

New Problems For Canada Created By Rearmament

OTTAWA, Jan. 5—(CP)—Trade Minister Howe announced the world's rearmament drive will create new problems for Canada in 1951.

"Some adjustments will be needed," he predicted in his 3,000-word review of the 1950 trade and economic success story, a story that may well have its sequel in the new year.

"Looking ahead in the year 1951, it is only too apparent that the rearmament and defence programs of the free nations of the world will be a major factor in the 1951 economic picture.

"Here in Canada, increased production to meet our own defence needs and to fulfill our commitments under the North Atlantic Treaty is bound to create problems in an economy already operating close to capacity."

Shortages of critical materials not only will cut down on what is available for the civilian population but will tend to keep prices generally high.

"If we are to maintain our pay-as-you-go policy, if we are to keep inflationary pressures at a minimum, some adjustments will be needed," Mr. Howe said.

He did not disclose what those adjustments will be, but it is generally believed they will include greater clamp-downs on distribution of scarce materials, price controls on key commodities and higher taxation to deflate purchasing power.

On the whole, however, said Mr. Howe, the outlook for 1951 is "one of the continuing economic expansion."

"International trade should be at high levels. Rearmament will tend to decrease exports to certain countries, the improvement in the world's economic and financial position should make possible further reductions in trade discriminations and restrictions."

In 1950, Canada saw a record year of economic and trade growth. Outbreak of fighting in Korea added impetus to Canadian economic and defence preparedness.

Total parliamentary appropriations for the fighting forces and for arms for European countries brought Canada's military outlays to about \$1,000,000,000 in 1950, Mr. Howe said.

He estimated that before parliament begins considering the new 1951 budget two-thirds of that billion dollars will be spent for munitions and equipment.

Even so, less than 10 per cent of gross national production would be devoted to defence preparations.

"Defence expenditures are not spread evenly over the whole economy but tend to concentrate on industries that make use of such basic materials as steel, aluminum, nickel and other non-ferrous metals, creating shortages of materials and services essential to civilian production as well as to defence requirements."

In the post-war expansion drive Canada has developed new thriving industries production of electronic equipment, special industrial machinery, synthetic rubber and fibre which only a few years ago were "either in their infancy or non-existent."

The year 1950 was an example of the tremendous advance. The gross

Cheques Cashed In Nov. Reach All-time High

OTTAWA, Jan. 5—(CP)—Cheques cashed in November against individual accounts hit an all-time monthly peak of \$11,007,877,000, the Bureau of Statistics reported today.

This was an increase of 29 per cent over November, 1949, when the value of cheques cashed was \$8,540,116,000.

During the first 11 months of 1950, cheques cashed against individual accounts totalled \$91,320,664,000, an increase of \$12,162,110,000 over the corresponding period of 1949.

Quebec Province for the month reported an increase of 45.6 per cent at \$3,353,906,000 against \$2,303,563,000 in November, 1949. Ontario and British Columbia reported increases of more than 28 per cent. Smaller increases were reported by the Prairie and Atlantic Provinces.

Cumulative totals by economic areas for the first 11 months of 1950, with the totals for 1949 in brackets, were as follows:—Atlantic Provinces, \$2,401,144,000 (\$2,085,887,000); Quebec, \$28,267,821,000 (\$22,329,339,000); Ontario, \$39,311,166,000 (\$32,767,228,000); Prairie Provinces, \$15,700,585,000 (\$15,097,482,000); British Columbia, \$7,640,148,000 (\$6,858,569,000).

Says Canadian Steel Controls May Tighten

(By Harold Morrison)

OTTAWA, Jan. 5—(CP)—Canada's new steel administrator said today steel controls may widen as Canada plunges deeper into defence preparedness.

Kenneth Sear Harris added, however, that he is not so concerned with the prospect of new controls as he is in obtaining maximum production and maximum supplies of this vital metal.

The Toronto native, who once played middle wing in pre-war days with University of Toronto, new is quarterbacking government steel planning in the Trade Department's new steel division.

Currently, compulsory controls cover the ban against the sale of steel for amusement construction. However, the Government consults with industry on the allocation of all other supplies, giving defence top priority. The final word rests with the Government.

Canada will have to increase steel production, said Mr. Harris, Canada produced a record 3,200,000 tons in 1950. The more steel Canada could produce, the less Government control would be needed.

national product, value of all goods and services produced, totalled more than \$17,000,000,000—about 50 per cent higher than in 1945.

