;

A. Ignatieff, Fuels Division, Bureau of Mines;

George Tunstell, Dominion Forest Service;

I.R. Strome, Dominion Water and Power Bureau.

During the Conference, papers will be presented by representatives of the National Research Council, the Department of Mines and Resources, Fisheries and Agriculture, the Ontario Research Foundation, and Canadian universities and industries.

Dr. Keenleyside will present a paper reviewing the current world position respecting mineral supplies and needs at the opening meeting of the Conference.

10-Year Trade Survey: While the value of Canadian exports rose 267 per cent from 1938 to 1948, the physical volume rose only 73 per cent in the same period, measured by indexes of quantum and prices just completed by the Bureau of Statistics. Total value of imports rose by 290 per cent in the same period, while the physical volume rose 81 per cent.

In terms of currency, the physical volume of Canadian exports on the basis of constant 1938 dollars rose from \$848 million in 1938 to \$1,464 million in 1948, as compared with \$3,110 million for 1948 on the basis of current values. In the case of imports, physical volume rose from \$678 million in 1938 to \$1,223 million in terms of 1938 dollars, the latter comparing with the actual dollar value of \$2,637 million in the trade returns.

(over)

According to the Bureau's indexes of prices of exports and imports, prices of exports had risen in 1948 by 112 per cent over 1938, and the prices of imports nearly 116 per cent. Deflating the total values by these increases gives the indicated increases in total volume shown above.

In applying its prices index to the trade value figures the Bureau finds that exports in 1946 were 62 per cent greater and imports 72 per cent greater than in 1938. In 1947 the physical volume of exports had advanced still further to 71 per cent and imports to 99 per cent -- almost double the 1938 quantity.

The indexes computed by the Bureau to measure price changes indicate different rates of increase in prices for exports and imports. Last year, for instance, prices for imported goods rose 13 per cent, while those for exports moved up 10 per cent. As a result, the terms of trade were less favourable to Canada in 1948 than in the years preceding.

Assuming that on the price basis of 1938 Canada received 100 units of imports for every 100 units of exports, the Bureau observes that in 1946 the terms of trade were more favourable, since Canada then obtained 102.5 units of imports for every 100 units of exports. In 1947, however, the figure for imports dropped to 101.3, and in 1948 Canada exchanged 100 units of exports for 97.5 units of imports.

300,000 Immigrants: More than 300,000 immigrants from practically every country in the world have reached Canada since the end of the war, but the movement is expected to be curtailed in coming months as a result of emigration barriers raised by most European countries, the Canadian Press reports this morning.

A resources Department official said on July 15 that as a result of the European barriers it was a fair assumption that Canada will encourage the movement of immigrants from the United States in coming years, the report continued.

He stated that no special emphasis now is being placed on the movement of immigrants from the United States, but he added that all possible sources of new citizens are being constantly examined.

Several factors are contributing to the dropping off of immigration movements from the United Kingdom and Europe. One of the main reasons is control on the amount of currency which emigrants are allowed to take with them to their new homes.

The United Kingdom, for instance, allows an emigrant to take out about \$4,000 spread over a period of four years. This is considered insufficient to permit a newcomer to establish himself in Canada. Similar currency restrictions are imposed by other European countries as a means of discouraging emigration.

Holland, said the official, is one of the few countries encouraging emigration and "we have a good working arrangement with that country."

Many of the immigrants who have reached here came from displaced persons camps, but these sources have been fairly well reduced to persons who cannot meet Canada's immigration standards. Besides, the D.P.s are admitted only when there are employers ready to guarantee employment for a year....

Across Canada: Forest fires were blazing at several dozen spots throughout Western Canada, the Canadian Press reported from Winnipeg on July 15. One fire on Vancouver Island was reported to have eaten through 1,000,000 feet of timber....The Secretary of State for External Affairs, Mr. Pearson, will speak at the 18th Annual Conference of the Canadian Institute on Public Affairs, meeting at Geneva Park, Lake Couchiching, August 13-20, the Montreal Gazette reported this morning.



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Tuesday, July 19, 1949.

Uranium Prospecting: The Canadian Press reports this morning as follows on uranium prospecting in Canada:

Ottawa, July 18 (CP) -- Canada, one of the world leaders in atomic research, has been stricken with uranium fever. The results are spectacular.

The Dominion, three-quarters covered by the mineral-rich pre-Cambrian Shield, is in the throes of a uranium rush that is no less exciting than the romantic Klondike gold boom that ushered in the 20th century.

Hundreds of prospectors, many striking out on their own, are stalking the rugged hinterlands, watching their Geiger counters for reaction that will indicate presence of radioactive minerals in the earth below.

Thousands of claims have been staked from Quebec to the Pacific coast. While production in most cases is still years off, indications are that there is enough uranium-bearing ore to maintain Canada as a leading producer of raw materials for atomic research.

One expert on the subject said that most promising discoveries in the world have been made in Canada....

"Canada Night" In New York: The Canadian Press reported in part as follows on the opening of the Lions Third International Convention in New York:

New York, July 18 -- (CP) -- Canadians resplendent in purple-and-gold satin today joined in a monster parade following the formal opening of the Lions 32nd International Convention.

Fifty bands and some 7,000 from among the 30,000 delegates to the convention rattled the windows of New York as squads of extra police controlled crowds watching the noisy pageant.

A day of fun for the delegates led up to "Canada Night" entertainment in Madison Square Garden.

Top Canadian radio talent headlined the show, staged by Jack Arthur, of Toronto, with music by Guy Lombardo, formerly of London, Ont., and his "Royal Canadians." Forty girls of the Leslie Bell Choir of Toronto and 20 girl pipers of the Georgetown, Ont., girl pipers' band added to the entertainment.

Other Canadian performers were radio comedians Wayne and Shuster, singer Gisele Lafleche, of Winnipeg, veteran broadcaster Lorne Greene, and Howard Cable, Toronto arranger-composer, who directed the music....

Annual Art Competition: The Royal Canadian Academy of Arts has announced the establishment of an annual competition aimed at stimulating and encouraging serious art students, who are in the closing years of their formal training and who contemplate art as a career, according to a Canadian Press report from Toronto.

The competition, providing a \$250 prize for the best painting submitted each year, will be open to bona-fide senior students enrolled in the third or fourth year of full-time day courses in art in recognized schools, colleges and universities where art is taught in Canada.

The academy said the competition will be extended through succeeding years to include all branches of art and architecture.

(over)

N.F.B. Welcomes 2 Students: National Film Board officials on Monday welcomed Fidel D. De Castro of the Philippines, first of a number of foreign students to study documentary film-making under a fellowship program worked out with the United Nations Educational, Social and Cultural Organization. Also in Canada is D.S. Tschertok of Israeli.

Transport Dept. Promotions: Promotion of two officials of the Department of Transport to senior administrative positions and re-alignment of the administrative services of the Department, was announced on July 18 by the Minister of Transport, Mr. Chevrier.

Wilbert Jamieson Matthews, General Counsel of the Department, has been appointed Director of Administration and Legal Services. This position replaces that of Assistant Deputy Minister and Comptroller made vacant by the untimely death of F.M. MacLennan in May.

Frank Thomas Collins, Secretary of the Department, assumes the newly created positions of Executive Assistant and Departmental Secretary. Mr. Collins also retains the position of Administrative Assistant to the Minister.

Electric Energy Record: Continuing the gains of earlier months, output of electric energy by central electric stations in Canada showed an advance of five per cent in May over the corresponding month last year to reach the highest monthly total on record. Total for the first five months of this year increased three per cent over the similar period of 1948.

According to figures compiled by the Bureau of Statistics, the month's output amounted to 4,271,027,000 kilowatt hours as compared with 4,072,973,000 in May last year. In the five-month period, 19,444,285,000 kilowatt hours were produced as against 18,805,995,000 in the like 1948 period.

Railway Revenues: Continuing the advances of previous months this year, operating revenues and expenses of railways showed further increases in April over the corresponding month last year. The rise in operating expenses was somewhat larger than in revenues, resulting in reduced net operating revenues and operating income.

According to figures released by the Bureau of Statistics, operating revenue for the month totalled \$72,670,000, an increase of 2.6 per cent over April last year, while operating expenses advanced 10 per cent to \$67,661,000.

Across Canada: Two Liberals were elected to the Prince Edward Island Legislature yesterday, one by acclamation...Aphid infestation in southwestern Manitoba will cause a loss of 100,000 acres of oats and barley, valued at between \$1,000,000 and \$1,500,000, the Canadian Press reports from Winnipeg, quoting the Provincial Weeds Commissioner.





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Wednesday, July 20, 1949.

Mr. Abbott's Press Conference: The Canadian Press reported as follows on Mr. Abbott's press conference in London yesterday:

London, July 19 -- (CP) -- "Positive action" is necessary to a long-term solution of the dollar shortage in the sterling area, Canada's Finance Minister, Douglas Abbott, said today.

At a press conference with Canadian correspondents following the conference of Commonwealth Finance Ministers, Abbott said:

"I don't think dollar cuts are a sure cure for anything . . . . There has got to be a positive solution."

The delegates from sterling-area countries decided to recommend that their countries follow Britain's action in putting into effect a cut of approximately 25 per cent in dollar imports. This was planned as a short-term measure.

The delegates approved in principle restoration of multilateral trading throughout the world but said the basis for such a move still has to be established.

Abbott said there will be "a very real curtailment" of sterling-area purchases from Canada. He indicated that timber, non-ferrous metals and pulp and paper will be among Canadian commodities most sharply affected.

Canada will have to start seeking other markets for wheat, he said, but he declined to speculate on possibilities.

Dollar-Imports Curtailment: The Canadian Press this morning reported, in part, as follows, on the effects of dollar-imports curtailment by Commonwealth countries in the sterling area:

Ottawa, July 19 -- (CP) -- Trade and finance officials today pondered the effect on Canada's economy of a London announcement indicating that Commonwealth countries in the sterling area will clip their dollar imports by 25 per cent.

So far, however, there is no definite indication here of how hard the Dominion will be hit by the share-the-austerity program agreed on by sterling countries represented at the London conference of Commonwealth Finance Ministers.

A high finance department source said the details would be worked out gradually over the next month, aiming at an agreement in detail when United Kingdom, United States and Canadian officials meet in Washington in September....

Address By Mr. Pearson: Following is partial text of the report of the Montreal Gazette this morning on the address delivered by the Secretary of State for External Affairs before the Montreal Rotary Club:

External Affairs Minister L.B. Pearson took international Communists and "our Moscow Canadians" to task yesterday in an address before the Montreal Rotary Club.

The Communist threat, he said, is being met on the "international level by arranging for collective action against an aggressor," and on the domestic level it must be met "by strengthening, if necessary, our Criminal Code against actions which threaten the security of the State."

(over)

Canadians can meet the danger "even more by keeping our democratic society so healthy and strong that the germs of communism cannot breed in it," he said.

Communists, Mr. Pearson said, "follow the doctrine that in the non - Communist world disorder must be provoked and fostered," and believe that "conflict between communism and free democracy is inevitable."

He criticized the attitude of Russia and her satellites at international conferences and charged them with hampering discussions to "prevent a conclusion being reached which might help bring stability to the world, on some other basis than that of 100-per-cent acceptance of Russian communism."

"This minority of states also endeavours to keep the international situation confused and uncertain by using the Communist parties in the Western democracies to attack the foreign policies of their own government," he said....

North Atlantic Pact: The Canadian Press reported, in part, this morning as follows from Richmond, Virginia:

Richmond, Va., July 19 -- (CP) -- The Virginia Quarterly Review says much of the credit for the idea of a North Atlantic defence alliance must go to Prime Minister St. Laurent of Canada and to the former Prime Minister, W.L. Mackenzie King.

Canada is not a "great power," the Review says in its summer issue. And, as children are expected to step aside in deference to their elders, "one might have assumed that the Canadians would have left the creation of the regional security arrangement principally to the Americans, the British and the French."

"But not the Canadians! The establishment of a regional security league is of immediate interest to Canada; consequently her leaders chose to participate in all-important discussions and decisions.

"In truth--and this is a fact that should be more widely recognized in this country--much of the credit for originating the idea of a North Atlantic Pact and for popularizing that idea both in the United States and 'north of the border' must go to the two Canadian leaders."

Across Canada: The Maritime economy should be placed on a par with other provinces through freight rate adjustments and other transportation concessions, the Royal Commission on Transportation was told today at Fredericton, N.B....A slow drop in home building costs is in prospect in Canada, Maj. Gen. H.A. Young, Vice-President of Central Mortgage and Housing Corporation, was quoted as saying yesterday. He said an interesting point was that prices in the United States, 10 to 15 per cent higher than Canada last fall, now are as low or lower on building materials....Reports were current in Ottawa, that consideration is being given to the establishment of a separate Department of Immigration. The foregoing are based on Canadian Press reports.



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Thursday, July 21, 1949.

Atomic Information: Following is the Canadian Press report of the press conference on Wednesday of the Acting Prime Minister, Mr. Howe:

Acting Prime Minister Howe said yesterday there is an exchange of classified atomic information between Canada and the United States and "we've nothing more to ask for at the moment."

"There is some classified information we don't get," the Cabinet's atomic expert told a press conference, "and that includes the bomb ... we don't want to know about the bomb."

Mr. Howe said Canada has had no connection in any way with the hush-hush meetings in Washington which officials there say concerns future United States relations with Britain and Canada in the atomic field.

The crux of the Washington meetings now appears to be whether Britain will get U.S. information to help her go into A-bomb production. Mr. Howe said Ottawa has no way of knowing what they are about.

But he did reiterate the Government's position that Canada is not interested in manufacturing the bomb and his own statement of some years ago that Canada could make a bomb if she had to.

"Maybe it wouldn't be as good a bomb as the Americansturn out," he smiled, "but it would be a bomb."

Mr. Howe indicated that Canada is satisfied with the present information she gets from the U.S. and said "they get the same kind of classified (secret) information from us."

As he spoke the Cabinet's top atomic advisers -- members of the Atomic Energy Control Board -- were meeting at the Chalk River pilot plant, 125 miles north of Ottawa. Mr. Howe said their meeting was "purely routine" and had no connection with the Washington developments.

Canada's atomic studies were devoted entirely to peacetime uses of the energy as power and fuel and, in radioisotopes, as instruments for research in the fields of medicine, industry and science. Progress was being made in the power study "but no results are ready yet."

Mr. Abbott Returning: The Acting Prime Minister, Mr. Howe, said on Wednesday that the Minister of Finance, Mr. Abbott, would be in Ottawa Friday and it will be up to Mr. Abbott to decide whether he wants a special cabinet meeting to discuss his dollar-crisis visit to London, the Canadian Press reported.

If not, the next meeting is slated for next Tuesday.

Mr. Howe told a press conference he had no information to impart about the talks of Commonwealth and United States officials on Britain's dollar shortage.

He indicated it is unlikely that the fall session of Parliament will be called before September 15.

Marquis Duquesne Portrait: The only known portrait of the Marquis Duquesne de Menneville, Governor of New France from 1752 to 1755, has been presented to Canada. Who painted it or why or when, nobody knows, says the report of the Globe and Mail of Toronto this morning.

(over)

The rich-toned portrait of the French aristocrat was unveiled on Wednesday by Vincent E. Sutliff, President of the Encyclopedia Americana, who brought the \$3,000 painting to Toronto. He is to present it on Thursday to Dr. W.K. Lamb, head of the National Archives, Ottawa, as a gift to the Canadian people. The presentation coincided with the opening of the new Canadian offices of the Ameri-Cana Corp., which is issuing its first Canadian edition of a 30 volume reference work.

Discovered in a New York antique store recently, the portrait bears the name of the Marquis on the bottom and a legend beside it reads in French: "According to authentic documents."

The Marquis died in 1778. His troops built Fort Duquesne, named Pittsburgh after its capture by the British.

Coarse Grain Prices: Initial payments will be 61½ cents a bushel for oats and 90 cents for barley when the Canadian Wheat Board takes over marketing of coarse grains at the end of this month.

The prices based on No. 1 feed grades in store at Fort William and Port Arthur, were announced at a press conference on July 20 by the Acting Prime Minister, Mr. Howe, the Canadian Press reported.

It followed the June 1 announcement that the Wheat Board would take over marketing of western oats and barley from the Winnipeg Grain Exchange on August 1.

That virtually signalled the end of the Grain Exchange's position in world grain-trading, leaving only rye and flax to be bought and sold through the once-great market, the report continued.

"RCAF Overseas": The third and final volume of the official account of the RCAF's operational activities overseas in the Second World War has been completed and will be making its appearance on the bookstalls shortly, it has been announced by Air Force Headquarters, Ottawa. Named "The RCAF Overseas: The Sixth Year", the book forms the last part of a trilogy, and covers RCAF overseas operations from September, 1944 to the end of the war. Two companion volumes have been previously published, "The RCAF Overseas: The First Four Years" and "The RCAF Overseas: The Fifth Year".

Across Canada: The Minister of Transport, Mr. Chevrier, hopes to leave London for Canada on Friday, according to the Canadian Press....Average weekly wage of persons employed on an hourly basis has dropped from \$42.13 in April to \$41.91, D.B.S. reports.

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Friday, July 22, 1949.

**27,529,100 Acres In Wheat:** The area seeded to all wheat in Canada this year was estimated to be 27,529,100 acres, an increase of 14 per cent over last year.

The Bureau of Statistics, in preliminary estimates, also reported that 26,731,100 acres have been sown with spring wheat, almost all of which is grown in the Prairie Provinces.

Oat acreage is estimated at 11,327,900--one per cent higher than last year. Barley acreage is 6,049,300 or seven per cent below 1948.

Flaxseed is considerably below last year and the 334,800 acres seeded are only 17 per cent of the 1,966,500 acres in 1948.

Wheat acreage in the Prairie Provinces this year is estimated at 26,490,000, compared with 23,045,000 in 1948.

Manitoba has 3,167,000 acres compared with 2,397,000; Saskatchewan 15,737,000 as against 14,389,000; and Alberta 7,586,000 compared with 6,259,000.

Last year the acreage of all wheat was 24,105,900 or 3,423,200 below the acreage sown this year.

Spring wheat in 1948 was 3,483,700 acres less at 23,247,400.

Barley acreage of 6,495,300 in 1948 was 446,000 acres less than this year; oats amounted to 11,200,500 acres, 127,400 acres less than in 1949.

**Western Crop Report:** Good to excellent crop conditions have been generally maintained over most of Manitoba and in northern and eastern sections of Saskatchewan, although rains are again needed to promote further development. Good general rains in central Alberta, where the drought had been severe, have improved the prospects for feed, hay and pasture crops in that area. High temperatures and insufficient moisture caused further deterioration of crops in southern and central districts of Saskatchewan and in south-eastern Alberta, the Bureau of Statistics reports.

Hot, dry weather prevailed in Manitoba during the past week and rain would be welcome to bring crops along. Wheat and early seeded coarse grains, especially on summerfallow, are holding well, although premature ripening is showing up in the south-west. Aphids have damaged up to 100,000 acres of late-sown coarse grains in this section but elsewhere infestation has been spotty. Haying is well advanced and the crop is generally good.

