

Borrow & Save

Finance Minister Douglas Abbott announced last week that Canada was out to borrow \$100 million in the U.S. The money would be used to retire more than \$94 million worth of Canadian bonds sold in the U.S. in 1929-30 to finance the government-owned Canadian National Railways and the Montreal Harbor Commission. The old bonds paid 5%, the new ones will bear 2½%, the difference will save Canada nearly \$2,000,000 a year.

Following up on Abbott's announcement, the Wall Street investment firm of Morgan Stanley & Co. said that the new 25-year bonds would probably go on sale within a fortnight. Despite the comparatively low interest rate, the firm expected no trouble in lining up some 140 investment companies to underwrite the entire issue. Explained a Morgan Stanley spokesman: "Canadian government bonds are second only to U.S. bonds for popularity."

THE PRAIRIES

Dark Spots

Central Alberta wheatlands were extraordinarily quiet last week. At harvest time, the worst hailstorm in memory had swept across the province, flattening nearly a million acres of ripened grain crops. In the Edmonton district, farmers who had refused to give up hope during the early-season drought, and had thought their crops had been saved by drenching rains in late July, finally admitted defeat. Said one: "It's too late now for a comeback."

The farmers of southwestern Saskatchewan, the Dominion's biggest grain-producing province, had come to the same conclusion sooner. Their area, with nearly 30% of Saskatchewan's 120,000 farms, had gone all summer without adequate rain. Many wheatfields would not yield enough for next year's seeding.

In some places Russian thistles were the only crop, and farmers were cultivating and harvesting the weeds as fodder for their livestock. The Saskatchewan government was organizing a works program that would get irrigation and reclamation projects under way in the hardest-hit areas. Without employment on such projects, many a farmer would have no income at all.

The storm swath across central Alberta and the drought district of Saskatchewan were the darkest spots in a generally somber wheat picture. Last spring, with a \$1.75-a-bu. price guaranteed by the government, Western farmers had increased wheat acreage from 23 to 26 million acres and started talking about a bumper Canadian crop. This week, in its first official harvest estimate, the Dominion Bureau of Statistics predicted that despite the added acreage this year's yield would be no better than last year's crop of 363 million bushels.



Photographic Arts

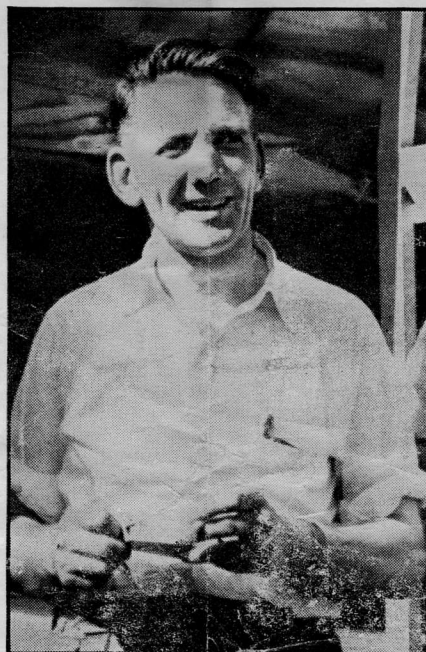
AVRO'S JETLINER
A momentous day.

ONTARIO

Test Flight

Down a runway at Toronto's Malton airport last week roared the first commercial jet transport to fly in North America. The silver and yellow "Jetliner" built by A. V. Roe Canada Ltd. took off, circled at 200 ft., then zoomed sharply to 13,000. An hour and ten minutes later Test Pilot James Orrell brought his aircraft in for a smooth landing in summer-heated bumpy air. Orrell was pleased with the plane. "It was a piece of cake," he said happily. "She handled like a fighter. Terrific."

Canada's bid for first place in North



Photographic Arts

PILOT ORRELL
A piece of cake.

American jet transportation began in mid-1946 when the Jetliner plans were inked onto drawing boards. Avro's general manager, 59-year-old Walter N. Deisher, a U.S.-born naturalized Canadian and ex-barnstorming pilot, set his men to work. What they gave him was a 60,000-lb., 82½-ft.-long craft with a wing span of 98 ft.

With a cruising range of about 1,200 miles, Avro's Jetliner was planned especially to meet Canadian conditions for fast, economical inter-city air service (it will not compete with the British De Havilland Comet for transocean traffic). An all-Canadian job except for its four Rolls-Royce Derwent V engines, it was designed to carry 50 passengers plus crew of three, and to fly 430 m.p.h. at 30,000 ft.

On last week's test flight, the Jetliner's speed was held down to 317 m.p.h. Inside, the plane was quiet, with little vibration. Jampacked with testing instruments, the plane is slated for months of rigorous shakedown flights; within six months a second Jetliner is expected to be ready for additional tests. Jetliners, Avro thought, would sell for about the same as a conventional modern four-engine plane.

Manager Deisher predicted that his jets would be flying commercial routes by 1951. Said Deisher: "A momentous day for Canadian aviation . . . I don't look on it as a company, but a national achievement that Canada can build and fly a jet aircraft."

Jets were also in the news at Montreal where Canadair Ltd. was ready to sign a \$25 million contract with the Department of National Defense to build 100 U.S. F-86 jet fighters. Eventually they would replace the R.C.A.F.'s obsolescent British Vampires.