Canadians at work totalled more than 5,250,000, with unemployment down to 100,000. Investment expenditure for the year touched some \$3,900,000,000—an all-time high—while total Canadian trade swept to a peak of more than \$6,000,000,000.

Outpost In China

By Val Gleigud
Continued

"You have come from Mr. Dale?" he said. His voice was thin and sapsless and a little shrill.

Ho Ping bowed nervously in the affirmative.

"You bring me a letter from your master?"

"No," said Ho Ping, his hands twitching more than ever. "My master wished me to say—to tell you that he is most grateful and honoured that you should have wished him to go shooting in your hill-country. Alas, at the present time he is too much occupied with affairs to be able to accept. He prays you therefore to accept his apologies and regrets."

For a moment the general looked curiously at Ho Ping.

"I am distressed," he said at last slowly. "I had hoped to see Mr. Dale. There were matters I wished to discuss with him. I would be glad to hear of this business which so occupies his time—the distress of his friends, who would be made happy by his company. I should be very glad."

Ho Ping shivered, in spite of the hot sun in which he stood. The general had not raised his voice, nor moved a finger. But there was a latent menace in his words, which Ho Ping recognized with the instinct of a people which has endured much at the hands of bandits over countless generations.

"Mr. Dale has two guests in his house," said Ho Ping. "A white man and his wife. They came up river by the last steamboat. A Mr. Havelock." And Ho Ping stumbled badly over his rendering of the name.

The general hoisted himself upright in his chair. He moved remarkably swiftly for so heavily-built a man. The movement incidentally revealed the faintly astonishing words "Vie Parisienne" painted on the top rail of the chair. Had Ho Ping dared to ask the question, the general would have been delighted to inform him with a wink in his eyes—that he had enjoyed few exploits in his career so much as the ambushing of a French pleasure steamer some years before...

"This Mr. Havelock," said the general. "He is a guest of Mr. Dale?"

He has come to work with Mr. Dale," corrected Ho Ping.

Wu-Tso-Ling took a heavy monogrammed cigarette case from the breast pocket of his tunic, and lighted a fresh cigarette.

"I should be glad to know something of this Mr. Havelock," he said, and blew smoke-rings neatly through each other with the art born of long practice.

"Mr. Havelock is a young man," said Ho Ping, shifting his feet. The ground was stony in the extreme, and he had had to lead his pony for some five miles in the heat of the day. "He has very good clothes, and rides well. He speaks no Chinese. He is, in my judgment, a person of little understanding."

To be continued

The general smiled benevolently, and leaned back once more. "Continue Ho Ping."

"My master is not exceptionally pleased with the company of Mr. Havelock."

"And the woman, Ho Ping?"

Shameless, like all European women. Without regard for her husband, or my master. Shriill-voiced, and quite without courtesy."

The general closed his eyes.

"You have done well in speaking to me of these things, Ho Ping. You will convey to your master my compliments. I hope soon to pay him a visit of ceremony. But of that you need not speak—as yet. You have my leave to go."

Ho Ping stood not upon the order of his going. He went at once. And until he re-entered the narrow ill-smelled streets of Tan Fu, he remained quite certain in his own mind that never again would he obey Leslie Dale's orders to carry messages to General Wu-Tso-Ling in the fastnesses of his own hills.

PROSPECTORS' SCHOOLS

MOOSE JAW, Sask. — (CP)—Government-sponsored schools for prospectors will begin courses soon in Prince Albert, Saskatchewan and Regina, and possibly also in Moose Jaw and North Battleford. The lectures are part of the program to spur development of mineral resources.

Construction Contracts At All-time High

TORONTO, Jan. 5—(CP)—Canadian construction contracts in 1950 reached \$1,525,764,700 or \$385,642,500 above 1949—a 33.8-per-cent increase and a record.

MacLean Building Reports, Ltd., announcing the figures, gives the categories as follows, with 1949 in brackets:

Residential \$541,684,300 (\$464,264,000); commercial \$440,404,900 (\$323,882,300); industrial \$141,043,200 (\$103,822,100); engineering \$402,632,300 (\$248,347,800).