Extremely high temperatures last week caused further deterioration of crops in central and southern districts of Saskatchewan. Scattered showers and more moderate temperatures maintained good to excellent prospects over most northern and eastern sections of the Province, where tip-burning and deterioration of stands on stubble land are only local in extent. Wheat is approximately 75 per cent headed and stands range from very short in drought areas to 30 inches elsewhere. Aphids are causing some damage to late crops along the Manitoba boundary.

Crop conditions over much of Alberta remain fair to poor.

(over)

"Glasgow's" Program: The British cruiser, H.M.S. "Glasgow", flagship of Vice-Admiral R.V. Symonds-Taylor, C.B., D.S.C., Commander-in-Chief of the Royal Navy's America and West Indies Station, will visit the following seven Canadian ports during her 1949 summer cruise, it has been announced: Cornerbrook, Nfld.; St. George's Bay, Nfld.; St. John's, Nfld.; Halifax (Navy Week); Murray Bay, Que.; Quebec and Montreal. The visiting dates extend from July 22 to September 12.

While the "Glasgow" is in Quebec City, Vice-Admiral Symonds-Taylor and a party of four officers will visit Ottawa for a few days, travelling in a R.C.A.F. transport aircraft.

Occupational Pamphlets: The Minister of Labour, Mr. Mitchell, has announced publication of the first of a series of booklets and pamphlets on Canadian occupations.

These publications have been prepared to fill an increasing demand for specific information from Canadian youth facing the difficulties of choosing the right occupation, and from parents, teachers, employment service officers, personnel officers, and all others interested in guiding youth into the right avenues of employment, the Minister explained. They should also prove of value to union officials and workers shifting to other occupations.

Wholesale Sales Up: The dollar value of wholesale sales advanced 11 per cent in May over the corresponding month last year -- the highest monthly percentage gain so far this year. All regions of the country participated in the rise. There was a gain of two per cent in April, seven per cent in March, 2.2 per cent in February, and a slight decline in January. The overall advance in sales in the first five months of this year was five per cent, the Bureau of Statistics has reported.

Newfoundland Dwellings: There were 62,293 dwellings in Newfoundland and Labrador at the time of the 1945 Census, of which 53,200 were occupied by their owners. The average estimated value of these owner-occupied dwellings was \$1,500, while the average monthly rent of tenant-occupied dwellings at the time of the census was \$18.00. Five and six-roomed dwellings were the most common, with the average number of rooms for all dwellings being 5.5.

Maritime Rail Proposal: A Maritime proposal that Canadian National Railways lines in the seaboard provinces be made into a separate system for the making of freight rates ran into opposition from the Government-owned line on Thursday before the Royal Commission on Transportation, the Canadian Press reports.

The railway claimed that the C.N.R. set-up in the Maritimes now was competent to handle matters as well as a separate organization.

U.S. Cadets To Visit: Twenty-six cadets of the U.S. Civil Air Patrol will see a wide section of Canada during a fortnight tour of Canada starting July 29.

The youngsters, chosen from all parts of the United States, will arrive in two groups at Calgary and Rockcliffe simultaneously as part of an exchange plan. Meanwhile, a similar group of Royal Canadian air cadets will tour the U.S., the Canadian Press reports.

Across Canada: The Minister of Finance, Mr. Abbott, has returned to Ottawa from London....Canada scored her first victory against Australia in Davis Cup history on Thursday to give Canada an even split on the first day of North American zone tennis semi-final series. Brendan Macken of Montreal scored the upset, a five-set triumph over Billy Sidwell.



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Monday, July 25, 1949.

**3 Anti-Sub. Vessels:** Contracts for the construction of the first three anti-submarine escort vessels for the Royal Canadian Navy have been awarded to Halifax Shipyards Limited, Halifax; Canadian Vickers Limited, Montreal, and Burrard Drydock Company, Limited, North Vancouver, B.C., it was announced on July 24 by the Minister of National Defence, Mr. Claxton.

While final details of the contracts have not yet been negotiated it is expected the vessels will cost approximately \$8,000,000 each, the announcement stated.

Commencement of a naval anti-submarine escort ship-building program was first announced by Mr. Claxton in June of this year. At that time he stated every effort would be made to advance the work without delay and that it was hoped keels for the first three vessels would be laid down by the end of the year or early in 1950.

The new anti-submarine escort ships will be classed as major war vessels, and as such are the first to be designed completely in Canada. Their primary purpose will be the detection and destruction of modern fast submarines. They will be the first to be built anywhere to meet the new requirements.

In function they replace the frigates and corvettes of the Second World War. Like the latter vessels, their design has been worked out so that in the event of an emergency it may be possible to produce them rapidly and in quantity.

There the comparison ends. In speed, manoeuvrability, weapons and habitability the new ships of the R.C.N. will fulfill all the requirements of their class for modern sea warfare.

The escort vessels will have steel hulls and aluminum will be used to a certain extent in superstructures and bridges. Steam turbines driving twin screws will provide a speed considerably in excess of that of the frigate.

**Head Of U.K. Dollar Export Board Visits Ottawa:** Britain's newly-organized Dollar Export Board was called the "most powerful industrial body ever created at any time" by Sir Graham Cunningham, Chairman of the Board who arrived in Ottawa July 24, the Canadian Press reported.

He will explain the organization and aims of the Board to the Minister of Trade and Commerce, Mr. Howe, the report continues.

Travelling with Sir Graham was Defence Minister Dedman of Australia, returning home after Commonwealth dollar talks in Great Britain.

Sir Graham said the power of the Dollar Export Board rested in the fact that it was a non-political organization appointed by British industry, bankers, merchants and organized labour.

He said the Labour Government had no voice in the organization but sponsored its creation.

The aim of the Board is to try to rectify the present dollar-sterling balance by earning more dollars, saving more and encouraging the spending of more dollars in Great Britain.

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Heat-Resistant Materials: Present-day tendencies towards the use of higher operating temperatures as in jet-propelled aircraft, and in many metallurgical processes, mean that design engineers are being faced with the problem of producing better heat-resistant materials. In the operation of jet engines, for example, temperatures are of the order of 1350°F. Higher temperatures would enable better efficiencies to be attained but materials of construction are the limiting factor.

To keep abreast of the problems in this field the National Research Council has an Associate Committee on High Temperature Metals. Members of this Committee represent research interests in the universities, the Ontario Research Foundation, and the industries concerned in this subject. The Committee meets at intervals to review research programs and to make arrangements for further studies. Work is proceeding at the University of Toronto, and in the Dominion Department of Mines and Resources as well as in the Ontario Research Foundation laboratories and in certain industrial plants.

Labrador Election: Newfoundland's election marathon ends today with polling in the District of Labrador, where voting was deferred because of weather conditions, the Canadian Press reports.

The Newfoundland Legislature--now in session--will have its full complement of 28 members following the Labrador polling. The 27 island seats were filled in the main election May 27. Present standing in the House is: Liberals, 21; Progressive Conservatives, 5; Independent, one.

Says Strike To Continue: Harry Davis, President of the Canadian Seamen's Union, said in Montreal, according to the Canadian Press, that ending the British dockers' strike will not affect the CSU dispute with Canadian deep-sea ship-owners.

Mr. Davis, who arrived at Montreal airport from London, where he headed a CSU delegation which called off the British end of the walkout, made the statement through the CSU Vice-President, Conrad Sauras, the report said.

Across Canada: A small U.S. Army balloon broke its moorings in Manitoba and floated into Ontario airline routes to halt air travel for two hours Sunday, the Globe and Mail reported....Twelve deaths of children have occurred in the Mattawa district in an outbreak of dysentery, the Canadian Press has reported....A cyclone swept over the village of Rock Forest, four miles from Sherbrooke, Que., on July 22 causing damage estimated at \$250,000.





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Tuesday, July 26, 1949.

**Foreign Trade Higher:** Total Canadian imports in May were valued at \$250,500,000, comparing with \$242,700,000 in the preceding month and \$225,100,000 in May, 1948. The cumulative total for the first five months was \$1,158,900,000 as against \$1,037,100,000 a year ago.

Domestic exports in May reached a value of \$272,900,000 as against \$237,800,000 in April. This was the best month in the year for Canadian exports, but about \$10,000,000 below the total of \$282,300,000 in May last year. Over the five months domestic exports were slightly above those of last year at \$1,169,600,000 compared with \$1,166,600,000.

Re-exports of foreign goods were valued at \$2,700,000 in May compared with \$5,200,000 last year, and over the five months fell from \$16,300,000 in 1948 to \$11,500,000 this year. Thus total foreign trade in May, domestic and foreign exports plus imports, amounted to \$526,100,000, representing an increase of 2.6 per cent over last year's total of \$512,600,000. Total value in the first five months was \$2,339,900,000 as against \$2,220,000,000, a gain of 5.4 per cent.

Canada's trade with the United Kingdom in the month realized an export surplus of \$43,400,000, an increase of \$10,000,000 over April, but below last year's May balance of \$57,800,000. The cumulative figure for the five months fell from \$192,600,000 last year to \$140,000,000 this year. Imports were up from \$113,100,000 in the first five months of 1948 to \$136,300,000 in 1949.

Canada's adverse balance with the United States amounted to \$49,100,000 in May as against \$65,100,000 in April, and \$28,700,000 in May last year. The aggregate deficit with the United States for the year-to-date was \$247,000,000 as compared with \$184,600,000 in 1948 and \$397,500,000 in 1947. Thus while Canada's balance position this year with the United States is less favourable than that of a year ago, it is still much better than in the comparable period of 1947. The chief reason for a greater deficit this year was the increase in imports, which between January and May 1948 were \$729,600,000 and between January and May 1949 were \$832,000,000.

**June Revenue \$191,000,000:** On July 23 the Minister of Finance, Mr. Abbott, released the regular monthly statement of the Comptroller of the Treasury covering revenues and expenditures of the Government of Canada for the month of June.

Total revenue of the Government for the month of June amounted to \$191.0 million compared with \$232.2 million for the same month last year. Total revenue receipts for the first three months of the current fiscal year amounted to \$674.0 million compared with \$701.3 million for the same period a year ago.

The Comptroller's statement also shows total expenditures for the month of June of \$240.3 million compared with \$165.5 million in June 1948. Expenditures in June this year include a charge of \$71.7 million arising out of the assumption by Canada of the Newfoundland Guaranteed Stock as provided for under the Terms of Union between Canada and Newfoundland. Total expenditures for the first three months amounted to \$471.1 million compared with \$378.3 million for the same period last year.

(over)

Expenditures for June exceeded revenues by \$49.3 million. The budgetary surplus of the Government for the first three months of the fiscal year was \$203.0 million compared with \$323.0 million in the same period last year. In addition, there were non-budgetary expenditures, that is, outlays for loans, advances and investments amounting to \$60.7 million in the first three months of the current fiscal year compared with \$79.4 million of similar outlays in the same period a year ago.

Swedish Scholarship: The Department of External Affairs announced on July 26 that the Swedish Government has offered a scholarship to be awarded to a Canadian citizen for study at a recognized Swedish university. Men and women with an appropriate university degree are eligible.

The scholarship is intended to run between September 1, 1949, and May 31, 1950. The total value of the scholarship is \$1277. Out of this amount, the sum of \$444 is to be used to cover travelling expenses to and from Sweden.

ICAO Appointment: The appointment of Mr. Roland Gilbert as Chief of the Administrative Bureau of the International Civil Aviation Organization was announced on July 22 by Dr. Albert Roper, Secretary General. Mr. Gilbert is at present an Assistant Secretary in the Ministry of Civil Aviation of the United Kingdom. He will take up his new duties on August 1.

Across Canada: Largely attended by members of the diplomatic corps, and friends and relatives, the funeral of Mrs. Urho Toivola, wife of the Minister of Finland to Canada, who died on July 22, was held in Ottawa yesterday.



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Wednesday, July 27, 1949.

European Exports To Canada Down: The Canadian Press reported as follows this morning on the reported decline of European exports to the United States and Canada:

Geneva, July 27 -- (CP) -- Europe's balance of payments with North America fell off sharply during the first quarter of this year, the United Nations Economic Commission for Europe reported today.

In its first-quarter survey of Europe's economy, the Commission said the economic recession in the United States "had no marked effect on the domestic economic situation of European countries."

Industrial production in Europe continued to rise at the same "exceptionally high rate" as during 1948, but there was also an increase in unemployment, reflecting "the continued relaxation of inflationary pressure."

European exports to the United States and Canada, which had been increasing steadily during 1948, declined by some 12 per cent during the first quarter of 1949, the report said.

At the same time, European imports from North America increased by some 10 per cent.

As a result, the quarterly deficit of the 10 major West-European exporting countries in their trade with the United States and Canada rose from \$794,000,000 in the fourth quarter of 1948, to \$949,000,000 in the first quarter of 1949.

"Available trade returns for April and May," the survey declared, "although too incomplete for conclusive analysis, indicate that in the second quarter of this year these difficulties were intensified."

Border Traffic: Highway traffic between Canada and the United States was eight per cent heavier in May than in the same month last year, according to the Bureau of Statistics. There were increases of one per cent in the number of United States vehicles entering Canada and 29 per cent in the number of Canadian vehicles returning from the United States.

The aggregate number of border crossings in May was 816,300, consisting of 579,100 foreign entries and 237,200 Canadian vehicles returning. Of the foreign inflow, 154,000 vehicles entered on traveller's vehicle permits, 406,500 were non-permit or local entries, and 18,600 were commercial vehicles. The Canadian traffic comprised 23,500 units remaining abroad for more than 24 hours, 197,600 staying for shorter periods and 16,100 commercial vehicles.

Cumulative totals for the first five months of this year place highway border crossings at 2,757,300 as compared with 2,480,200 in the similar period a year ago, an advance of 10 per cent. As in May, a large part of the rise was due to increased volume of returning Canadian traffic, up from 653,500 a year ago to 863,000. In the same period, United States entries rose from 1,826,700 a year earlier to 1,894,300.

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Margarine Edict Appeal: The Privy Council in London yesterday granted the Canadian Federation of Agriculture, who represent the dairy men, leave to appeal the Supreme Court of Canada ruling on margarine which swept aside a 62-year ban on the manufacture and sale of butter substitutes.

250,000,000-Year-Old Fossil: A perfect specimen of fossilized seaweed 250,000,000 years old has been found by Mrs. Morcin Mendlsohn of Stittsville, 15 miles west of Ottawa, the Canadian Press reported.

Dr. Alice E. Wilson, one of Canada's leading stratigraphic paleontologists, said on July 26 the fossilized seaweed, found in a slab of limestone, is a fine specimen.

Dr. Wilson explained the origin of the seaweed. At one time the Ottawa area was at the bottom of a sea which was bounded by the Adirondack Mountains on the south, the Precambrian Shield on the north and west--in a line running roughly from Kingston to Perth and Arnprior--and on the northeast by the line of the Ottawa River.

"Shearwater" Commander: Captain Edward W. Finch-Noyes, R.C.N., 40, of Oakville, Ontario, and Halifax, for the past year Chief of Staff to the Flag Officer Atlantic Coast, has been appointed in command of H.M.C.S. "Shearwater", the R.C.N. Air Station at Dartmouth, N.S. He will commence his new duties August 1.

Across Canada: About 4,500 production workers at the Massey-Harris farm implement plant in Toronto walked off the job yesterday and set up picket lines as a result, the Canadian Press reported, of the dismissal of the president of the local union for allegedly interfering with work assignments given by the management....The Fisheries Research Board plans scientific research into the habits of the billfish, or skipper, in St. Margarets Bay, N.S. in an effort to improve the catch of that species.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Thursday, July 28, 1949.

Agricultural Survey: The Agriculture Department, in its current economic survey of agricultural conditions, notes that the "intensified" exchange problem and "weakening" United States prices for some farm commodities have resulted in lower prices on the foreign market for Canadian farm products, the Canadian Press reports this morning in its analysis of the survey.

These factors also have influenced foreign demand for Canadian produce, but continuing high income of Canadian workers was keeping domestic demand strong.

Peak for Canadian farm prices was reached last August. Prices have declined gradually since then. In August last year the farm index, calculated on the basis 1935-39 equals 100, was 264.2. In April this year it was 251.3.

"This movement in the level of farm prices," said the Department, "was followed by a decline in the general wholesale price level."

The wholesale price index, calculated on the basis that 1926 equals 100, reached an all-time high of 159.6 last December. In the succeeding four months there was a gradual drop to 157.5 in April.

Cancer Conference: The Montreal Gazette reports this morning as follows from Montreal:

At least one third of all cancer sufferers can be cured.

This was learned Wednesday at a round table conference on malignant diseases at McGill University when Dr. T.A. Watson, Director of Cancer Services, Province of Saskatchewan, told some 40 cancer specialists that cancer of the skin and of the lip--representing about one-third of all cancers--is curable in better than 95 per cent of cases.

Dr. Watson reported to a meeting called at the Medical Building of the University to hear reports from four cancer specialists holding Kinsmen Club Fellowships of the Canadian Cancer Society and to hear the findings of leading cancer specialists across Canada.

Reports on the latest advances in the attack on cancer in major centres of Scandinavia, England, Scotland, France and the United States are being brought forward at the three-day conference which was opened Wednesday afternoon by Dr. Jonathan C. Meakins, C.B.E., President of the Canadian Cancer Society....

Seamen's Strike: Montreal, July 27 (CP) -- The Canadian Seamen's Union announced Wednesday that its national officers have "stepped out of the picture," leaving a rank-and-file committee to negotiate a settlement of the east-coast shipping strike.

The Union, which called the strike March 31 against the owners of 80-odd ships, said the committee will go to Ottawa seeking a conference with government officials about settlement. The strike began when shipowners dropped the allegedly Communist-led CSU and signed with the rival Seafarers' Internationally Union (AFL).

Arthur MacNamara, Deputy Federal Labour Minister, to whom the Union has twice before sent strike-settlement proposals, declined comment on the move.

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Reunion In Chicago: Canadian ex-members of the First Special Service Force will go far afield this year for their third annual reunion. The gathering will be held in Chicago, August 5 and 6.

Last year's reunion was held in Toronto and two years ago the paratroopers met in Montana where the force was trained.

A joint Canadian and United States formation, the force was organized in 1942 for the specific purpose of invading German-held Norway. Schooled in commando tactics, airborne operations and mountain warfare, the force soon became known as a corps of super specialists in the art of fighting.

It served first in Kiska and then in Italy, helping take Cassino and the famous Anzio beach-head.

Reserve Force Training: Personnel of the Canadian Army Reserve Force will be trained this fall and winter at Active Force corps schools including the crack tri-service air training centre at Rivers, Man., military authorities said this week.

The extra training, much of it of an advanced and highly specialized nature, will fill in the gaps between local headquarters training and annual field training at summer schools and camps for the Reserves. Courses now announced as being "open" to them will qualify Reserves as instructors in corps subjects, for promotion to a higher rank or for trades pay in the case of men taking trades training.

Across Canada: A freak storm with gale winds uprooted trees and tore off the tops of several houses in the Three Rivers, Que. district yesterday... Major Lloyd Hill 30 will attempt to match the feats of his late father and older brother Saturday when he enters a steel barrel to travel the seven miles down the Niagara River Rapids. The above items are based on Canadian Press dispatches.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
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Friday, July 29, 1949.

