

### CANADA-U.S.S.R. AIR AGREEMENT

The signing of the first air-travel agreement between Canada and the Soviet Union by First Deputy Chairman Polyansky of the U.S.S.R. and Prime Minister Pearson concluded the recent visit to Canada by the Soviet delegation. Mr. Pearson made the following statement:

I am very pleased that the First Deputy Chairman of the Council of Ministers of the Soviet Union and I are able to mark the conclusion of his highly successful visit to this country by signing together – along with the Soviet Ambassador to Canada and the Canadian Secretary of State for External Affairs – the first air-transport agreement between Canada and the U.S.S.R.

This agreement, establishing air service between Montreal and Moscow, is a practical expression both of our common interests and of the co-operation between our two countries in serving these interests. So it is particularly fitting that this “signing” ceremony should be linked with Mr. Polyansky’s visit, for we regard both the agreement and his visit as milestones in the development of closer relations between Canada and the Soviet Union.

I am sure that Mr. Polyansky and those who have travelled with him through seven of our ten provinces, have been impressed by the friendliness shown by Canadians to them – by farmers and industrialists, private citizens and representatives of governments whom they have met.

The extensive coverage given our visitors by press, television and radio has reflected how genuine and widespread Canadian interest is towards the Soviet Union and its peoples.

### NUCLEAR PLANT FOR NOVA SCOTIA

Mr. Jean-Luc Pepin, Minister of Mines and Technical Surveys, announced in the House of Commons recently that Canadian General Electric Company Limited would build a heavy-water production plant on the Cape Breton side of the Strait of Canso, Nova Scotia. An overriding factor in favour of this site was the deuterium content of the water that will be used in the manufacturing process.

It is understood that the Nova Scotia Power Commission will build a power-plant fuelled with oil (with provision for back-up with coal) that will supply steam and electric power for the heavy-water plant. It is hoped that the heavy-water plant and the power plant will form part of a larger industrial complex.

CGE will build a heavy-water plant with a capacity of not less than 400 tons a year, and will guarantee a production of 5,000 tons within a maximum delivery period of 12½ years. The company will be responsible for financing, designing, building, and operating the plant, and production will begin in autumn 1969. Atomic Energy of Canada Limited will underwrite the sale of 5,000 tons of heavy water produced in the plant at an average price of approxi-

We also have with us today – and I welcome him to Canada – General Loginov, Soviet Minister of Civil Aviation. Together with our Minister of Transport, the Honourable J.W. Pickersgill, General Loginov will sign a memorandum of understanding on the technical aspects of the agreement, and will exchange letters providing for future discussions over its extension. The heads of Aeroflot and of Air Canada later will sign the necessary commercial agreement between the two airlines.

Both our countries are confident that this direct air service between Montreal and Moscow, being inaugurated on the basis of these agreements, will be of great practical benefit to the travelling public of Canada and the Soviet Union. We hope that, based on these agreements, further air service will be developed in due course.

### BENEFIT FOR EXPO

We in Canada are particularly happy that the Moscow-Montreal service will be inaugurated on the eve of our centenary, for it will facilitate travel to Expo '67 where the Soviet Union, as we all know, will be a major participant.

In conclusion, Mr. Polyansky, may I reiterate how much we have valued your presence among us. Both your visit and this agreement demonstrate the mutually beneficial relations which have developed and are expanding between our two countries and peoples. I hope that our new air service will not only encourage reciprocal travel by Canadians and Russians, but, indeed, that it will also facilitate your own early return to our country.

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mately \$18.15 a pound. The price for the initial production will be \$20.50 a pound, and will decrease over the contract period to \$16.00 a pound.

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### BLUENOSE FLIES FIRST FLAG

*Bluenose II*, a copy of the famous Grand Banks racing yacht of the 'twenties, which recently returned to Halifax, Nova Scotia, from a goodwill tour of the Caribbean, was the first Canadian ship to hoist the centennial flag.

During a flag-presentation ceremony at Halifax, held by officials of the Centennial Commission, the ship’s owners, Oland and Son Limited of Halifax, received a scroll of honour for “outstanding contribution to the Canadian identity”.

The second *Bluenose* was launched in 1963 from the Nova Scotia yard of Smith and Rhuland. The same firm built the original vessel which brought renown to Canada throughout the 1920s and 1930s when, commanded by Captain Angus Walters, she defeated all comers in the international schooner races off the East Coast.