By Provinces, in millions, the figures were:

Newfoundland \$10.1 (1949 figures not available); Prince Edward Island \$2.7 (\$4.5); Nova Scotia \$35.6 (\$33.9); New Brunswick \$34.6 (\$19.5); Quebec \$334.0 (\$358.4); Ontario \$597.2 (\$421.1); Manitoba \$63.0 (\$75.8); Saskatchewan \$27.6 (\$43.3); Alberta \$134.9 (\$104.4); British Columbia \$81.2 (\$79.4).

Only two months were below the corresponding months of 1949—January and December. The December total was \$102,488,200, down more than \$19,000,000, arising out of a drop in engineering because of a contract for a steam generating station in Toronto, let in December, 1949. Other categories gained in December.

The start of work valued at \$100,000,000 on the Quebec-Labrador railway, and numerous other projects, contributed to the big engineering increase in the year.

Large jobs in December included a plant addition at St. Catharines, Ont., and a hospital in Montreal, both at \$10,000,000; further work on the Toronto subway system; a dam and powerhouse at Michipicoten Falls, Ont.; roadwork at Seven Islands, Que. \$2,000,000; a technical school in York Township, Ont.; and a hospital and nurses' residence in Montreal, \$4,000,000.

W.C.T.U. NOTES

ALCOHOL AND BODY WARMTH

1. Why is rubbing alcohol used to sponge fever patients? Alcohol reduces the body warmth of fever patients, because it evaporates quickly, and when any liquor evaporates it absorbs heat.
2. Why does an alcoholic drink make a man feel warmer? Alcoholic drinks make a person feel warmer because the alcohol passing into the blood causes the little blood vessels in the skin to become larger so that more blood comes to the surface of the body. The blood coming to the surface from the inside of the body warms the nerve endings of the skin. That is why the drinker feels warmer all over. This is why there is seen a reddening of the skin, especially the nose, after drinking.
3. Is the body actually warmer? NO. The blood is actually cooled, since more heat leaves the body through the warmed skin.
4. How do we know that? The thermometer shows that the temperature of the inside of the body is usually lowered in a man who has been drinking.
5. Why is not the person conscious of this lowered temperature inside of the body? The drinker is not conscious of the lowered temperature of the blood because there are not as many nerve endings inside the body as there in the skin. It is then true that though a man feels warmed by an alcoholic drink, the temperature of his body is actually lowered.
6. Is this difference between the feeling of warmth and the actual lowered temperature of the body not dangerous when a person is exposed to cold? Yes. "Persons using alcohol often become dangerously chilled without knowing it. They therefore often stay in the cold, wet and wind without seeking shelter or warm, dry clothing, or taking increased physical exercise for



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But chills more quickly—how very dumb! He drinks in summer to keep him cool. But then it fevers his brain, poor fool. He drinks in company so he'll feel bright, But just acts silly, a sorry sight.

Now could we snap him when he's so tight, Would he recognize the bleary fright? He might seem funny, were we tight too, But I wouldn't care for that, would you?

Gertrude Wood, Glen Bain, writes:

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CHAPTER IV "HE'S BEEN BRED SOFT"

While Ho Ping, thus weary and exasperated alike in body and mind, sweated over the stony tracks on his return journey to Tan Fu, Leslie Dale faced Patrick James across the big table in the latter's study. Like Leslie's own room this looked across the roof's of Tan Fu to the river. Like Leslie's it was the room a man whose work came first and comforts by comparison nowhere.

Like Leslie's it was furnished with the oddest mixture of bits and pieces collected from all over the place: Shanghai, Japan, Old Kent. But unlike Leslie's a woman's hand was apparent, and most clearly. The chintzes were clean. The books were dusted. The curtains toned with the chintzes. And there were some charming water-colour sketches on the walls of Janet's old home in Ireland, sketches made long ago by Janet herself.

"It's no good, Pat," Leslie was saying irritably. "I shall have to go."

"Go? Nonsense! You don't mean it!"

"I most certainly mean it. I thought it would come to that within forty-eight hours of their arrival. Now I'm certain of it."

The big missionary smiled uncertainly.

"It's always difficult for anyone of my cloth to risk saying anything priggish," he said. "But are you being quite fair to them? After all—they're very young, and very raw. Don't you think you ought to give them a chance to settle down? Janet manages to get along with them, you know."

Leslie Dale managed to smile.

"Janet," he said, "is the perfect woman. As you ought to know."

"Don't try to get out of it, Leslie."

"Of course not. Don't get me wrong, Pat. I'm not going to run away and leave them in the soup. You ought to know me better than that."

To be continued

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