Rains Aid Crops: Fairly general rains fell over most of the Prairie Provinces during the past week. Average rainfall since April 1 for Manitoba, Saskatchewan and Alberta now stands at two, seven, and 17 per cent below normal respectively -- a marked improvement in all three provinces over a week earlier. Pre-seasonal precipitation, however, was far below normal in the greater part of the West and this factor continues to affect crop development adversely, particularly in the normally low rainfall areas, the Bureau of Statistics announced on July 26.

Prospects in Manitoba with few exceptions remain good to excellent. Rains have well maintained the satisfactory condition already established in northern and eastern districts of Saskatchewan, and should now carry the crops to maturity in those areas. Some improvement is noted in central and western districts but relief came too late to most of the drought area in south-central and south-western Saskatchewan, where the principal benefit accruing will be to pasture and fodder crops. Crop prospects in Alberta are still, with some exceptions, generally poor to fair, although good rains have improved late-sown crops and relieved the feed situation in central and northern parts of the Province.

International Trade Fair, 1950: It was announced on July 27 by the Minister of Trade and Commerce, Mr. Howe, that plans will be put in hand immediately for the holding of the third Canadian International Trade Fair in Toronto from May 29 to June 9, 1950.

The preparation for a Fair of this type is a ten or twelve month operation. It calls for a well organized promotional program that virtually encircles the globe. For this purpose the Trade Commissioner offices maintained by the Department of Trade and Commerce in most of the world's principal commercial centres are of invaluable aid to the Trade Fair Administration, which is centered in Toronto. The whole undertaking is under the immediate supervision of the Canadian Government Exhibition Commission, the announcement says.

Despite various handicaps, some of them serious, arising from abnormal or unsettled conditions in the field of international trade, the first Canadian International Trade Fair, held in 1948, and the second in May and June of this year, met with an encouraging measure of success. Well supported by both Canadian and foreign exhibitors, they served effectively to widen Canada's commercial contacts with other countries, and produced some surprisingly good results in actual business done.

Atomic Research Materials: The Canadian Press reported this morning as follows:

Ottawa, July 28 -- (CP) -- Security-conscious Canada, playing an ever-widening part in the field of atomic energy development, has taken steps to tighten restrictions on export of any materials or equipment used in atomic research.

Working in co-operation with the United States and the United Kingdom, the Dominion is plugging any loopholes through which atomic equipment might have been shipped without authority to another country.

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An order-in-council places radio-active elements on the restricted list of export items. The order means that Canada's machinery for controlling exports in future will be used for all types of atomic research materials.

Formerly, some things were under export control legislation and others were controlled by the Atomic Research Board. The latest move is to simplify control of exports.

From now on, in order to send any type of material or equipment involved in atomic research to another country, a regular export permit is required.

In this way, the machinery already in use for controlling Canada's exports will simply take on the added job of seeing that atomic materials don't go anywhere without proper authority....

Export Controls Removed: Agricultural implements, electrical supplies, fertilizers, antimony, potatoes, cocoa beans and sugar have been removed from export control, the Minister of Trade and Commerce, Mr. Howe, announced on July 27.

This latest relaxation leaves only 137 items still under export permit control, compared with the peak number of 1109 in 1944, and 667 in 1946.

The revised list of export permit regulations is available on application to the Export Permit Branch, Department of Trade and Commerce, Ottawa.

Textile Industry Report: Wage rates in the primary textiles industry in Canada showed an increase of almost 18 per cent in 1948 over the 1947 scale, according to a report of the Economics and Research Branch of the Department of Labour, issued by the Minister of Labour, Mr. Mitchell, on July 27.

The report, entitled "Wages and Hours of Labour in the Primary Textiles Industry in Canada, 1948" showed that while increases as a whole in the industry amounted to 124.2 per cent since 1939, increases in the component industries over the same period were as follows: Cotton Yarn and Cloth, 130.6 per cent; Woollen Yarn and Cloth, 141.3 per cent; Knitting, 113.8 per cent; and Rayon, 118.2 per cent.

Call War Loan Bonds: The Minister of Finance, Mr. Abbott, announced on July 28, that the Government had decided, pursuant to the terms of issue, to call at par on October 1, 1949, its issue of 3% Second War Loan Bonds dated October 1, 1940, and maturing October 1, 1952. This issue is outstanding in the amount of \$324,945,700.

Across Canada: Atlas Construction Co. Ltd., of Westmount, Que., has been awarded the contract for constructing a two-lane vehicular tunnel under the Lachine Canal at St. Remi Street, Montreal, it is announced. This is one of two vehicular tunnels to be constructed under the Lachine Canal within the heart of the City of Montreal to provide traffic arteries connecting with the City of Verdun, Ville La Salle and the various municipalities and wards of the city lying south of the canal.





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Tuesday, August 2, 1949

**Prime Minister Returns:** The Prime Minister, Mr. St. Laurent, returned to Ottawa at the week-end after his vacation and held a press conference, which the Canadian Press reported, in part, as follows: Ottawa, Aug. 1.- Just back from vacation, Prime Minister St. Laurent today indicated he feels Premier Frost of Ontario may be willing to talk business on Dominion-provincial relations.

He also indicated that the date of the opening of the new Parliament will be announced following a Cabinet meeting this week. Sept. 15 or 22 are considered likely dates.

Mr. St. Laurent's statement about Ontario came in the thick of reporters' questions about chances for revival of the 1945-46 conference which broke up without reaching general agreement on federal proposals to rent provincial tax sources as a prelude to action in the field of social security.

He said nothing that amounted to plain prediction, but his words could be interpreted as a feeling that Ontario and the Federal Government may get together before another general conference. Seven of the provinces have signed individual agreements and Premier Smallwood of Newfoundland is in town in connection with the signing of an agreement with his province.

Mr. St. Laurent, arriving by train from Quebec City after a three-weeks vacation in Bathurst, N.B., recalled:

"I had an interview with Mr. Frost before leaving here and although we spoke only of generalities I got the impression we both realize we have a responsibility to our constituents and that they expect us to act accordingly."

He went on to say that the provinces have been promised a general conference a year before their individual agreements run out in 1952. But, he added, "I hope a lot of matters will be discussed separately with representatives of the provinces first because there are different angles affecting the different parts of Canada...A general conference is more apt to be fruitful if they are discussed in advance."

**Defence Experts' Visit:** Fifteen members of the student body and directing staff of Britain's Imperial Defence College arrived in Ottawa on August 1 by air from England on a 27-day tour of Canada, the Minister of National Defence, Mr. Claxton has announced.

The party will visit and inspect industrial plants and defence installations in larger centres from coast to coast and in the Canadian north. An additional week will be spent in the United States before the return flight to England on September 3.

The college annually sends its students on summer tours but this will be the first Canadian visit. Half of the 1949 class is coming here while the other half is touring the Far East.

**Fort Beausejour Museum:** The new wing of Fort Beausejour Museum, near Sackville, N.B., was formally opened by the Minister of Mines and Resources, Mr. Gibson, on August 2.

The new addition is to be named "The John Clarence Webster Wing"

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as a tribute to Dr. J.C. Webster, Chairman of the Historic Sites and Monuments Board of Canada and Honorary Curator of the Fort Beausejour Museum.

Taking part in the official opening were Hon. D.L. MacLaren, Lieut. Governor of New Brunswick; Hon. J.B. McNair, Premier of New Brunswick; Chas. Eaton of Washington, D.C., former Chairman of the Foreign Relations Committee of the United States House of Representatives; Rev. Father Cormier, President of St. Joseph's University, St. Joseph, New Brunswick; and the Mayor of Amherst, Nova Scotia.

Wheat Stocks: Stocks of Canadian wheat in store or in transit in North America at midnight on July 14 amounted to 59,794,000 bushels compared with 65,263,000 on July 7, and 41,569,000 on the corresponding date last year, according to the Bureau of Statistics.

Across Canada: After sustaining injuries which kept him in hospital for the week-end in his first attempt on Saturday to ride the Niagara River waters in a 625-pound steel drum, Major Lloyd Hill of Niagara Falls, completed the dangerous ride to Queenston on Monday... Sixteen forest fires which had been burning in Ontario were reported all under control this morning... The former Prime Minister, Mr. Mackenzie King was reported to be a guest of John D. Rockefeller, Jr. in Maine.



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Wednesday, August 3, 1949

Notes to Hungary, Roumania: The Department of External Affairs announced on August 2 that Canada, Australia and New Zealand were associated with further United Kingdom notes delivered on August 1 to the Governments of Hungary and Roumania in connection with the dispute which has arisen concerning the interpretation and execution of the clauses of the peace treaties which provide for the protection of fundamental human rights.

The notes addressed to Hungary and Roumania recall the treaty provision that any dispute about the execution of the treaty which is not resolved within a period of two months by the Heads of Mission of the United Kingdom, United States and U.S.S.R. in the capital of the country concerned should be referred at the request of either party to a commission composed of one representative of each party and a third member to be selected by mutual agreement of the two parties from nationals of a third country, unless the parties to the dispute mutually agree upon another means of settlement. Since the Soviet Government, in spite of the provisions of the treaty, have not authorized their representatives in Budapest and Bucharest to join their British and United States colleagues in considering the disputes, the United Kingdom Government requests that the disputes be referred to commissions constituted in accordance with the treaties and invites the Hungarian and Roumanian Governments to join with the United Kingdom Government in appointing the necessary commissions.

As Canada is not a signatory of the peace treaty with Bulgaria it is not associated with a similar United Kingdom note to the Bulgarian Government.

The United States is taking parallel action with respect to the three Balkan Governments.

NRC Patents For Industry: Canadian Patents and Development Limited, incorporated as a Crown company early in 1948, provides a means of making readily available to industry, through licensing arrangements, new processes and improvements in processes developed by scientific workers in the National Research Council. Widespread interest has been shown in the Company's activities. In response to the many requests that have been received for identification of the patents available for licensing, the Company has just issued a handbook, giving titles and patent references for the information of industrial firms who may be interested in these processes. The handbook lists 64 patents issued and eight applications pending, the National Research Council has announced.

Major-General Weeks Retires: The Minister of National Defence, Mr. Claxton, announced on August 3 the forthcoming retirement of the Army's adjutant-general, Major-General Ernest G. Weeks, CB, CBE, MC, MM, 53, after a distinguished military career of more than 38 years and outstanding service in two world wars.

His successor will be Brigadier W.H.S. Macklin, CBE, 49, former vice adjutant-general, who takes over his new duties in the rank of major-general on August 15. Gen. Weeks goes on retirement leave on that date.

"The Canadian Army," Mr. Claxton said, "is losing the services,

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through Gen. Weeks' retirement, of a distinguished fighting soldier and a great administrator. Enlisting in the ranks of the Signal Corps in the First Great War, he won the Military Medal and Bar. He was commissioned in the field and then won the Military Cross and Bar. He is one of the very few officers who has twice won each of these high awards for bravery in action...."

Canada - U.K. Air Pact: The Canadian Press carries the following report from London.

London, Aug. 2 - (CP) - Canada today completed her second recent bid for expansion of air lines with the initialling of a new bilateral air agreement with the United Kingdom. Formal signing is expected to take place in Ottawa at an early date.

Canada's Transport Minister, Lionel Chevrier, today announced conclusion of the agreement. Two months ago Canada completed a bilateral air pact with the United States, giving her the right to do more business in U.S. territory.

Both pacts hinge on the use by these countries of Newfoundland's huge international airport at Gander. France, which also had rights at Gander before Newfoundland became Canada's 10th province, has made no move to conclude a new agreement with Canada and her rights at Gander have lapsed.

Under latest arrangements with the U.K., Canada obtains all air traffic privileges, that is the right to pick up and drop off passengers, in British Pacific Ocean air ports on the Fiji Islands and Hong Kong.

This will mean that Canadian Pacific Air Lines will be able to establish a firm commercial line to the Orient and to Australasia.

A major concession on both sides is that for the first time the principle of "fifth freedom" or intermediate traffic rights will be recognized....

Across Canada: The CBC Board of Governors has rejected a request of the Canadian Association of Broadcasters for an increase in the time in which spot advertising announcements may be made during radio broadcasts... The family allowance program has just concluded four years' operation but there is no sign of increase in the size of families as a result, the Canadian Press reports this morning.



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Friday, August 5, 1949

Parliament Meets September 15: The Prime Minister, Mr. St-Laurent, made the following announcements on August 4:

1. The Government had decided to have Parliament called into session on September 15.
2. The Government intends to propose W. Ross Macdonald, Brantford, for Speaker of the House of Commons.
3. His Excellency the Governor General had been pleased to approve the appointment of the Hon. Elie Beauregard as Speaker of the Senate.
4. His Excellency had also approved the re-appointment of the following members of Parliament as Parliamentary Assistants, the appointment in each case being effective from the date on which his election was certified by the Returning Officer of his constituency:
  - Hugues Lapointe - Parliamentary Assistant to the Secretary of State for External Affairs - effective July 12.
  - G.J. McIlraith - Parliamentary Assistant to the Minister of Trade and Commerce - effective July 11.
  - Ralph Maybank - Parliamentary Assistant to the Minister of Mines and Resources - effective July 11.
  - W.E. Harris - Parliamentary Assistant to the Prime Minister - effective July 18.
  - P.E. Cote - Parliamentary Assistant to the Minister of Labour - effective July 11.
  - R. McCubbin - Parliamentary Assistant to the Minister of Agriculture - effective July 14.
  - Gleason Belzile - Parliamentary Assistant to the Minister of Finance - effective July 11.
  - Thomas Reid - Parliamentary Assistant to the Minister of National Health and Welfare - effective July 13.
  - J.W. MacNaught - Parliamentary Assistant to the Minister of Fisheries - effective July 11.
  - L.A. Mutch - Parliamentary Assistant to the Minister of Veterans Affairs - effective July 11.
  - J.A. Blanchette - Parliamentary Assistant to the Minister of National Defence - effective July 11.
  - James Sinclair - Parliamentary Assistant to the Minister of Finance - effective July 11.
5. Herve Edgar Brunelle of Cap de la Madeleine has been appointed Associate Commissioner of the Canadian Farm Loan Board to fill the vacancy caused by the appointment of Mr. J.C. Murray as Commissioner of the Board following the death of Dr. T.F. Donnelly last fall. Mr. Brunelle was Member of Parliament for Champlain from 1935 until his retirement from public life before the last election.

Rail Subsidy For B.C.: Following a conference with the Premier of British Columbia, Mr. Johnson, the Prime Minister, Mr. St-Laurent, announced on August 3, that the Government of Canada would recommend to Parliament the grant of a subsidy of \$15,000. per mile to the Government of British Columbia for the purpose of extending the Pacific Great Eastern Railway from Quesnel to Prince George.

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This proposed extension of slightly over eighty miles was announced by the provincial Government last spring. Its completion will afford connections at Prince George with the Canadian National Railways.

Mr. St-Laurent recalled that mileage subsidies had been the traditional method by which the Government of Canada had assisted railway construction in the past. He referred particularly to the subsidy paid to the Province of Ontario to defray part of the cost of constructing the Temiskaming and Northern Ontario Railway, under authority of the Temiskaming and Northern Ontario Railway Aid Act of 1913.

International Trade Gains: Despite tightening foreign markets, Canada is making new gains on the international trade front.

Exports in June climbed to \$255,100,000, up nine per cent from the \$223,500,000 worth of goods sold in June last year, the Bureau of Statistics reported on August 4, according to the analysis of the report by the Canadian Press.

The June increase, which reflected boosts in exports over the same period last year to the United States, the Commonwealth and Latin America, helped bring Canada's total exports for the first half of 1949 to the \$1,424,600,000 mark.

This was an increase of 1.7 per cent over the \$1,400,100,000 worth of goods sold during the first half of 1948.

There were no figures yet available on Canada's imports during June. The Bureau said this would take another three weeks. It then would be possible to estimate Canada's trade balance for that month. Imports have been climbing too.

Biggest factors in the June and half-year exports increase were greater shipments of wheat, cattle, farm machinery, implements, nickel, copper, lead, zinc and products made from these metals.

Shipments of flour, bacon and hams, other meats, some lumber products and wood pulp were substantially lower. A fat share of Canada's exports in June went to the United States. These were valued at \$113,900,000, slightly increased from the \$109,800,000 shipped last year and raising the cumulative total for the first half of 1949 to \$690,900,000, compared with \$646,000,000 in 1948.

Shipments to dollar-short United Kingdom during June showed a reversal of a downward trend in earlier months this year. June's exports rose to \$60,700,000, compared to \$54,200,000 a year ago. The half-year total was down to \$335,600,000 from \$359,400,000 in 1948....

Living Cost Increases: The Bureau of Statistics reported on August 4, that the cost-of-living index jumped 1.6 points during June, from 160.5 to 162.1. It was the highest leap the living-cost yardstick has taken in a year.

The report described the sudden increase as "seasonal" and based mainly on a 4.3-point rise in the food index, from 202.9 to 207.2. However, rents also showed an increase of a full point, jogging upward from 122.4 to 123.4, reflecting the results of a June rent survey which covered the second quarter of the year.

Across Canada: Offices used by the staff of the House of Commons are being moved to the East Block to make room for accommodation for the increased number of members of Parliament this session.... Employment showed considerable expansion throughout Canada at the beginning of June, the Bureau of Statistics has reported.

(No Bulletin was issued August 4)



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Monday, August 8, 1949.

Dr. Beauchesne Retires: The Prime Minister, Mr. St-Laurent, made the following announcements on August 5:

1. The Clerk of the House of Commons, Dr. Arthur Beauchesne, C.M.G., has retired after more than twenty-four years' distinguished service in that capacity and a total of thirty-three years' service as an official of the House of Commons.
2. Leon J. Raymond, M.P.-elect for Gatineau, has been appointed Clerk of the House of Commons in place of Dr. Beauchesne. By accepting this office, Mr. Raymond has automatically vacated his seat in the House of Commons.
3. J. Alfred Dion, M.P. for Roberval, will be proposed by the Government for the office of Deputy Speaker and Chairman of Committees of the House of Commons.

Mr. Johnson's Visit: The Minister of National Defence, Mr. Claxton, announced on August 6 that the Hon. Louis Johnson, United States Secretary of Defence, had accepted his invitation to visit Ottawa on Thursday, August 11.

He is expected to arrive at Rockcliffe airport between 10:00 and 11:00 a.m.

"Mr. Johnson is paying us a call for an exchange of views on matters of mutual interest", he said, "and we're looking forward to making his acquaintance."

Mr. Johnson, who was appointed by President Truman last March to head the three armed services of the United States, will meet Prime Minister St. Laurent, Mr. Claxton and other members of the Cabinet Defence Committee shortly after his arrival. At 1:00 p.m. he will lay a wreath at the War Memorial and he will then be the guest for lunch of His Excellency the Hon. Laurence A. Steinhardt, United States Ambassador to Canada. If possible, a press conference will be held in the afternoon, and in the evening the distinguished visitor is to be guest of honour of the Canadian Government at a dinner at the Country Club.

At Rockcliffe the Royal Canadian Air Force will provide a guard of honour for the arrival of the Defence Secretary, and the 30th Field Regiment, RCA, will fire a 19-gun salute as he steps from his plane. In addition, an honour guard from the Canadian Army will attend Mr. Johnson when he lays his wreath at the foot of the Cenotaph.

