

Length .....	200 feet
Breadth .....	38 feet
Depth .....	14 feet
Draft .....	3 feet
Machinery .....	Diesel, 1,000 SHP

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### VISIT OF JAPANESE PM

On June 26, Prime Minister Hayato Ikeda of Japan ended a visit to Ottawa made at the invitation of Prime Minister Diefenbaker. Mr. Ikeda was accompanied by the Foreign Minister of Japan, Mr. Zentaro Kosaka, and a number of officials of the Government of Japan.

Prime Minister Diefenbaker and Prime Minister Ikeda, together with the Secretary of State for External Affairs, Mr. Howard C. Green, and the Japanese Foreign Minister, exchanged views on a number of international problems of mutual interest and concern and on questions affecting the relations between Canada and Japan.

They examined the state of East-West relations, with particular attention to recent developments in the Far East. They agreed on the need for a genuinely independent and neutral Laos and on the importance of economic co-operation with the less fully developed nations of Asia. They also exchanged views on Communist China.

Prime Minister Ikeda and Prime Minister Diefenbaker welcomed the continuing co-operation of the Canadian and Japanese Delegations to the United Nations. They emphasized that they looked forward to even closer co-operation in the future.

### ECONOMIC RELATIONS

The two Prime Ministers also reviewed economic relations between Canada and Japan. Prime Minister Ikeda reaffirmed the principle of orderly marketing of Japanese exports to Canada of products competitive with Canadian production in order to avoid injury to Canadian industries. Prime Minister Diefenbaker affirmed that the Government of Canada looked forward to the continued expansion of mutually beneficial trade between the two countries.

Prime Minister Diefenbaker noted the Japanese interest in the possible establishment and development of Japanese investments in Canada and indicated that mutually satisfactory arrangements would be made for the entry to Canada of Japanese nationals required in connection with certain of the operations of these enterprises. Prime Minister Ikeda explained his Government's plans for further liberalization of imports, including commodities of interest to Canada.

The two Prime Ministers agreed that, in view of the increasing importance of Canadian-Japanese relations, there should be established a Canadian-Japanese Ministerial Committee, which would not be a negotiating body but would provide a valuable means of contact between ministers of the two countries. The activities of the Committee would consist primarily of visits of ministers of exchange views on matters of common interest, particularly in the economic field, and to help ministers of one country familiarize themselves with the problems of the other.

### GROSS NATIONAL PRODUCT

The Gross National Product was at a seasonally adjusted annual rate of \$36,012 million in the first quarter of 1961. The pace of economic activity slackened a little after seasonal factors are taken into account. This development was associated with a sharp drop in business outlays for new plant and equipment, which had been moving upward in the preceding two quarters, and with a small decline in personal expenditure on consumer goods and services following the marked advance of the fourth quarter of 1960.

Business inventories, which had shown a small accumulation in the final quarter of last year, shifted to a neutral position. These downward tendencies in final and inventory demand were largely offset by a substantial advance in outlays for new housing, a marked recovery in exports of goods and services following the fourth quarter decline, and continued strength in government expenditure.

The decline in the Gross National Product, which amounted to 1.2 per cent, was considerably larger than can be accounted for by the developments described above. The greater part of the decline reflected an unusually sharp increase in dividends paid abroad in the first quarter of 1961. The latter, being earnings of non-residents, are excluded from the Gross National Product. Corporation profits, for national income purposes, are measured *after* payments of dividends paid abroad; and, on the expenditure side, the deduction made for imports of goods and services includes, as one of its component elements, an estimate of dividends paid abroad.

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### HEALTH CARE COMMISSION

Prime Minister Diefenbaker recently announced the membership and terms of reference of the Royal Commission on Health Care. The Commission will be under the Chairmanship of Chief Justice Emmett Hall of Saskatchewan. The other members are: David M. Baltzan, M.D., Chief of Staff and Chief of the Department of Medicine, St. Paul's Hospital, Saskatoon, and a member of the Central Health Services Committee of Saskatchewan; O. John Firestone, Professor of Economics, Faculty of Political, Social and Economic Sciences, University of Ottawa; Alice M. Girard, Director of Nursing and Assistant Administrator, St. Luke's Hospital, Montreal, M. Wallace McCutcheon, Q.C., Vice-President and Managing Director of Argus Corporation Limited, Toronto; C.L. Strachan, Practising Dentist, London, Ontario, Arthur F. Van Wart, M.D. Fredericton.

The Prime Minister stated that the task of the Royal Commission would be to make a "comprehensive and independent study of the existing facilities and the future need for health services for the people of Canada and the resources to provide such services, and to recommend such measures, consistent with the constitutional division of legislative powers in Canada, as the Commissioners believe will ensure that the best possible health care is available to all Canadians".