Harvester Movement: The annual federal-provincial movement of harvesters to the Prairie Provinces is due to commence around August 10, according to an announcement by the Minister of Labour, Mr. Mitchell, on August 6.

The exact number required for the movement is not yet known, but the demand is not as heavy as last year when 2,200 made the trip and it is expected there will be sufficient experienced volunteers to meet the requirements, the Minister explained.

The harvest is somewhat earlier than last year, especially in parts of Manitoba, so the workers will in many cases start work in Manitoba and work West through Saskatchewan and Alberta. The peak of the movement will be reached around August 25th, Mr. Mitchell stated.

Mr. Strachey On Wheat Pact: Commenting on the announcement by the Minister of Trade and Commerce, Mr. Howe, that the terms of the Canada-United Kingdom Wheat Agreement had been fully carried out during the third year ending July 31, 1949, Joan Strachey, United Kingdom Minister of Food, cabled the following message to Mr. Howe:

" It is a source of great satisfaction to me that the third year of the wheat contract between our two Governments has been completed within the appointed time and on behalf of the British Government I send you our sincere thanks for Canada's ready co-operation."

Indian Art Exhibit: The Minister of Mines and Resources, Mr. Gibson, has announced that an exhibition of modern Indian art was placed on display on August 5 in the National Museum of Canada. This exhibition is the work of a nineteen-year-old Indian art-student, Judith Morgan, and portrays the traditional customs and legends of the British Columbia Indians.

Across Canada: Temperatures ranged from 100 to 107 degrees in Western Canada at the week-end, the Canadian Press reported from Winnipeg...Mrs. Warwick Fielding Chipman, wife of Canada's High Commissioner to India, died at her home in Oka, Que. at the week-end.

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# AIRMAIL BULLETIN

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Tuesday, August 9, 1949.

Smaller World Wheat Crop: Prospects are for a somewhat smaller world wheat crop this year in spite of increased acreage in major producing countries, states the Bureau of Statistics in the July issue of its monthly review of the wheat situation.

In the United States the acreage of all wheat for harvest in 1949, estimated at 75,500,000 acres, is five per cent above the 71,900,000 acres harvested in 1948, and exceeds the previous record of 74,400,000 acres harvested in 1947 by 1.5 per cent. The total planted acreage of all wheat in the United States this year is estimated at 83,200,000 acres, six per cent above the previous record of 78,200,000 planted for the 1947 crop. In Canada the 1949 wheat acreage is estimated at 27,500,000 acres, second only to the record 28,700,000 planted in 1940, and 17 per cent above the ten-year (1939 - 1948) average of 23,500,000 acres.

With seeding in Australia and Argentina nearing completion, indications are that there will be some increase in wheat acreage in the southern hemisphere. Preliminary figures place Australia's wheat acreage at 13,300,000 compared with 13,000,000 in 1948 and 13,900,000 in 1947. Trade sources indicate that plantings in Argentina will fall short of the goal of 17,300,000 acres.

The major exception to the general trend in increased wheat acreage appears to be in Europe. Despite definite plans on the part of many governments to encourage increases, actual plantings have fallen short of officially projected targets in several countries with the result that European wheat acreage, excluding that of Russia, is likely to differ little from last year.

RCAF Changes: The transfer of four senior Air Force officers and the retirement of one of the original members of the RCAF, was announced in Ottawa on August 8 by the Minister of National Defence, Mr. Claxton. Air Commodore D. E. MacKell, CBE, of Ottawa, Deputy Air Member for Personnel, a veteran of 35 years' service, is retiring from the Air Force and will be replaced by Air Commodore F.G. Wait, CBE, of Ottawa, presently Commander of the RCAF Group at Halifax. Air Commodore R.C. Gordon, CBE, of Harris, Sask., Air Attaché and Air Member of the Canadian Joint Staff in Washington, will take command of the Group at Halifax. Air Commodore J.G. Bryans, CBE, of Ottawa, now attending the Imperial Defence College in Britain, has been appointed Deputy Air Member for Air Plans (Organization) replacing Air Commodore W.E. Bennett, of Halifax, who has been transferred to the Imperial Defence College. The changes are effective the latter part of this year.

Gen. Simonds Assumes New Post: Lieutenant-General G.G. Simonds, CB, CBE, DSO, arrived at Kingston over last week-end prior to taking over his new appointment as Commandant of the National Defence College and the Canadian Army Staff College next week. He replaces Major General J.F.M. Whitely, CB, CBE, MC, present Commandant, who has been serving in Canada on exchange duty from the British Army for the past two years and who will return to England in the near future.

Since the exchange of these two senior officers went into effect in January, 1947, General Simonds has been Army Instructor at the Imperial Defence College at Camberley, England. At the same time, General Whitely took command of the Canadian Army Staff College, and, when it opened in January, 1948, of the National Defence College.

(over)

Royal Roads Command: The Minister of National Defence, Mr. Claxton, on August 8 announced a change of command at the Canadian Services College, Royal Roads. Succeeding Captain H.S. Payner, DSC and bar, R.C.N., of St. Catharines, Ont., as Commandant of the College is Group Captain J.B. Millward, DFC, RCAF, (718 Parkdale Ave.) Ottawa and Montreal. The new appointment is effective August 15. Command of the tri-service College is on a rotation basis and each service will in turn provide the Commandant. Officers of the three services will act as military instructors at the school.

Ambassador To Greece: The Secretary of State for External Affairs announced today the appointment of Mr. George Loranger Magann as Ambassador Extraordinary and Plenipotentiary of Canada to Greece to succeed Major General the Honourable L.R. LaFleche, D.S.O., who has been appointed High Commissioner for Canada in Australia.

Across Canada: The federal Minister of Reconstruction, Mr. Winters, and the Premier of Ontario, Mr. Frost, together with key officials, commenced housing conferences at Toronto yesterday....The maximum temperature at Winnipeg yesterday was reported to have been 103 degrees.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Wednesday, August 10, 1949.

Canada's Defence: Continental defence plans call for immediate United States armed intervention if any sizeable enemy force strikes Canada, informed sources said on August 9, the Canadian Press reported at Ottawa today.

That was part of the official reaction to press reports on Exercise Eagle, Canada's biggest peacetime land-air manoeuvres, which were critical of the state of national preparedness it bared, the report proceeded.

It was held along the first 50 miles of the Alaska Highway last week-end.

More specifically, on the subject of Canada's own preparedness, high Defence Department quarters said reporters were wrong indicating that the exercise showed the full force Canada is capable of mustering to meet the sort of diversionary raid that is considered the only likely present menace to the country.

"That was not the best effort we could mount," one source said flatly. "It was not an operation to test Canadian defence or to impress any potential enemies... It was a small-scale controlled exercise on a battalion level to find answers to some of the questions that face us."

At Fort St. John, B.C., centre of the manoeuvre, reporters were told it had the four-fold purpose of testing training given the Princess Patricia's Canadian Light Infantry in their role as an airborne infantry battalion - the only one ready - of testing the R.C.A.F. in a support role, of testing staffs and of testing the R.C.A.F. in defence of its Fort St. John airfield.

Reporters generally praised the lessons it taught, but hammered at the type and quantity of equipment used.

The Chiefs of Staff met with Deputy Defence Minister C.M. Drury to consider the press reports. It was not a special meeting, however, but an informal discussion after one of their regular sessions....

Trans-Canada Highway: The first session of the new Parliament, due to begin Sept. 15, will be asked to ratify legislation providing for the construction of a trans-Canada highway, it was learned today, the Canadian Press reported this morning.

Reconstruction Minister Winters said in an interview that the legislation will provide for a federal financial contribution toward the multi-million dollar project.

No financial agreement has yet been reached with the provinces, but Mr. Winters estimated that the federal contribution will run between \$150,000,000 and \$200,000,000. Total cost of laying down a 5,000 mile hard surfaced highway is expected to run about \$400,000,000.

Work will be under the jurisdiction of the provinces and is expected to start next spring. It is estimated that it will take about five years to complete the route in most provinces.

Mr. Winters said he considers the project as part of a public investment program. It will provide employment in the provinces and will also open up the country to further development.

The route for the highway has not yet been selected. The provinces have not yet reached an agreement on that point....

(over)

Half-year's Store Sales: With dollar sales in June repeating the gains of earlier months over last year, total department store sales in Canada during the first half of this year were 10 per cent higher than last year. All provinces shared in the half-year gain, largest increases being in the Maritime and Prairie Provinces, and sales were higher in all departments except food and kindred products.

According to the Bureau of Statistics, January-June sales aggregated \$382,744,000 as compared with \$348,735,000 for the first six months of 1948. June sales amounted to \$67,230,000 as compared with \$63,254,000 for June last year, a lower-than-average increase of six per cent.

By regions, gains in the half-year ranged from nearly 19 per cent for Alberta to six per cent for Quebec. The Maritime Provinces were second in degree of increase with over 14 per cent; followed by Saskatchewan, just under 14 per cent; Manitoba, 12 per cent; British Columbia, nine per cent; and Ontario, nearly eight per cent.

Long-time Crop Yields: Average annual yield per acre of all wheat in Canada during the 41 years from 1908 to 1948 inclusive was 16 bushels, fall wheat averaging 25 bushels and spring wheat 16 bushels, according to a summary of long-time average yields of field crops issued by the Bureau of Statistics. British Columbia had the highest average yield of spring wheat at 25 bushels, followed by Ontario with 19 bushels, Alberta and the three Maritime Provinces with 18 bushels each, Manitoba and Quebec with 17, and Saskatchewan with 15 bushels. Ontario's fall wheat crops have averaged 25 bushels per acre.

Across Canada: Monday and Tuesday were the hottest 8th and 9th of August Ottawa has experienced since temperatures were first recorded in 1890. Temperatures were recorded at 97 and 96 degrees respectively....Some 40 small forest fires were reported burning in Northern Ontario's bushlands.



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Thursday, August 11, 1949.

**Mr. Johnson's Visit:** Representatives of the press in Ottawa have been invited to meet the Hon. Louis Johnson, United States Secretary of Defence, who is to arrive in Ottawa today, August 11. The press conference will take place at the home of the United States Ambassador to Canada, His Excellency the Hon. Laurence A. Steinhardt, at Rockcliffe, at 5.30 p.m.

The Canadian Press reported this morning, in connection with Mr. Johnson's visit, that Gen. A.G.L. McNaughton, Canadian Chairman of the Joint Defence Board, is to arrive in Ottawa tonight or Friday morning, and that Maj. Gen. Robert Walsh, U.S.A.F., one of the Board's United States members, will leave Washington by plane this morning with Mr. Johnson.

**Dieppe Commemoration:** Thirty-two veterans of the battle of Dieppe leave Dorval airport, Montreal, on Sunday to return to the scene of their fighting in 1942 and take part in the seventh annual commemoration ceremonies at the French port.

The event marks the "opportunity of a lifetime" for the 32 officers and other ranks, all members of Canada's reserve army, who are representing all units that took part in the raid.

Returning to the scenes of the hard-fought combined services Dieppe action will recall many memories for each veteran.

From all parts of Canada, they will converge on Montreal this week for a final briefing prior to boarding a Royal Canadian Air Force plane for the trans-Atlantic flight on Sunday.

The party has an all-day flight August 14 and is scheduled to land at Northolt, England, in the early morning of August 15.

By train and boat they journey directly to Paris, arriving Tuesday, August 16, to take part in special ceremonies at the Arc de Triomphe on August 17. Here they will meet Canadian embassy officials.

Thursday, August 18, the Canadian party travels from Paris to Dieppe to take part in the commemoration ceremonies on the 18th and 19th, the latter the anniversary date of the operation in 1942.

**Crop Conditions:** Extremely high temperatures during the past week, averaging from eight to ten degrees above normal, have hastened ripening of grain crops in the Prairie Provinces. Harvesting is now under way in the southern parts of all three provinces and will become general within a week or 10 days except in central Alberta where conditions are variable due to a high proportion of second growth, reports the Bureau of Statistics under date of August 9.

Yields are expected to be good in Manitoba, eastern and northern Saskatchewan, south-western Alberta and the Peace River District. Elsewhere prospects vary from fair to poor and in many areas only enough for seed is anticipated.

Exceptionally hot weather during the latter part of last week in Manitoba caused rapid maturing of crops. Some premature ripening of late-sown grains is taking place. Harvesting is under way in southern Manitoba and will be general in central and northern areas by the end of this week. Wheat yields on the whole are satisfactory but coarse grain yields will be somewhat disappointing.

Canadian-Designed Jetliner: The Canadian Press reported as follows from Toronto on the flight test of the Canadian-designed Avro jetliner:  
Toronto, Aug.10 - (CP) - First jet-propelled airliner produced on the North American Continent, the Canadian-designed Avro jetliner today passed successfully through initial flight tests.

Airline technicians from many countries are expected here soon to examine this latest development in air transport, produced at the nearby Malton plant of Avro Canada, Ltd.

It missed by just two weeks being the first jet transport anywhere to leave the ground. The four-engined de Havilland Comet recently flew for the first time in Britain.

The Canadian plane, with a three-man crew, cruised at 250 miles an hour at 12,000 feet, but was not flown full out. It is designed to carry 50 passengers at 430 M.P.H. at 30,000 feet.

Minor refinements will be made before the Avro jetliner goes on the production line, but company officials were hopeful of profitable sales to North American air companies, starting with Trans-Canada Airlines. Several U.S. companies have jet liners on their drafting boards, but none is believed near the flight stage.

The all-metal aircraft was airborne before any of the few score watchers realized it had lifted off the runway....

Across Canada: Toronto, with 98 degrees, was the centre yesterday of Ontario's continued heat wave...



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Friday, August 12, 1949.

Mr. Johnson's Press Conference: The United States Secretary of Defence, Hon. Louis Johnson, told a press conference in Ottawa on August 11:

"We have no fears about the Alaskan (defence) picture, thanks to the understanding we have in the Western Hemisphere," according to this morning's Canadian Press report.

Mr. Johnson also, according to the Canadian Press:

1. Indicated his own warm approval of a plan, discussed at an earlier meeting with the Defence Committee of the Cabinet, to allow an exchange of Canadian and U.S. military production which would prevent further strain on Canada's dollar problem.
2. Said there is no disagreement between the two countries in any aspect of their defence co-operation.
3. Declined to discuss the possibility of a unified American-Canadian regional command because it would be "putting the cart before the horse" in developments leading to formation of Atlantic pact organization.

The Secretary described himself as "tickled to death" with Canada's defence picture and said "I have never spent a more worthwhile day in my life nor felt myself among more understanding people...we are brothers in the cause of peace."

He conferred with the Cabinet Defence Committee, headed by the Prime Minister, Mr. St. Laurent, from 11.30 a.m. to nearly 1 p.m. on "the whole field of defence."

Canadian arms procurement in the U.S., Newfoundland bases held by the U.S., the Canadian defence organization and other topics were discussed.

Mr. Johnson arrived in a four-engined Constellation at Rockcliffe Airport at 11 a.m. and received a formal reception by the Minister of National Defence, Mr. Claxton, the chiefs of staff and others as well as 19 rounds from artillery pieces, a general salute by 75 R.C.A.F. men and an Air Force band.

He was the guest of U.S. Ambassador Laurence Steinhardt at lunch and of the Government at dinner. He leaves for Washington late tonight...

Record Auto Sales: Both factory shipments of Canadian-made motor vehicles and sales of new motor vehicles reached new high postwar levels for the period during the first half of this year.

With June figures setting a new record for a month, factory shipments by Canadian manufacturers during the six months aggregated 140,115 units compared with 129,182 units in the corresponding period last year and with 126,215 units in 1947, according to the Bureau of Statistics. June shipments totalled 30,096 units compared with 26,708 in May, 23,362 in June last year, and the previous month's peak of 27,305 units last December.

Of the half-year's total shipments, 125,262 units were for sale in Canada and the remainder for export, while 27,183 of the June shipments--a slightly higher proportion--were for sale in Canada and 2,913 for export.

Passenger cars accounted for 87,470 of the total units shipped in the half-year, 79,966 being for sale in Canada and 7,504 for export.

Sales of new automobiles during the first half of this year rose to 132,780 vehicles sold for \$280,133,731 as compared with 107,534 units re-tailed for \$212,011,081 in the corresponding period last year, an increase of 24 per cent in number and 32 per cent in value.

( over )

Massey Commission: The Canadian Press reported, in part, as follows

This morning on yesterday's proceedings before the Massey Commission: Ottawa, Aug. 11 (CP) - Radio - the "greatest and most universal instrument of education" - has become an entertainment outlet for mere sales propaganda "tagged on to nonsense of pseudo-romantic drivel," the Royal Architectural Institute of Canada said today.

It called on the Massey Commission on Arts and Science Development to consider giving the country's cultural leaders, rather than contributory advertisers, firm control over program policy.

In a brief presented to the Commission, A.J. Hazelgrove, President of the Institute which represents 1,100 Canadian architects, declared that "giant commercial operations" controlled the type and quality of Canadian programs.

The Institute wanted Canadian radio developed along Canadian lines, just as it wanted Canada to have its own kind of culture and its own kind of architectural design.

By raising the cultural level of Canadian people, Canada could "combat the debasing flood of foreign propaganda which pours into Canada by radio, television and magazine."

The Institute wanted the Commission to consider other urgent needs, particularly in the fields of design, films and education.

Unemployment Insurance: Claims for unemployment insurance benefit filed in local offices across Canada in June amounted to 53,100, down from the May figure of 63,700, but up from the June, 1948, total of 39,600, according to the Bureau of Statistics. At the end of the month there were 80,400 ordinary claims on the live unemployment register compared with 95,800 at the end of May and 56,500 at June 30 last year.

Tree-fruit Crops: Canada's tree-fruit crops will be well above the 1948 level, according to the second estimate of fruit production in Canada, based on crop conditions at mid-July, released by the Bureau of Statistics. Berries and grapes, on the other hand, are down considerably from last year.

Across Canada: The Secretary of State for External Affairs, Mr. Pearson, will officially open the 1949 Central Canada Exhibition at Ottawa with an address on August 22....Ontario's record heat wave broke last evening and temperatures are at summer normal again.





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Monday, August 15, 1949.

Scientific Conference: Word has been received from Lake Success that Canadians have been invited to preside over three sessions of the forthcoming United Nations Scientific Conference on the Conservation and Utilization of Resources which opens August 17, it is announced by the Minister of Mines and Resources, Mr. Gibson

Dr. H.L. Keenleyside, Deputy Minister of Mines and Resources, who heads the Canadian Delegation, will preside at the plenary session, August 18, on "World Resources - A Review Of Critical Shortages."

Dr. G.C. Monture, Chief, Mineral Resources Division, Bureau of Mines, will head one of the eight Section meetings to be held on minerals, and P.E. Cavanagh, Assistant Director, Department of Engineering and Metallurgy, Ontario Research Foundation, will preside at a Session of the Fuels and Energy Commission.

Section meetings will be devoted to specific world problems in the field of minerals, forest products, water-power, land resources, fish and marine resources, fuels and energy.

Canada Savings Bonds: The Minister of Finance, Mr. Abbott, has announced that a Fourth Series of Canada Savings Bonds will be offered to the public this fall. At the same time the Minister gave notice that Canada Savings Bonds, Series Three, will be withdrawn from sale on August 31st. Applications made before August 31st, with arrangements for deferred payment, are not affected.

Decision to issue a Fourth Series of Canada Savings Bonds is a direct reflection of the enthusiastic response that has attended the previous three offerings. Since the introduction of this unique savings instrument in 1946, Canadians have made more than three million purchases of Canada Savings Bonds, representing a total value in excess of \$1 billion. Last year, purchases on the Payroll Savings Plan reached a new high of \$118 million. The number of industrial and commercial establishments offering the Payroll Plan to employees also reached an all-time high and more than 43% of all employees to whom the Payroll Plan was made available bought bonds.

Newfoundland University: The Newfoundland Legislature gave unanimous approval last week to two important measures designed to raise the educational facilities and standards of the island, the Canadian Press reported from St. John's.

The Assembly adjourned Saturday until Oct. 3 after a week that produced no sharp argument, in marked contrast to earlier sessions of the new House.

Bills were passed for establishment of a memorial University of Newfoundland and for a teacher-training program embodying a new wage scale.

The House also passed a bill for incorporation of the Maritime Association of Hospital Service (Blue Cross) in Newfoundland.

The University will be created by the expansion of Memorial University College here. Eventually it is hoped to confer degrees in medicine, law, engineering and other fields of knowledge. At present Newfoundland students must go elsewhere to obtain degrees of any kind.

( over )

Indian High Commissioner: Santdas Khushiram Kripalani, new Indian High Commissioner to Canada, arrived in Ottawa on August 14 with his wife and daughter, the Canadian Press reported.

He was met at Union Station by Maj.-Gen. Harry Letson, the secretary of Governor-General Viscount Alexander, and Howard Measures, Chief of Protocol of the External Affairs Department.

Mr. Kripalani has been Indian Consul General in San Francisco since 1948 and succeeds Sardar Hardit Singh Malik, recently appointed Indian Ambassador to France.

Marine Weather Service: Stepping up of meteorological forecasting service designed to improve aids to navigation on the St. Lawrence River will be put into operation effective on August 15, it was announced by the Minister of Transport, Mr. Chevrier.

This new regular weather forecast service will be an extension of existing marine weather services and completes the establishment of forecasts for all shipping lanes in Eastern Canada.

Mr. Wilgress On Trade: A general intensification of import restrictions resulting from the dollar shortage was predicted Saturday by Dana Wilgress of Canada, chairman of a conference of the members of the 1947 Geneva Tariff Agreement, the Canadian Press reported from Annecy, France.

Addressing the closing meeting of the four-month conference, Wilgress said he believes there will soon be a large-scale application of escape clauses of the agreement under which import restrictions should soon be necessary as a result of the sterling area's dollar shortage, and that Britain will invoke the escape clauses of the agreement in this connection, the report said.

Across Canada: The Canadian football season opened at Ottawa Saturday with Ottawa Rough Riders defeating Hamilton Tigers by a score of 25 to 1.



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Tuesday, August 16, 1949.

**Arctic Cruise:** The Royal Canadian Navy frigate HMCS "Swansea" will sail from Halifax August 24 on a four-week, 4,410-mile cruise to ports on the east coast of Baffin Island, it was announced today at Naval Headquarters. HMCS "Swansea" is commanded by Lieut. John P.T. Dawson, RCN, 29, of Westmount, P.Q., and Halifax.

The "Swansea's" most distant port of call will be River Clyde, a trading post and Department of Transport weather station approximately 1,800 miles north of Halifax, 300 miles inside the Arctic Circle and most northerly point ever to be visited by a vessel of the R.C.N.

Primary purpose of the cruise will be to familiarize officers and men with operating conditions in the sub-Arctic. In addition, hydrographic observations will be made and scientific data collected.

**Merck Fellowships:** Two Merck postdoctoral fellowships in the natural sciences have been awarded for the year 1949-50, it has been announced by the National Research Council at Ottawa. Grants have been made to Dr. D.A.I. Goring, of McGill University's department of physical chemistry, who will study colloid science under Professor F.J.W. Roughton, F.R.S. at Cambridge University, England; and to Dr. M.J. Miller of the Institute of Parasitology at Macdonald College, who will pursue his studies in medical parasitology and clinical tropical medicine under the direction of the School of Tropical Medicine at the University of Calcutta, India.

**977,594 Union Members:** The number of trade union members in Canada has reached an all-time high according to a statement issued today by the Minister of Labour, Mr. Mitchell. Mr. Mitchell stated that the membership of labour unions has increased by more than two and a half times during the past ten years and is now approaching one million.

Since 1911 the Department of Labour has conducted an annual survey of the membership of unions active in Canada. The results of the latest survey, conducted by the Economics and Research Branch of the Department, are contained in the publication, The Thirty-Eighth Annual Report on Labour Organization in Canada, which is to be issued shortly. The report shows that there were 977,594 trade union members in Canada at the end of 1948.

**Deep River Housing:** Tenders have been invited by the National Research Council for the construction of ten additional houses at Deep River to provide further needed accommodation for the families of scientists working at the Atomic Energy Project. The village now has approximately 400 family dwellings, accommodation for about 400 single persons in the staff hotel, and all necessary auxiliary services including a shopping centre, recreational facilities and maintenance and municipality service units, and a well-equipped hospital.

**Building Increase:** Activity in residential building construction in Canada was stepped up in the first five months of this year, completions and starts both showing substantial gains over the same period last year, according to the Bureau of Statistics.

( over )

There were 32,451 dwelling units completed in the period compared with 24,582 in the like period of 1948, a gain of nearly one-third; starts numbered 29,671 compared with 26,359; and the estimated number under construction at the end of May was 53,533 as against 56,456 at the beginning of the year. In May, 7,374 units were completed in Canada compared with 6,284 in the corresponding month last year. A breakdown of the types of dwellings completed shows that approximately 29 per cent are for rental purposes, the remainder being for owner-occupancy. Starts were made in May on 12,809 units compared with 11,407 a year earlier.

Department Store Sales Up Four Per Cent in July: Department store sales rose four per cent in July over the corresponding month last year, according to preliminary figures released by the Bureau of Statistics. All regions of the country participated in the rise except Quebec where there was a decline of two per cent. The gain in Alberta was 10 per cent, Saskatchewan nine, Manitoba eight, British Columbia seven, the Maritimes four, and Ontario one per cent.

Preliminary compilations for the week ending August 6 shows a decline in sales of two per cent for Canada as a whole, declines in eastern Canada more than counter-balancing advances in western sections. The rise in Saskatchewan was 10 per cent, Alberta and British Columbia each six per cent, and Manitoba three per cent. There was a decline of four per cent in the Maritimes and six per cent in Quebec and Ontario.

Carloadings On Canadian Railways: Carloadings on Canadian railways during the week ending August 6 totalled 69,049 cars as compared with 73,533 in the preceding week and 73,341 in the corresponding week last year. Western division loadings totalled 25,190 cars compared with 24,343 a year ago, a gain of 3.5 per cent, while loadings in the eastern division decreased to 43,858 cars from 48,998 last year, a drop of 10.8 per cent. Cumulative totals for the first 31 weeks amounted to 2,238,960 cars compared with 2,316,334 in 1948 and 2,277,059 in the corresponding period of 1947.

RCAF Appointment: Air Force Headquarters has announced the appointment of Group Captain K.L.B. Hodson, OBE, DFC, of London, Ont., as a Director in the Air Plans Division of Air Force Headquarters, replacing Group Captain G.P. Dunlop, AFC, of Ottawa, who takes command of RCAF station Trenton, Ont.

Across Canada: Albert Matthews, 76, Lieutenant Governor of Ontario from 1937 to 1946, died at his summer home in Muskoka at the week-end....a record number of American tourists will spend a record total in Canada this year, the Travel Bureau estimates, according to the Canadian Press.



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Wednesday, August 17, 1949.

**Wheat Crop Estimate:** Canada's 1949 wheat crop is expected to be 391,500,000 bushels, 1,800,000 bushels less than last year and about 18,600,000 bushels less than the 10-year average for 1939-48.

The crop estimate was the first issued this year by the Bureau of Statistics, which reported that the wheat is being harvested from a near-record seeded area estimated at 27,500,000 acres compared with 24,100,000 acres in 1948 and 23,500,000 acres for the 10-year average, according to the Canadian Press analysis.

Spring wheat production is estimated at 367,355,000 bushels, compared with 367,322,000 bushels last year and 319,022,000 bushels in 1947.

Estimated production of oats is 317,319,000, which is less than the 377,957,000 bushels last year and the 409,427,000 for the 10-year average.

Farmers are expected to harvest 126,517,000 bushels of barley, compared with 159,549,000 last year and 159,043,000 for the 10-year average.

Estimates for rye production are 9,879,000 bushels as against 12,355,000 produced a year ago and the 10-year average of 13,467,000.

Production figures for flaxseed are 2,525,000 bushels, a sharp decrease from 10,652,000 last year and the 10-year average of 9,704,000.

Estimated average yield of wheat for all Canada is 14.2 bushels, compared with 16.3 bushels last year and the 10-year average of 17.4 bushels per acre.

**Conscription Urged:** The Canadian Press reported, in part, as follows on proceedings yesterday at the 16th Biennial Convention of the Ontario Command, Canadian Legion, in Ottawa:

Ottawa, Aug. 16.- (CP)- The Federal Government was urged today to adopt conscription for the reserve forces and to outlaw communism in Canada.

Lt.-Col. L.D.M. Baxter, Dominion president of the Canadian Legion, told the legion's Ontario Command that the present world situation demanded training for youth.

Two nights a week training, he said, would be better for young men than hanging around street corners and pool halls.

"Conscription for the reserve forces is necessary to provide Canada with the potential for a strong active army should the need for it arise."

More men would have returned from the Second World War if there had been conscription before 1939, he said.

Veterans Minister Gregg told the meeting - the 16th biennial convention of the Ontario Command - that the rehabilitation program for Canada's Second World War veterans would cost \$1,500,000,000 by 1959, a "bit more" than expected.

Some 800,000 veterans had received an average of \$500 each in re-establishment credits, 100,000 had taken vocational training at a cost of \$1,000 each and 60,000 had taken university training at a cost of \$4,000 each.

A resolution introduced by the London branch, asking the Government to begin compulsory military training for the reserve forces, will be voted on later in the convention. It also asked that previously-trained men organize and direct the program.

(Over)

Motor Vehicle Financing: Financing of sales of motor vehicles, both new and used, were sharply higher in the first half of this year than in the corresponding period last year, the increase in used vehicles exceeding slightly that in new vehicles.

According to the Bureau of Statistics, a total of 110,085 units were financed to the extent of \$104,540,000 in the six months as compared with 76,034 vehicles financed for an amount of \$70,515,000 in the corresponding 1948 period, making increases of nearly 45 per cent in number and 48 per cent in aggregate financed value.

Hospital Grants: The federal Health Department has approved grants totalling more than \$404,000 to help finance additions to St. Joseph's Hospital, Guelph; the Toronto Western Hospital; St. Joseph's Hospital, Toronto; and the Alexandra Marine and General Hospital, Goderich.

Gen. LaFleche Talks On Greece: The effects of Communism upon Greece have been horrible, Major-Gen. L.R. LaFleche, former Canadian Ambassador to Greece and now High Commissioner for Canada to Australia, said at Montreal on August 16, according to the Canadian Press report.

Addressing the Montreal Rotary Club, he said: "Death, destruction, arson and abduction are daily events. The situation in Greece since liberation has been as terrible, but on a much smaller scale, as anything which occurred during the Second World War."

General LaFleche blamed the situation on Communist bandits who, he said, after the general elections, which resulted in the establishment of a constitutional government, took to the mountains where they have maintained organized forces....

Across Canada: Canada's giant new jet airliner crash-landed at Malton Airport, near Toronto, yesterday, after its undercarriage jammed on its second test flight, but is expected to be back in the air within two weeks. The plane suffered only minor damage... Beverly Baxter, British Member of Parliament, arrived in Montreal yesterday on the Empress of Canada.



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Thursday, August 18, 1949.

Employment Higher: Important expansion in industrial activity as compared with May 1 was reported by 20,306 of the larger firms in the eight major industrial groups at the beginning of June, when their personnel showed an increase of 2.8 per cent, according to the Bureau of Statistics. This advance was similar in size to that indicated at the same date last summer, but on a rather larger scale than at June 1 in earlier years since 1941.

Based on the 1926 average as 100, the index of employment rose from 189.1 at the first of May to 194.4 at June 1, to reach the highest point in the record for the time of year, slightly exceeding the previous maximum of 192.3 at June 1, 1948. During the war years, the peak index for the beginning of June was 181.2 in 1943.

Accompanying the general rise in employment at June 1 over a month earlier was a gain of 0.8 per cent in the weekly salaries and wages disbursed by the reporting establishments. The increase was limited to the non-manufacturing industries. Lowered payrolls were reported, on the whole, in the factory group, largely as a result of the observance of the Victoria and the Ascension Day Holidays in the week under review. As compared with the same week in 1948, the general index number of payrolls showed an increase of seven per cent at June 1 this year.

The trend of employment was favourable in all provinces and in each of the main industrial divisions. Moderate advances were recorded in manufacturing, in which the gain of 0.8 per cent was somewhat below-normal in extent. Among the non-manufacturing classes, there were marked advances in logging, due in the main to river-driving operations in the eastern and central provinces. Mining, communications, transportation, hotels and restaurants, trade and construction also showed considerable expansion. The largest increases were 40.4 per cent and 9.6 per cent in logging and construction, respectively. The gain in the former was above-normal for the time of year, while that in construction was less-than-average, partly due to a dispute in the building industry in the Toronto area.

Weekly earnings in the eight major industries -- as revised since issue of an advance statement earlier this month -- averaged \$42.34 at June 1 as compared with \$43.19 at May 1.

Diplomat's Resignation: The Montreal Gazette reported, in part, as follows this morning on the resignation, reported from Washington, of the Polish Consul General in Montreal, Tadeusz J. Rakowski:

"The resignation of Dr. Tadeusz Rakowski as Consul General of the Polish Government in Montreal is only the prelude to a 'wholesale walkout of the Soviet-dominated Polish diplomats on this continent and may well be followed within a few days by many other Poles now on the recall list of the Polish Foreign Office,' a spokesman for Polish exiles stated here last night. He commented further on the resignation of Dr. Rakowski saying that T.E. Rolian, Montreal Polish Consul until a few days ago 'had left the consular service and accepted a position with ICAO, possibly as a means of escape from a similar recall which threatened the life of Dr. Rakowski.'

"The spokesman, because his relatives are still in Poland and who is intimately connected with Polish refugee work asked The Gazette to withhold

his name for the time being.

"At Ottawa, Eugeniusz Milnikiel, Minister to Canada of the Republic of Poland, denied all rumors that he was recalled by his Government and that he intended to follow the example set by Dr. Rakowski.

"He, like Vice-Consul Zygfryd Wolniak of the Montreal Consulate, said he had no knowledge of the reasons and circumstances which led to the action of Dr. Rakowski.

"Mr. Milnikiel however admitted that Mr. Rolian had accepted a position with ICAO a few days ago but added 'he did so at the request of the Polish Government and did not desert his post!'"....

Legion Convention: The Canadian Press reported as follows on proceedings at the Ontario Command, Canadian Legion Convention in Ottawa yesterday: Ottawa, Aug. 17 -(CP) - An appeal to the federal Government to keep the Red Ensign as the Canadian flag and to keep controls on rents was made today at the close of the 16th biennial convention of the Ontario Command of the Canadian Legion.

The Red Ensign now is flown by the Merchant Navy and from government buildings.

The resolution was submitted by the Sarnia branch and said "our merchant ships have carried these colors to every land in the world and our armed forces have carried it to victory in many battles waged in the name of freedom in foreign lands, to the end that it is known and respected."

The preamble said that a minority group was agitating to drop the Union Jack from the flag of Canada.

Among the resolutions passed in the dying stages of the Convention was one asking the provincial Government to permit sale of beer at Legion halls in "dry" areas....

G.M. Fitzgerald of Orangeville was elected President of the Command, succeeding E.S. Evans of Toronto.

A recommendation added to a housing report adopted yesterday asked that rent controls be continued and expanded to include:

1. Tenants who sub-let accommodation.
2. Increases in rents that were pegged in 1940. Owners of these properties were getting lower returns on their investments than owners of property built since 1940.
3. Measures to control exorbitant rents for individual rooms....

Across Canada: Sir Leonard Outerbridge of St. John's Nfld., yesterday was appointed Lieutenant-Governor of Newfoundland.

The Prime Minister, Mr. St. Laurent, made the announcement after a three-hour cabinet meeting.

Sir Leonard succeeds Sir Albert Walsh whose appointment as Chief Justice of the Newfoundland Supreme Court also was announced by the Prime Minister.





# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Friday, August 19, 1949

Canadian Delegation to U.N.: The Secretary of State for External Affairs, Mr. Pearson, on August 19 announced the composition of the Canadian Delegation to the Fourth Session of the General Assembly, which meets in New York on September 20. The Delegation is as follows:

**Representatives:**

The Honourable L.B. Pearson, M.P. - Secretary of State for External Affairs, Chairman of the Delegation.

The Honourable Paul Martin, M.P. - Minister of National Health and Welfare.

General A.G.L. McNaughton - Permanent Delegate of Canada to the United Nations.

Senator the Honourable Cairine R. Wilson

Hugues Lapointe, M.P. - Parliamentary Assistant to the Secretary of State for External Affairs.

**Alternate Representatives:**

A.D.P. Heeney, Under-Secretary of State for External Affairs.

S.D. Pierce, Associate Deputy Minister of Trade and Commerce.

Leon Mayrand, Assistant Under-Secretary of State for External Affairs.

R.G. Riddell, Department of External Affairs.

Major General E.L.M. Burns, Assistant Deputy Minister for Veterans' Affairs. (General Burns is Chairman of the Administrative Committee of the United Nations Association in Canada.)

The Secretary-General of the Delegation will be John K. Starnes of the Canadian Permanent Delegation in New York. Advisers to the Delegation will be drawn from officials in Ottawa and from the Canadian Permanent Delegation. The General Assembly, which has at the present time 60 items on its provisional agenda, is expected to last two months or more.

Washington Economic Conference: The Prime Minister, Mr. St. Laurent, announced on August 19 the names of the Canadian Ministers who would be attending the Tripartite financial and economic discussions in Washington between Canada, the United Kingdom and the United States. The meetings of Ministers will begin on September 6.

Canadian Ministers attending the conference will be the Minister of Finance, Mr. Abbott, and Mr. Pearson, Secretary of State for External Affairs. Questions may arise which will make it desirable for the Minister of Trade and Commerce, Mr. Howe, to join Mr. Abbott and Mr. Pearson.

During the week preceding the ministerial meetings discussions will be held between officials of the three countries. Canadian officials participating in these preliminary discussions will be headed by Norman A. Robertson, Secretary to the Cabinet, and will include: Hume Wrong, Canadian Ambassador in Washington; M.W. Mackenzie, Deputy Minister of Trade and Commerce; L. Rasminsky, Chairman (Alternate) of the Foreign Exchange Control Board; J.J. Deutsch, Director, Economic Relations Division, Department of Finance, and A.F.W. Plumptre, Head of the Economic Division of the Department of External Affairs.

( over )

Canada - U.K. Air Agreement: The Minister of Transport, Mr. Chevrier, and the Secretary of State for External Affairs, Mr. Pearson, on August 19 announced signature of a new civil aviation agreement between Canada and the United Kingdom. The agreement which was today signed in Ottawa by Mr. Chevrier and by the United Kingdom High Commissioner in Canada, Sir Alexander Clutterbuck, replaces existing air agreements and arrangements between Canada and the United Kingdom and in addition makes provision for certain new routes and new traffic rights.

Former Chaplains Honoured: The Minister of National Defence, Mr. Claxton, on August 19 announced high awards by Her Majesty Queen Juliana of the Netherlands to two former Assistant Principal Chaplains of the First Canadian Army. Made Commanders in the Order of Orange Nassau are Honorary Colonel Kenneth Elder Taylor, OBE, ED, of Vancouver, and Honorary Colonel Maurice Legendre Roy, OBE, of Quebec City.

Gen. Whiteley's Appointment: Appointment of Lt.-Gen. J.F.M. Whiteley as Deputy Chief of the Imperial General Staff, was announced on August 18 from London, England, by the War Office.

Until this month, Gen. Whiteley had been a major-general and Commandant of Canada's National Defence College and the Canadian Army Staff College, both at Kingston, Ont.

In his new post Gen. Whiteley, as right-hand man of Field Marshal Sir William Slim, Chief of the Imperial General Staff, will be Britain's No. 2 soldier, the Canadian Press reported from London, England.

Across Canada: A disabled schooner carrying Baltic refugees to North America was sighted on August 18 800 miles southeast of Halifax, the R.C.A.F. reported from Halifax....

President William Green of the American Federation of Labor said at Toronto on August 18 that the A.F.L. is happy about the results of a drive spearheaded by A.F.L. unions to house-clean Communists from the 400,000-member Trades and Labor Congress of Canada.



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Monday, August 22, 1949.

Wheat Carry-Over: Total stocks of Canadian wheat in all North American positions on July 31 -- end of the 1948-49 crop year -- were 98.7 million bushels, of which less than 70,000 bushels were held in the United States, according to the annual report on the carry-over stocks of Canadian grain issued on August 18 by the Bureau of Statistics in co-operation with the Board of Grain Commissioners. This total compares with a revised estimate for July 31 last year of 77.7 million bushels, including approximately 35,000 bushels in the United States.

Stocks of Canadian wheat at the end of the recent crop year were, therefore, up 21.0 million bushels or 27 per cent above last year's total. This is the fourth consecutive year, the Bureau report points out, in which crop-year-end carry-over stocks have fallen below the 100-million bushel level. For the 20-year period, 1929-1948, the average July 31 carry-over of Canadian wheat was 205.3 million bushels, considerably in excess of current levels.

Immigration Totals: The Immigration Branch of the Department of Mines and Resources has issued the following statistical table on immigration to Canada for the six months ended June 30, 1949:

	<u>From Overseas</u>			Totals
	British	Others	From U. S. A.	
January	1,739	5,250	460	7,449
February	1,355	4,843	450	6,648
March	2,167	6,469	532	9,168
April	2,994	5,538	560	9,092
May	2,217	6,331	636	9,184
June	2,903	8,228	836	11,967
Totals	13,375	36,659	3,474	53,508

Trade Commissioner Service: Since the war Canada's trade commissioner service has steadily expanded, until today there are 90 senior officers and assistants working abroad from offices located in some 40 countries, according to a statement issued by the Minister of Trade and Commerce, Mr. Howe. This expansion has permitted a more intensive examination of some of the smaller and lesser-known markets, with a view to finding new customers for the products offered by Canadian exporters.

Examples of these intensified efforts in new or smaller markets were the opening recently of a trade office in Istanbul, Turkey; regular visits to Iran by the trade commissioner in Pakistan; and similar visits by other officers located in main trading centres to the more remote parts of their territories with a view to stimulating business with Canada.

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University Graduates: In reviewing a report of the Executive and Professional Division of the National Employment Service on the placement of university graduates and under-graduates in 1949, the Minister of Labour, Mr. Mitchell, paid tribute to the employers of Canada for their co-operation in seeing that the 1949 class was properly absorbed by Canadian industry.

The Minister said, "Thanks to the splendid co-operation of all concerned, more than 93 per cent of the largest university graduating class in Canadian history was placed in employment by the middle of July."

For National Library: Members of the Canadian Library Association pressed for the immediate construction of a national library before the Royal Commission on Arts and Science Development, sitting at Ottawa, according to the Canadian Press report.

They received support from officials of the Parliamentary Library, flooded by an avalanche of books it could no longer house within the restricted old walls.

New Zealand Seeks Loan: Finance Minister Walter Nash, of New Zealand, presenting his budget on August 18, said the Government is seeking to increase its dollar reserves by obtaining dollar loans from Canada and the United States and by being paid in hard currency for exports to these countries, according to the Canadian Press report from Wellington.

Across Canada: The west coast, from Alaska to Oregon, was rocked by an earthquake on Sunday evening, but no damage was reported nor was any person reported injured....The United States Coast Guard cutter Unimak was heading for Halifax last night with the 100-foot refugee schooner Amanda in tow. Aboard the disabled Amanda were 31 Baltic refugees....John E. McMillin, recently elected Progressive Conservative member of Parliament for Toronto Greenwood, died Saturday at his home in Toronto....Viscount and Lady Alexander and their three children left St. Andrews for Ottawa at the week-end after a three-week vacation.



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Tuesday, August 23, 1949.

Mr. Pearson's Address: Addressing the luncheon marking the official opening of the Central Canada Exhibition, at Ottawa, on August 22, the Secretary of State for External Affairs, Mr. Pearson, concluded as follows:

"...Somehow or other the flow of goods multilaterally must be restored and this can only be done by a concerted effort based on friendly understanding and working together in the part of the new world and the old. This will involve a re-examination of economic policy by all the countries concerned in the light of the present situation. It will also mean that any new measures taken over here which will assist European recovery must be met by measures on the other side which will give the necessary assurance that any assistance given will be effective. All this may mean that immediate concessions will have to be made -- all round - for ultimate advantages to all. Dollar countries will have to encourage imports by enlightened government action while countries like the United Kingdom will have to take the steps necessary to get into a competitive export position. Above all, as we see it in Canada, emergency restrictive measures which may now have to be taken in sterling countries should not lead to the establishment of practices and policies which will become ends in themselves rather than merely means to an end; that end being the restoration of world trade on a freely convertible basis. If certain trading areas are allowed to become frozen, this may force other areas into following the same negative and restrictive principles. This would be more than stupid. It would be a tragedy if the western democratic world, on the very morrow of the Atlantic Pact which marked so encouragingly the end of political isolation, substituted for that isolation a form of economic isolation through the formation of dollar and sterling blocs, looking at each other with irritation and suspicion over mounting trade barriers and diminishing trade returns. No one could possibly benefit from such a development except those patient calculating gentlemen behind the Kremlin walls and their agents throughout the world. Their ill - concealed satisfaction over this possibility should be our warning not to permit it to happen."

Financial Statement: The Minister of Finance, Mr. Abbott, released on August 20 the regular monthly statement of the Comptroller of the Treasury, covering revenues and expenditures of the Government of Canada for the month of July.

Total revenues of the Government for the month of July amounted to \$204.8 million, compared with \$219.0 million for the same month last year. This brought total revenue receipts for the first four months of the current fiscal year to \$878.8 million, compared with \$920.3 million for the same period a year ago.

The Comptroller's statement also shows total expenditures for the month of July of \$153.8 million, an amount almost identical with the corresponding figure for July, 1948. Total expenditures for the first four months of the fiscal year amounted to \$624.8 million, compared with \$532.4 million for the same period last year. For July the excess of revenues over expenditures, or the budgetary surplus, amounted to \$51.0 million; for July, 1948, the budgetary surplus was \$64.9 million. For the first four months of the current fiscal year the Government's budgetary surplus was just under \$254 million, or approximately \$134 million less than for the same period a year ago.

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In addition, there were non-budgetary expenditures, that is to say, outlays for loans, advances and investments, amounting to \$79.4 million in the first four months of the current fiscal year, compared with similar outlays of \$82.0 million in the same period a year ago.

Foreign Vehicle Entries: Volume of highway traffic crossing the boundary between Canada and the United States -- excluding points of entry into Newfoundland -- was 12 per cent greater in June than in the same month last year, according to the Bureau of Statistics. American traffic entering Canada was up eight per cent and Canadian traffic returning from the United States increased by 27 per cent.

The aggregate number of border crossings in June was 985,700, consisting of 741,700 foreign entries and 244,000 Canadian vehicles returning. Of the foreign inflow, 221,000 vehicles entered on traveller's vehicle permits, 501,100 were non-permit or local entries and 19,600 were commercial vehicles. The Canadian traffic comprised 28,200 units remaining abroad for more than 24 hours, 198,600 staying for shorter periods and 17,200 commercial vehicles.

Cumulative totals for the first six months of this year place highway border crossings at 3,743,000 as compared with 3,362,100 in the similar period last year, showing an advance of 11 per cent.

Chalk River Visit: It was announced in Ottawa and Washington on August 22 that two members of the United States Congressional Joint Committee on Atomic Energy paid a courtesy visit to the Canadian atomic energy establishment at Chalk River on August 20-21. Senator W. F. Knowland (California) and Representative H. M. Jackson (Washington) were accompanied by Mr. H. Bergman, Deputy Director of the Joint Committee, Mr. E. L. Heller of the staff of the Joint Committee, and by Jesse Johnson, Deputy Director of the U.S. Atomic Energy Commission's Raw Materials Division.

With the approval of the Canadian Government, the members of the Joint Committee discussed with the Canadian officials concerned, the administration of the Canadian pile, the management of the townsite which has been built for those working at Chalk River, and other similar subjects of mutual interest.

The party was taken to Chalk River by Dr. C.J. Mackenzie, President of the National Research Council and Chairman of the Atomic Energy Control Board.

Across Canada: Commander Antony H. G. Storrs, D.S.C. and Bar, R.C.N., 42, of Victoria and Ottawa, has been appointed Naval Member of the Directing Staff of the National Defence College, Kingston....Forest fires are threatening the mining village of Sullivan in Northern Quebec and the Laurentian resort village of Terrebonne Heights....The earthquake which shook the west coast at the week-end was of greater intensity than that which shook Ecuador, seismologists are quoted by Canadian Press as saying.



# AIRMAIL BULLETIN

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Wednesday, August 24, 1949.

21 Die In Air Crash: The Canadian Press reported, in part, as follows this morning on the loss of a Canso plane in Manitoba, in which 21 persons perished:

Winnipeg, August 23 -- (CP) -- The R.C.A.F. located the wreckage today in northern Manitoba of an amphibious Canso plane that became a funeral pyre for 21 persons.

The death toll established the crash as one of the worst in Canadian air history, exceeded on only two occasions.

The twin-engined Canso rammed into the ground Sunday night at about the mid-way mark of a 600-mile flight from the Hudson Bay port of Churchill to Winnipeg. Airmen who had hovered over the downed plane said that it had been demolished. The burned wreckage was spotted from the air early this morning.

The crash came while the Canso was homeward bound after a week of soaring through Arctic air lanes. Aboard were seven R.C.A.F. crew members, eight polio-wracked Eskimos, four weather observers, a Canadian Press reporter and a young woman physiotherapist.

Following are the names of 13 of the 21 persons aboard the plane. Names of the eight Eskimos are not known.

Crew:

Flt. Lt. Frank Rush, 28, St. James, Man., pilot.

FO. D. O. Shumay, Springside, Man., co-pilot.

FO. G. W. Linekar, 28, Edmonton, wireless operator.

FO. A. G. Eden, Winnipeg, navigator.

Cpl. G. R. Mitchell, St. James, Man., crew.

LAC. C. F. Bull, Winnipeg, crew.

Flt. Lt. W. W. Robson, Norwood, Man., wireless operator and navigator.

Passengers:

Miss Constance Beattie, 24, Brockville, Ont., physiotherapist.

Jack Aveson, 31, of Winnipeg, Canadian Press staff writer.

Cecil D. McKenzie, Dartmouth, N.S., radio operator.

B. F. McManus, Jollimore, N.S., radio operator.

A. B. Neill, Glencoe, Ont., radio operator.

W. N. Groff, Knowlwood Place, Kitchener, Ont., cook.

Excellent Progress In Harvesting: Generally excellent progress in harvesting has been made throughout the greater part of the Prairie Provinces during the past two weeks. While scattered showers have caused some delay, harvesting operations are now general except in northern Alberta. Above-normal temperatures during the past week in all three provinces have hastened maturity of grains but only moderate damage is reported from premature ripening.

Excellent progress in harvesting has been made in Manitoba with continued hot weather and only scattered showers. In the southern sections of the Province cutting is nearly completed and one-third to one-half of the crops has been threshed.

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Continued hot weather in Saskatchewan has hastened ripening and considerable progress has been made with harvesting operations in all districts.

Over most of Alberta harvesting is under way, and with continued favourable weather will become general within the week.

Harvesting of spring grains is practically completed in the greater part of southern Ontario. While yields are somewhat below normal they are generally much above earlier indications.

During the past two weeks drought conditions have prevailed throughout most of Quebec and crops have deteriorated considerably.

Rains on August 19 relieved the drought in the Annapolis Valley of Nova Scotia and already all crops are beginning to improve.

In British Columbia showery, overcast weather has delayed harvesting of cereal crops.

Election Statistics: A record total of 5,856,307 votes were cast in the June 27 general federal election compared with 5,246,130 in the 1945 general election it was disclosed on August 23 by Jules Castonguay, Chief Electoral Officer, the Canadian Press reports.

The Liberal Party, returned to power with an overwhelming majority, received 2,926,029 of the votes in the last election compared with 2,170,625 in 1945.

The Progressive Conservatives, second largest group in the Commons, polled 1,742,235 compared with 1,455,453; the C.C.F., 790,321 against 822,661 and the Social Credit Party, 139,801 against 214,998.

The figures included votes cast for independent Liberals, independent Progressive Conservatives and independent Social Crediters.

The Communist Labour Progressive Party polled only 32,633 votes compared with 111,892 in 1945.

L'Union des Electeurs, a party which did not exist in 1945, received 84,980 votes. The total might be compared with the 173,427 votes the now-defunct Bloc Populaire Party received in 1945.

Ottawa Registers 'Quake: The Dominion Observatory in Ottawa, Tuesday night, recorded a large earthquake about 2,600 miles from Ottawa, probably in the same area as Monday night's shock in the Pacific Ocean, west of the north tip of the Queen Charlotte Islands.

An observatory official said the first preliminary tremor was recorded at 4:31:42 p.m. E.D.T. followed by a second shock which reached Ottawa at 4:37:44.

Although direction of the quake was not established, the official said it was probably an "after-shock" of the large earthquake which shook the Pacific coast Monday, the Canadian Press reported.

Work Stoppages Decline: Time loss due to work stoppages arising from industrial disputes in Canada during July, 1949, showed a marked decrease of more than 83,000 days from the figures for the previous month, according to the monthly summary of strikes and lockouts for July issued on August 23 by the Minister of Labour, Mr. Mitchell.

Across Canada: Herbert Greenfield, 80, Premier of Alberta from 1921 to 1925, died in Calgary on August 23....Seventeen Quebec counties are temporarily banned to travel due to forest fires. In Ontario 151 forest fires are reported.



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Thursday, August 25, 1949.

Cabinet Changes: The Prime Minister, Mr. St. Laurent, on August 24, announced the appointment of two of his Quebec Cabinet Ministers to the Bench and the promotion of two young Quebec Members to the Cabinet, the Canadian Press reported this morning.

Postmaster-General Bertrand, 60-year-old lawyer and Liberal Member of the Commons for Montreal-Laurier since 1935, has been appointed to the Quebec Court of King's Bench, Montreal Division. He will be replaced in the Cabinet by 44-year-old Edouard Rinfret, Liberal Member of the Commons for Montreal-Outremont and son of Chief Justice Thibaudeau Rinfret of the Supreme Court of Canada.

Solicitor-General Jean, 59-year-old member of the Commons for Montreal Mercier since 1932, has been appointed to fill one of four vacancies in the Quebec Superior Court. He will be replaced in the Cabinet by Hugues Lapointe, 38-year-old M.P. for the Quebec constituency of Lotbinière and son of the late Rt. Hon. Ernest Lapointe, former federal Justice Minister.

Mr. Jean will fill one of three vacancies in the Montreal division of the Superior Court. The other posts will be filled by Elphège Marier, 61, Liberal Member of the Commons for Montreal-Jacques Cartier, and by George S. Challies, a Montreal lawyer.

Eugène Marquis, 47-year-old Liberal M.P. for the Quebec constituency of Kamouraska, will fill a vacancy in the Quebec Division of the Superior Court, the report said.

Universities Seek Aid: Canadian universities are facing their testing time -- "more difficult financially than the depression years ever were", Principal R. C. Wallace of Queen's University on Tuesday told the Royal Commission on National Development in the Arts and Sciences, the Ottawa Journal reported.

Dr. Wallace was one of 11 representatives of Canadian universities appearing before the Commission for the National Conference of Canadian Universities.

Decrease in revenues was far more rapid than the decrease in expenses could possibly be, he said. There was a need for the federal Government to consider the whole problem of universities. It had a responsibility towards higher education....

Film Board Submission: The National Film Board, on Wednesday, indicated it no longer wanted to be "tied to the Government's apron strings". It wanted a form of corporate independency--just like the CBC, the Canadian Press reported.

This lack of corporate status was interfering in the Film Board's work, Film Commissioner Ross McLean said in a 25,000-word brief presented to the Royal Commission on Arts and Science Development....

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Armed Forces Strength: Figures disclosing the overall strength of the Active and Reserve Forces of the Armed Services were released on August 24, by the Minister of National Defence, Mr. Claxton.

Mr. Claxton stated that the Royal Canadian Navy has reached its presently planned complement of 9,047 in the Permanent Force but is continuing to recruit to take care of normal wastage incurred through monthly retirements and discharges. The R.C.N. (Reserve) has recruited 4,278 officers and men by June 30.

The Canadian Army, Active Force, with a present establishment of 23,034, had a total strength of 19,522 on June 30, while the Reserve Force numbered 37,794.

The R.C.A.F. was within 3,000 of the 18,278 establishment with a strength of 15,358 officers and men on June 30. On that date, too, the R.C.A.F. had 3,031 personnel on Active Reserve units.

Mr. Claxton pointed out that the active full time forces now totalled 43,927 for the three services, or 87% of their present establishments.

RCAF Appointments: Four senior Air Force officers have been transferred to new appointments in a recent shift of staff officers announced by Air Force Headquarters, Ottawa. They are Group Captain G.E. McCormick, OBE, 37, of Ottawa, who moves from Air Force Headquarters to Air Materiel Command as Senior Supply Officer; W/C R.J. Lane, DSO, DFC, 29 of Victoria, B.C. who has been appointed Senior Personnel Staff Officer at Air Transport Command Headquarters; Wing Commander W. P. Pleasance, DFC, 40, of Calgary former Senior Air Staff Officer of Air Transport Command has been appointed RCAF liaison officer at the headquarters of the International Civil Aviation Organization; and W/C A.H. Hill, 37, of Winnipeg, has been transferred from Britain to the Signals division of Air Force Headquarters.

Across Canada: Quebec Province, needing general rainfall to remove forest fire danger, on Wednesday, applied a ban on travel through Crown lands from the northeastern Saguenay region to the Ontario boundary.



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Friday, August 26, 1949.

100 Jet Aircraft: Completion of negotiations for the manufacture in Canada of the F-86 jet fighter aircraft was announced in Ottawa on August 25 by the Minister of National Defence, Mr. Claxton. The aircraft will be manufactured in Montreal by Canadair Limited. The initial order for the RCAF consists of 100 aircraft, the first of which is expected for delivery by August 1950.

The F-86, a single seater interceptor aircraft, is at present being introduced into use by the United States Air Force. Powered by a General Electric axial flow jet type engine, the F-86 carries an armament of six .50 calibre guns in its nose, has a tactical radius of 500 miles, a service ceiling of over 40,000 feet and is the holder of the official world speed record of 670.9 miles per hour, fully armed as a combat aircraft.

The aircraft was released for manufacture in Canada by the United States Government and a licence agreement was concluded with North American Aviation, Los Angeles, California. This agreement permits Canadian modification or improvement of the aircraft.

The contract price for 100 aircraft with Canadair Limited of Montreal is \$30,211,190. This includes manufacture of the airframe, airframe spares, jigs, tools, dies, sales tax, publication, ground handling equipment, royalties, and other items. The contract price does not include engines, radio, armament and other special equipment to be provided from other sources. A breakdown is as follows: airframes (100), \$19,029,900; airframe spare parts, \$1,902,990; Production and machine tools, \$8,178,000; royalties, \$625,000; publications and ground handling equipment, \$475,300. Costs quoted for the first 100 aircraft include many initial expenses connected with tooling up. Additional orders, if placed, would result in a lower unit cost.

The signing of the contract for the F-86 by the officials of the Canadian Commercial Corporation, the government agency responsible for awarding of government supply contracts, and Canadair Limited, climaxes many months of planning and negotiations. This contract for F-86s and the one recently signed for the production of the latest anti-submarine vessels for the Royal Canadian Navy reflects the Government's intention to equip the armed forces with the best equipment and to maintain in peacetime the aircraft and shipbuilding industries which are so vital to our security.

Air Lines In The Red: Even though Canada's air lines did a record business in 1948, they still operated in the red, the Bureau of Statistics reported on Thursday, according to Canadian Press analysis.

Total revenues for all carriers hit a new peak of \$33,317,000, compared with \$26,400,000 in 1947, but expenses also advanced from \$28,800,000 to \$34,300,000.

The result was a net deficit of \$1,055,000, a decline from the larger deficit of \$2,438,000 in 1947.

Scheduled air lines carried an unprecedented 716,800 revenue passengers, an increase of 23 per cent over the previous year.

(over)

They claimed a bigger share of international traffic, carrying 136,400 paying travellers, compared with 122,000 in 1947.

Traffic carried by unscheduled lines increased by almost 47 per cent, amounting to 163,600 revenue passengers, compared with 111,500 in 1947.

The Bureau said that while air traffic was gaining, railway passenger traffic showed a drop of seven per cent last year.

Canadian Bonds Sell Well: American investors have demonstrated a high regard for the Canadian economy, the Canadian Press reported from New York.

An investment banking group offered the Canadian Government's new offering of \$100,000,000 of  $2\frac{3}{4}$  per cent; 25-year bonds Thursday morning. Although the books were not closed formally until 2 p.m. E.D.T., the issue actually was a sell-out within the first hour.

Some of the bonds immediately were traded in the open market and were quoted at a premium above the underwriter's selling price of  $100\frac{1}{4}$ , to yield 2.736 per cent, the report added.

RCAF Appointment: Announcement of the appointment of Group Captain V.H. Patriarche, OBE, AFC, of Winnipeg, Man. as Director of Service Requirements for the RCAF, has been made at Air Force Headquarters, Ottawa. G/C Patriarche replaces G/C D.S. Blaine, of Ottawa who will be attached to the Canadian Joint Staff in the United States.

Naval Appointment: Commander Dudley G. King, R.C.N., of Victoria, has been appointed Chief of Staff to the Flag Officer Pacific Coast, Naval Headquarters has announced. He recently completed a course at the National Defence College, Kingston.

Across Canada: Four RCAF jet planes flew from Winnipeg to Minneapolis, a distance of 402 miles, in 64 minutes, flying wing to wing, on Thursday....The Canadian National Exhibition at Toronto opens its 70th Fair today.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

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Monday, August 29, 1949.

Delegation To UNESCO: The Canadian Delegation to the Fourth Session of the General Conference of the United Nations Educational, Scientific and Cultural Organization, to be held at Paris from September 19 to October 15, will be headed by Mr. John B.C. Watkins, Chargé d'Affaires, Canadian Embassy, Moscow, it was announced on August 26 by Mr. L.B. Pearson, Secretary of State for External Affairs.

In addition to Mr. Watkins, who will act as Delegate, the Canadian Delegation will include:

Alternate Delegates - F. Charpentier,  
Canadian Embassy, Paris

G. Sylvestre,  
Prime Minister's Office,  
Ottawa.

Secretary - R. H. Jay,  
Department of External Affairs

The Fourth Session will be a short business one only, to be followed in the spring of 1950 by a session of full duration and scope. Subsequent sessions will be held in the spring of each year to fit in with the United Nations' calendar of Conferences of Specialized Agencies.

Foreign Trade: Canada had a favourable balance of trade of \$6,900,000 in June. This was larger than the average monthly rate during the first half year and was greater than in June last year. The export balance in June resulted from domestic exports of \$255,100,000 and foreign exports valued at \$2,300,000. The total of domestic exports was well above June 1948 when the value was \$233,500,000, but was down from the May figure of \$272,900,000. Merchandise imports in the month were valued at \$250,500,000, unchanged from the high level of May but \$17,500,000 above June last year.

In the first half of 1949 Canada had a surplus from merchandise trade of \$29,100,000. This compares with \$148,800,000 in the first half of last year and \$324,300,000 in the second half of 1948 when there was an unusual concentration of exports. A substantial increase in the value of imports by Canada which was considerably larger than the small increase in Canadian exports, gave rise to this result. Canadian prosperity and improving supplies abroad contributed to this change.

Most of the reduced balance of exports in 1949 arises from an increase in Canada's commodity deficit with the United States. This deficit amounted to \$308,300,000 in the first six months of this year compared with \$228,200,000 in the same period last year.

In contrast to this reduction in the disequilibrium between Canada and the United Kingdom there has been an increase in the balance of exports to other Commonwealth countries.

(over)

Export Controls Relaxed: The Government on August 27 announced relaxation of export controls on 27 non-strategic commodities, ranging all the way from furs to sporting goods, the Canadian Press reported.

New regulations which come into effect September 1 specify that these items which previously required individual export approval may be shipped out of Canada under general permit.

This announcement follows government policy gradually to relax and remove export controls imposed during the Second World War when commodities were in scarce supply.

LaVerendrye Commemoration: The historic voyage of the explorer Sieur de LaVerendrye, first white man to cross the western plains in search of the "Western Sea", will be commemorated by the erection of a boulder and bronze tablet at the intersection of the Windygate Road and Highway No. 3 near Morden, Manitoba.

The tablet is being erected by the National Parks Service of the Department of Mines and Resources on the recommendation of the Historic Sites and Monuments Board of Canada.

LaVerendrye started out from Fort Michilimackinac on the Great Lakes in July 1738. He reached a point on the Assiniboine river where he established Fort LaReine. On October 18 of the same year he set out across the Morden region on the way to the country of the Mandans. This branch of North American Indians lived on the plains in the vicinity of the Missouri river and the explorer hoped that by following this river he would eventually reach the western sea.

The monument will be unveiled with appropriate ceremony on Labour Day, September 5, under the auspices of the Pembina Hills Historical Society. The Reverend Antoine d'Eschambault, Manitoba Member of the Historic Sites and Monuments Board, will represent the Department of Mines and Resources and the Board at the ceremony.

Across Canada: General H. D. G. Crerar took the salute as 12,000 veterans of two world wars paraded before him at the opening of the Canadian National Exhibition in Toronto Saturday....Heavy week-end rains dampened widespread Ontario and Quebec forest fires.

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Tuesday, August 30, 1949.

Lift Lumber Export Quotas: Effective on September 6, the regulation of lumber exports through quotas will be discontinued, the Minister of Trade and Commerce, Mr. Howe, announced on August 29.

Notice of the relaxation, which applies also to such items as flooring, millwork, window sash, and doors, has been sent to some 8,000 companies in the industry throughout Canada. The notice was mailed from the Timber Control offices in Ottawa, Saint John, Edmonton, and Vancouver.

As a precautionary measure to assure adequate supplies of lumber and lumber products for Canadian requirements, permits will still be required for export of the items formerly on the quota list.

Mr. Howe stated that the removal of export quotas reflects the satisfactory supply situation existing today. It is the first major change in lumber export policy since the end of the war.

Travel Dollars In Switzerland: Canadians may, in future, obtain permits through their banks for the expenditure of reasonable amounts in Canadian dollars for travel in Switzerland, the Minister of Finance, Mr. Abbott, announced on August 30.

So far as Canadian travellers are concerned, Switzerland is, therefore, now placed in a similar position to countries in the sterling area, France, Belgium, Luxembourg, the Netherlands, Norway and Sweden.

Heretofore it has been necessary for Canadian travel expenditures in Switzerland to be made in U.S. dollars. They were, therefore, limited by the travel ration of \$150 U.S. covering the period from November 16, 1948 to November 15, 1949. In future, travel expenditures in Switzerland will be authorized only in the form of Canadian dollar travellers' cheques but for larger amounts. Funds so obtained will not count against the dollar ration for subsequent U.S. travel.

Bar Association Convention: Outstanding members of the Bench and Bar of Canada, Great Britain, the United States and France, are among the 1,000 visitors attending the 31st Annual Convention of the Canadian Bar Association which opened at Banff on August 29, the Canadian Press reports.

First two days of the week-long Convention are being devoted to executive meetings with the Convention proper to start Wednesday.

The Prime Minister, Mr. St. Laurent, a former President of the CBA, is to arrive Friday to address the gathering.

Other speakers will include Lord Morton of Henryton, one of Great Britain's leading legal men; Hon. Robert S. Jackson of the United States Supreme Court; Maître André Gonin, a member of the Council of the Bar of Paris; Frank E. Holman, President of the American Bar Association, and Leonard W. Brockington of Ottawa.

St. John's Saluting Base: Guns now will boom at St. John's Newfoundland, whenever artillery salutes are fired at Army saluting bases across the country to mark ceremonial occasions or special anniversaries.

(over)

The city becomes the Army's twelfth such base. It rates a saluting bases, authorities said, because it now is a provincial capital.

Across Canada: Forest and bush fires along the St. Lawrence south shore during the past two weeks have caused damage estimated at \$2,000,000, Roch Delisle, Quebec Forestry Engineer, estimated yesterday, according to the Canadian Press....The Governor General, Viscount Alexander, planted a beech tree in Bowring Park, recreational centre of St. John's, Nfld., yesterday....L'Evangeline, 61-year-old French language newspaper published in Moncton, N.B., will move from a tri-weekly to a daily newspaper on September 12, to become the second French language daily published outside of Quebec, it is reported from Moncton.





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Wednesday, August 31, 1949.

Technical Conference In U.K.: The Department of External Affairs announced on August 31 that Dr. W. B. Lewis will represent Canada at a meeting in the United Kingdom from September 5 to 10 to discuss, with technical experts from the United States and the United Kingdom, reactor safeguards and related subjects. The conference will be held under the general programme of technical co-operation on specified subjects agreed between Canada, the United States, and the United Kingdom.

Dr. Lewis is Research Director of the Atomic Energy project at Chalk River, Ontario.

Belgian Air Agreement: The Secretary of State for External Affairs, Mr. Pearson, announced on August 30 that a new bilateral agreement for air services between Canada and Belgium was signed at 4 p.m. in Ottawa by the Minister of Transport, Mr. Chevrier, and Vicomte du Parc, the Belgian Ambassador.

Similar in form to other bilateral air agreements previously concluded by Canada with other European states, this agreement provides for a direct carriage of passengers and cargo between the two countries. A Canadian airline is granted the right to pick up and put down at Brussels passengers for and from Canada. Similarly a Belgian airline may pick up and put down at Gander passengers for and from Belgium.

Tourists' Expenditures: Expenditures in Canada by travellers from other countries in 1948 rose to a new high figure of \$283,000,000, showing an increase of 12.7 per cent over the preceding year's total of \$251,000,000, according to the Bureau of Statistics. This gain was accompanied by a substantial decrease in expenditures of Canadian travellers in other countries, which dropped to \$134,000,000 from \$167,000,000 in 1947. As a result, net receipts were \$149,000,000 compared with the previous high of \$90,000,000 in 1929 and a low of \$45,000,000 in 1933.

In travel between Canada and the United States total receipts were \$270,000,000 -- a new peak -- up 12 per cent over the previous high of \$241,000,000 in 1947, while debits resulting from Canadian travel in the United States dropped to \$113,000,000 from the peak of \$152,000,000 in 1947. The resulting net credits were \$157,000,000, a gain of 52 per cent over the previous record of \$103,000,000 which had held since 1929. As a source of United States dollars, international travel has in recent years ranked second only to the export of newsprint.

Net credits in travel between Canada and the United States increased each year from the wartime low of \$53,000,000 in 1943.

Weather Ship Commander: Lieut.-Cdr. G.H. Hayes, D.S.C., R.C.N., 30, of Winnipeg and Victoria, has been appointed in command of H.M.C.S. "St. Stephen," Canada's ocean weather ship, it was announced on August 31 at Naval Headquarters. He succeeds Lieut. E.M. Chadwick, R.C.N., 28, of Victoria, Commanding Officer of the "St. Stephen" for the past two years, who has been appointed Executive Officer of the Canadian Services College, Royal Roads, B.C.

(over)

Retail Trade Up: The value of retail trade continued steadily upward in June when sales reached \$679,000,000, exceeding June, 1948 volume of \$635,000,000 by seven per cent, according to the Bureau of Statistics. The June change was approximately the same as the average rate of increase in earlier months of the year. Sales in the first six months of this year advanced seven per cent, totalling \$3,550,000,000 compared with \$3,306,000,000 in the same period of 1948.

Across Canada: A team of scientists and airmen flew back to Ottawa Tuesday after extensive Arctic flights compiling more precise data concerning the magnetic pole....Senator Ian Mackenzie was reported by the Canadian Press to be seriously ill at Banff, Alberta.



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Thursday, September 1, 1949.

Atlantic Treaty Meeting: The Department of External Affairs announced on August 31 that it has been agreed that the first meeting of the Council established by the North Atlantic Treaty will convene in Washington on September 17, 1949. It is expected that the Foreign Ministers of all the Parties to the Treaty will attend. The Secretary of State for External Affairs, Mr. Pearson, will attend on behalf of Canada. Mr. Pearson will probably be accompanied by Mr. A.D.P. Heeney, Under-Secretary of State for External Affairs.

Canada - U.S. Exercise: Canadian and United States troops will conduct a joint winter training exercise in the Yukon and Alaska next January and February.

The Minister of National Defence, Mr. Claxton, said on September 1 that the exercise, designated "Cross-Index" for planning and operational purposes, will be local in nature and on a comparatively small scale. It will be a continuation of the combined training program carried out by both countries during the past few years.

Present plans call for the United States Army and Air Force to join the Canadian Army and the Royal Canadian Air Force in peacetime simulated combat culminating in movements against a theoretical enemy.

The Canadian Army and the United States Army will each provide a one-battalion combat team including infantry -- some of which will be employed in a parachute role -- artillery, engineers, signals and other supporting arms and services.

The Royal Canadian Air Force and the United States Air Force will combine to provide fighter cover, ground attack forces, and bomber, reconnaissance and transport aircraft. In addition to existing communications, mobile RCAF and USAF signals equipment will be used. Mobile air force radar and control centres will also be employed.

The exercise will take place in the Whitehorse area.

The United States will name the overall commander of the exercise and will provide the allied forces commander and the allied army commander. Canada will provide the allied air force commander.

Canadian Army Engineers are already in the Whitehorse area and are now being joined by advance detachments of U.S. Army Engineers and service troops who will prepare facilities for the combat elements. The latter are not expected to move northward until January after preparatory training at camps in their respective countries.

The majority of troops of both countries will be flown from concentration areas to the exercise area and the remainder will travel over the Alaska Highway, involving in some cases a total one-way travel distance of more than 3,000 miles.

"The objectives of the exercise," Mr. Claxton said, "are to develop procedures, doctrine and techniques for the employment of combined Canada-United States army and air forces operating in the far north."

(over)

The Hague Appointment: Appointment of D.A. Bruce Marshall as Commercial Secretary (Agricultural Specialist) at The Hague, the Netherlands, has been announced by the Minister of Trade and Commerce, Mr. Howe. Mr. Marshall will arrive at his new post early in September. His territory will include Belgium, Luxembourg and Denmark.

Before joining the Trade Commissioner Service in September, 1948, Mr. Marshall was employed by the Department of Agriculture, in charge of the foreign section of the Economics Division. He was editor of "Agriculture Abroad", and was also responsible for the development of "Overseas Report". From 1938-1940 he was employed with the Economics Division in the Edmonton office of the federal Department of Agriculture.

Air Intelligence Director: Air Force Headquarters has announced a change of command in the Air Intelligence directorate of the RCAF with the appointment of G/C W.W. Bean, OBE, 36, of Kitchener, Ont., as Director of Air Intelligence, and W/C G.S. Austin, 33 of Kamloops, B.C. as assistant Director. G/C Bean replaces W/C W. Weiser, MBE, DFC, 30, of Ottawa, who has been transferred to the Directorate of Air Planning.

Across Canada: A total of 109 forest fires are still being fought in Ontario....Street car and bus fares become three for a quarter instead of four for a quarter in Montreal at the end of September.... Premier Manning, of Alberta, welcomed more than 1,000 delegates and their families at the opening of the Canadian Bar Association Convention in Banff yesterday....The federal Labour Department is trying to find a solution to a new dispute on the Great Lakes between the Seafarers' International Union (AFL) and the Canadian Seamen's Union, in which, it is reported, the SIU is forcing a tie-up in U.S. Great Lakes ports of ships manned by the rival CSU.



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Friday, September 2, 1949.

Mr. Jutras, M.P., A Delegate: The Secretary of State for External Affairs, Mr. Pearson, announced on September 2, that Mr. René Norbert Jutras, M.P., has been appointed to the Canadian Delegation to the Fourth Regular Session of the General Assembly in the place of Mr. Hugues Lapointe, who has recently been named Solicitor-General.

Mr. Jutras is Member of Parliament for Provencher, Manitoba.

Air Transport Hearing: Following upon the Canada - United States Air Transport agreement which was signed in New York on June 4 last, the air Transport Board is to hold a pre-hearing conference in Ottawa with respect to applications or contemplated applications for licences by designated airlines of the United States to operate agreed services in Canada. This announcement was made on September 2 by John R. Baldwin, Chairman of the Air Transport Board. The Conference will be open to the public and will be held on September 8 in Ottawa. The United States airlines designated in the agreement have been asked to be represented at the hearing.

1950 Trade Fair: An important section of the British engineering industry is preparing a determined bid for more Canadian dollars through participation in the 1950 Canadian International Trade Fair, to be held at the Exhibition grounds, Toronto, May 29 to June 9. Seven of the leading engineering trade associations have formed the Canadian Exhibition Committee to handle this composite display of their latest products and research results. The display will be known as the British Tool, Machine Tool and Scientific Instrument Section at the Canadian International Trade Fair and 35,000 square feet of stand space in the Automotive Building has been reserved for it.

CSU Quits TLC: The Canadian Seamen's Union has withdrawn from the Trades and Labour Congress of Canada, the Canadian Press reported today from Montreal.

The Union announced its action in a prepared statement by President Harry Davis and Secretary-Treasurer T.G. McManus. At the time of the withdrawal, the Union--allegedly red influenced--was already under suspension from the Congress. It was suspended last June for conducting strike action without first consulting the Congress.

In its statement of withdrawal, the Union expressed concern for the welfare of the Union and also that of the Trades and Labour Congress of Canada. It also charged that the American Federation of Labour was dictating to the Congress.

The Union was suspended indefinitely from the TLC for striking against east coast shipping owners. The strike began when the Shipping Federation of Canada signed with the rival Seafarers' International Union. The CSU immediately called the walkout, charging that the contract was illegal, the report said.

(over )

Senator Mackenzie Dies: The man who directed Canada's defence planning from 1935 to 1939 died this morning in a hospital at Banff, Alberta, the Canadian Press reported. He was Senator Ian Mackenzie of Vancouver. Before being appointed to the Senate, Senator Mackenzie was a member of the Liberal Cabinet. He held the posts of Defence Minister, Minister of Health and Welfare and Veterans Affairs. He was fifty-nine years of age.

\$550,000,000 Treasury Notes: On behalf of the Minister of Finance, Mr. Abbott, it was announced on September 1 that arrangements have been made for the purchase at par by the Bank of Canada of an issue of \$550,000,000 Government of Canada Treasury Notes dated September 1, 1949 due March 1, 1950, and bearing interest at the rate of  $\frac{3}{4}$  of 1% per annum. The proceeds of this issue are being used to redeem Treasury Notes of like amount bearing the same rate of interest, which matured on September 1.

Across Canada: Dr. J.A.C. Anderson, Saskatoon, President of the Canadian Medical Association, said Thursday in Fredericton that the Association favours Canada-wide application of voluntary prepaid medical care plans....Maj. Gen. L.R. LaFlèche, DSO, former Canadian Ambassador to Greece, said in Montreal that the Greek people in their war against Fascism and subsequently against Communism, have a profound gratitude for relief aid sent by Canada. The foregoing are based on Canadian Press reports.



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Tuesday, September 6, 1949.

Washington Economic Conference: The following is a partial text of the Canadian Press report this morning on the arrival at Washington of the Canadian delegation to the Economic Conference:

Washington, Sept. 5 -- (CP) -- Canada's delegation to the three-power financial talks arrived by plane tonight from Ottawa.

Finance Minister Abbott, leader of the group, told reporters he is hopeful that the conference starting Wednesday will find some means of combating Britain's dollar crisis.

"I don't think one should expect miracles at this or any other conference," he said, "but I am sincerely satisfied that we should be able to achieve considerable success."

Abbott was accompanied by L. B. Pearson, Minister of External Affairs, and several government officials....

They were greeted at the airport by Hume Wrong, Canadian Ambassador to the United States, and W.D. Matthews and George Ignatieff, counsellors at the Canadian Embassy....

Abbott said he does not think the importance of the questions to be considered here this week can be over-emphasized. As far as Canada was concerned the talks would have a bearing on the future of Canada's import restrictions and her trade in general....

Mr. Abbott said he was confident good would come from the discussions opening Wednesday.

"But I think I should stress that neither at these discussions nor at similar talks that will be held, can there come an immediate and final solution to the difficult economic problems facing the United Kingdom," he told an interviewer at the airport.

He said there was no "plan" in the brief cases he and his associates carried. "Of course we have some proposals," he added. "But there is no definite plan."

The discussions at which Foreign Secretary Bevin and Sir Stafford Cripps, Chancellor of the Exchequer, will state the case for the United Kingdom, are a continuation of talks which have been held in London with Canadians participating....

ILO Conference Delegates: The Minister of Labour, Mr. Mitchell, on September 2, announced the names of Canada's delegates to the Technical Tripartite Conference on Safety in Coal Mines, to be held in Geneva from September 12 to September 24.

J. F. MacKinnon, of the London, England, office of the Department of Labour, has been named as Government representative, with W.A. MacIsaac of Glace Bay, N.S., Provincial Inspector of Electricity for the Nova Scotia Department of Mines, as his technical adviser.

(over)

F.W. Gray of Victoria, B.C., formerly of the Dominion Steel and Coal Corporation, will represent employers, while Freeman Jenkins of Glace Bay, N.S., President of District 26 of the United Mine Workers of America, will be the workers' representative.

The purpose of the conference is to discuss and adopt a draft model code of safety regulations for underground work in coal mines.

Studying Cortisone: The Department of National Health and Welfare is maintaining close contact with the latest developments in the manufacture and use of the new compound, cortisone, now being used experimentally in the United States in the treatment of rheumatoid arthritis, the Minister of National Health and Welfare, Mr. Martin, stated on September 2.

Unveil Tablet To Pioneer Jurist: A bronze tablet in honour of Sir William Buell Richards, K.B., first Chief Justice of the Supreme Court of Canada, was unveiled on September 3 at his birthplace, Brockville, Ontario.

A noted jurist and legislator, Sir William, who was born in 1815, was Attorney-General for Canada West from 1851 to 1853. In 1875, eight years after Confederation, he was named to head the Supreme Court. He retired from the Bench in 1879.

The tablet was erected on the outer wall of the Court House Building in Brockville.

Crude Petroleum: Reversing the upward movement shown since the beginning of this year, Canadian production of crude petroleum and natural gasoline in May decreased seven per cent from the all-time monthly high reached in April, but showed a sharp advance of 87 per cent as compared with May last year. The decline in the month was principally due to reduced output from the Turner Valley field and in the North-west Territories. Production from the Leduc and Redwater fields of Alberta rose sharply.

Across Canada: Hubert Guerin, former French Ambassador to Brazil, was reported to be appointed French Ambassador to Canada....Canada's death toll from the Labour Day week-end was reported to be 38.... The Secretary of State for External Affairs, Mr. Pearson, announced today in Ottawa that Canada will extend most-favoured-nation tariff treatment to Austria with effect from September 7, 1949.





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Wednesday, September 7, 1949.

Washington Conference: The Canadian Press reported in part from Washington this morning as the three-power economic conference was about to open:

Washington, September 6 -- (CP) -- Douglas Abbott, Canadian Finance Minister, repeated today his belief that "substantial headway" will be made this week toward solution of Britain's economic crisis.

He warned, however, that nobody should expect a "miracle" or even a "complete answer."

This remark, at a press conference in the Canadian Embassy, ties in with a general belief that some stop-gap measure is the best that can be hoped for as a result of the long-heralded Anglo-Canadian-American talks starting tomorrow.

In reply to a question, Abbott said failure to find a solution to the British problem would bring "very grave consequences" both politically and economically.

He steered clear of questions about Canada's attitude toward suggestions that Britain devalue the pound.

Abbott said "it would be very helpful" if the United States would relax present Marshall Plan restrictions to permit Britain to spend Marshall Plan money wherever she wants.

Under congressional restrictions, Marshall Plan money devoted to farm products must be spent in the United States, if the United States has a surplus of such products.

Abbott explained that if the restrictions are lifted these funds could be used to buy such products as Canadian wheat, cheese and other supplies, and thereby enable Canada to pay for its essential imports from the United States.

Abbott hinted that Canada might have to cut back Canadian imports from the United States unless some such way is found to assist Britain.

"We won't be in a position to buy if our customers don't pay," he said.

However, he wanted to go on record as expressing "the pious hope" that it will not be necessary to curtail imports from the United States into Canada....

M.F.N. Treatment For Austria: The Secretary of State for External, Mr. Pearson, announced on September 6 in Ottawa that Canada will extend most-favoured-nation tariff treatment to Austria with effect from September 7, 1949.

This means that henceforth Austrian products imported into Canada will not be subject to duties or charges higher than those levied on products of third countries. Similarly, Canadian products going into Austria will enjoy treatment equal to that given by Austria to the products of other countries.

Canada's exports to Austria in 1948 amounted to \$3,109,835 and included such items as canned fish and meat, leather and powdered milk. Canadian imports from Austria include such items as textiles, precious stones and scythes.

The new arrangement will not affect any advantages accorded by Canada exclusively to other parts of the Commonwealth.

(over)

Exchange Of Scientists: An exchange of scientists between Canada and the United Kingdom has been announced by Dr. O.M. Solandt, Chairman of the Defence Research Board.

Dr. H.M. Barrett of Toronto, Chief Superintendent of the Experimental Station at Suffield, Alta., will leave for England this month, at the request of the Ministry of Supply, to assume a post as Chief Superintendent of the Chemical Defence Experimental Station at Porton, Wilts., for the next two years. His post in Canada has been taken by Dr. E.A. Perren, member of the staff at Porton, who assumed his new duties recently.

"Both scientists will receive valuable experience from the exchange", Dr. Solandt said, "and both the Ministry of Supply, which operates the Porton station, and the Department of National Defence will profit by the direct liaison."

Arctic Ships Return: It was announced in Ottawa and Washington on June 29 that three United States Navy vessels with Canadian representatives aboard would shortly be sailing to the Canadian Arctic regions in support of the joint weather station programme which is being carried out by the Governments of Canada and the United States.

These three ships, the icebreaker U.S.S. Edisto, the cargo vessel U.S.S. Wyandot and the U.S.S. LST 533, which served as a cargo vessel, have now returned to east coast ports. During the summer they resupplied the joint weather station established in 1947 on Cornwallis Island, Northwest Territories, for redistribution to other joint weather stations at Prince Patrick Island Ellef Ringnes Island and Ellesmere Island.

The U.S.S. Edisto carried two helicopters, which were used extensively and to great advantage on ice reconnaissance missions.

Domestic Exports Down: Canada's domestic exports in July were valued at \$241,300,000, showing a decrease of four per cent from last year's corresponding total of \$250,900,000, according to the Bureau of Statistics. The aggregate for the first seven months of this year stands at \$1,665,900,000, slightly above the total of \$1,651,000,000 for the same period of 1948.

Across Canada: Widespread changes in the Canadian radio field were urged yesterday by the C.B.C. Board of Governors and the Canadian Association of Broadcasters in briefs submitted to the Royal Commission on National Development in the Arts, Letters and Sciences. The C.B.C., while urging retention of the present system under which it has jurisdiction over all radio matters, recommended that the \$2.50 annual license fee on radio receiving sets be increased to \$5.00. The extra revenue would be used partly to pay for C.B.C. improvements and expansions....It was reported that charges of rackets operating in the Ottawa detachment of the Ontario Provincial Police, and counter-charges by Ottawa constables of maladministration against Inspector Sidney Hunter, would be investigated by Deputy Commissioner E. T. Doyle at Ottawa next Monday.

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Thursday, September 8, 1949.

**8 By-elections October 24:** The Prime Minister, Mr. St. Laurent, on September 7, announced that by-elections to fill the eight vacancies which have occurred in the House of Commons since the June 27 General Election will be held on October 24. Five of the by-elections are in Quebec Province, one is in New Brunswick, one in Ontario, and one in British Columbia.

The Prime Minister also announced three appointments to the Senate, as follows:- Tom Reid, Liberal member of the House of Commons for New Westminster, and Parliamentary Assistant to the Minister of National Health and Welfare; J. Wesley Stambaugh, of Bruce, Alberta, President of the Alberta Liberal Association; and Robert William Gladstone, Guelph, Ont., former Liberal Member for Wellington South.

**Washington Conference:** The Canadian Press reported, in part, as follows this morning from the Washington three-power economic conference:

Washington, September 7 -- (CP) -- Finance Minister Abbott of Canada said today Canada, the United States and the United Kingdom must "go up or down together."

He told the British-Canadian-American financial conference that economic co-operation between the three countries was as important as political co-operation.

"If we really believe that," he said, "we have some real chance of finding a solution for the problem before us--and possibly of going on to something bigger.

"If we don't, we might as well go home, and learn the hard way that it is true."

Abbott said "aggressive Communism" had received a set back by the signing of the Atlantic Pact. But Communists "hope to regain that lost ground by exploiting the economic instability and difficulties which they claim are inherent in our system."

"It is up to us here--and in what follows these talks--to prove that these hopes and calculations are false."

The Canadian Finance Minister said Canadian prosperity depended on flourishing international trade. It was the principal supplier of the U.K. and the biggest customer of the U.S.

"We are therefore inevitably found in the middle of any squeeze which the United Kingdom finds in her dollar position, and we are one of the instruments through which the shock of such a squeeze is transmitted to the United States...."

**5 New Naval Ships:** Contracts have been awarded to five Canadian shipyards for the construction of four coastal minesweepers and a trawler-type gate vessel for the Royal Canadian Navy, it was announced on September 7 by the Minister of National Defence, Mr. Claxton.

This brings to nine the number of ships now on order for the R.C.N. and completes the Navy's current new construction programme. As has already been announced, three anti-submarine ships especially designed to combat the modern fast submarine are to be built in yards at Vancouver, Montreal and Halifax, while the keel of a naval ice-breaker is shortly to be laid at Sorel, P.Q.

Research Council Report: Progress of industrial and scientific research throughout Canada is reflected in the Thirty-Second Annual Report of the National Research Council, which has just been issued. The report appears as a bilingual edition, written in simple, non-technical style, so that everybody who reads it has a chance to gain some insight into the way in which the National Research Council serves the nation.

The newest achievements of the Atomic Energy Project are summarized; then follows an outline of the hundreds of investigations carried out in the Council's laboratory Divisions: Applied Biology, Building Research, Chemistry, Mechanical Engineering, Physics, and Radio and Electrical Engineering.

Air Mail To Hong Kong: Announcement was made on September 1 by the Canadian Post Office Department that regular air mail service will be inaugurated on or about September 19, 1949, between Vancouver, Canada, via Tokyo, Japan, to Hong Kong.

Across Canada: Work started today on Toronto's new fifty million dollar subway project, which will take four years to complete...Names of 167 boys recommended for cadetships at the Canadian Service Colleges were released today by the Minister of National Defence, Mr. Claxton... The Ontario Liberal Party Leader, Farquhar Oliver, resigned yesterday.



# AIRMAIL BULLETIN

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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Friday, September 9, 1949.

Canada - U.S. Air Rights: The Canadian Press reported in part as follows this morning on proceedings before the Air Transport Board:

Ottawa, September 8 -- (CP) -- A warning was served on United States airlines today that Canada may cut off their use of Newfoundland on transatlantic flights unless she gets concessions negotiated under the recent Canada-U.S. air agreement.

The Air Transport Board, the regulatory body of Canadian aviation, also indicated U.S. lines seeking other traffic rights in Canada under the pact may not get them until Washington takes further action to settle the status of the agreement.

Implementation of the U.S. Government's part of the air agreement, negotiated last summer, now is tied up by a challenge to its validity before the U.S. courts. Meanwhile, five American air carriers have applications before the Air Transport Board for traffic rights at Newfoundland's Gander Airport and at Edmonton.

J. R. Baldwin, Chairman of the Board, told representatives of the lines at a conference today that:

1. The Board would find it "extremely difficult" to justify extending concessions to U.S. carriers when Canadians cannot now get their own concessions, and when the validity of the agreement has been formally challenged.

2. Under the circumstances, Canada may have to "review" the question of whether the further exercise of rights at Gander by U.S. planes -- even on a temporary basis -- can be justified. U.S. transatlantic planes now are using Gander under temporary permission due to expire September 30.

3. Use of the military air base at Stephenville, Nfld., as an alternate field for transatlantic planes is in the same category as the other two cases, so far as Canadian action is concerned. This war-constructed field would become an alternate base under the agreement. It is in an area under long-term lease to the U.S. Government.

Mr. Baldwin said he was hopeful that his Board would not have to take action regarding Gander or to delay the Edmonton applications.

He said he hoped "action in Washington in the near future will make it possible for us to go ahead."

But he also declared that, in fairness to Canada, the Air Transport Board should not proceed any faster than the U.S. in implementing the Canadian side of the agreement....

Modernize Destroyers: The first major phase of a modernization programme for destroyers of the Royal Canadian Navy is near completion and the next three months will see an entire change-over of operational destroyers in the Fleet, it was announced on September 9 by the Minister of National Defence, Mr. Claxton.

Three Tribal class destroyers -- H.M.C. Ships "Huron", "Cayuga" and "Micmac" -- and the Fleet class destroyer "Sioux", which have been undergoing rearmament in yards on the two coasts are to return to active commission. "Huron" and "Micmac" will be based at Halifax and "Cayuga" and "Sioux" at Esquimalt.

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They will replace H.M.C. Destroyers "Nootka", "Haida", "Athabaskan" and "Crescent", which are to be paid off into reserve. "Nootka", "Haida" and "Athabaskan", all Tribal class ships, will be taken in hand for refit and re-equipment, as will H.M.C.S. "Iroquois", a ship of the same class, which was brought into active commission this summer to assist with the Reserve sea training programme. She had served previously as depot ship for the Reserve Fleet at Halifax.

Physical Education Director: Ernest Lee, 42, Director of Physical Education and Recreation for the Province of British Columbia since 1946, has been appointed National Director of Physical Fitness in the Department of National Health and Welfare and Chairman of the National Council of Physical Fitness.

Living Costs Rise: The Bureau of Statistics cost-of-living index advanced from 162.1 to 162.8 between July 2 and August 1, 1949. As in the preceding month, the increase was mainly attributable to higher prices for foods. The index for this series rose two points to 209.2, reflecting substantially higher prices for eggs, coupled with small advances for pork products. These increases overweighted other foods which were mainly unchanged to lower.

Department Store Sales: Department store sales in Canada in July -- Newfoundland excluded -- were up four per cent over the same month last year.

Across Canada: A motion to change the name of the Church of England in Canada was shelved for at least three years yesterday after the Upper and Lower Houses of the General Synod split in a standing vote.... The leader of the Progressive Conservative Party, Mr. Drew, returned to his desk in Ottawa yesterday...Almost 40,000 new homes were built in Canada during the first six months of 1949, as completion of new homes increased 30 per cent over last year, the Bureau of Statistics reported.

NOTE: With this issue, publication of the "Airmail Bulletin" is being discontinued.