

DAIRY FACTORY PRODUCTION

Production of creamery butter in Canada was higher in October 1967 than in October 1966, but the January-to-October total was lower than for the same period last year. The month's output totalled 28,708,000 pounds against 27,527,000 pounds last year, bringing the ten-month total to 290,396,000 pounds compared to 298,681,000 pounds last year. Production of cheddar cheese was lower in both the October and the January-to-October periods. Cheddar cheese produced in October reached 14,350,000 pounds against last year's 15,590,000 pounds, placing the January-to-October total at 140,411,000 pounds compared to 147,507,000. Evaporated whole-milk production, at 22,608,000 pounds, was down from last year's October total of 24,716,000. During the cumulative period, it dropped to 249,183,000 pounds from 273,887,000. Output of skim milk powder totalled 28,198,000 pounds, up from 22,217,000 in October 1966. During the ten-month period it rose to 281,263,000 pounds this year from 235,262,000.

CANADA AND COLLECTIVE SECURITY

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ceivable that a Soviet attack would be mounted on the U.S.A. without Canada being involved. In any event, as we cannot know Soviet plans, we cannot, in making our preparations, ignore Soviet capabilities. No responsible government could do otherwise....

Questioning in Canada about the continuing validity of our air-defence arrangements for North America has recently focused on missile development. Some have argued that with missiles, against which there is yet no effective defence, having replaced the bomber as the main threat to North

America, a bomber defence is now meaningless. Others claim that it is impossible to separate bomber and missile defence, and that, to avoid becoming involved in the latter, we should withdraw entirely from the air defence of the continent.

It is interesting, I think, to note that, with respect to North American defence, in contrast with NATO arrangements in Europe, our participation is debated primarily on technical issues rather than on calculations of Soviet intentions. Being technical arguments, however, they are more susceptible of refutation. The bomber threat - to take the first argument - is no longer serious because our defences are extremely effective. But the Soviet Union retains over 150 bombers capable of attacking North America. And bombers carry larger loads of nuclear weapons. For example, one bomber could destroy Toronto and go on to destroy Montreal. Therefore, as long as the Soviet heavy-bomber force remains in being, it could become, in the absence of continuing air-defence arrangements for North America, a greater threat than Soviet missiles now are. For this reason, as Secretary McNamara tells us and the other NATO countries, the United States Government will continue to maintain a bomber-defence system. Unless one is prepared for a complete transformation in our relations with the United States, Canada has two options: to make some contribution to the bomber-defence system - and thereby exercise some control over it - or to give the United States freedom to defend North America, including use of Canadian territory. I, for one, am not prepared to accept the second....

As for the separation of bomber and missile defence arrangements, now that Mr. McNamara has unveiled American plans for a light anti-missile system, I believe the argument of the critics can no longer be sustained. The American system is to be deployed entirely on American territory and Canada can, if it wishes, remain outside the system, while continuing to co-operate with the U.S.A. in a bomber-defence system....

Mr. C.M. Druy, Minister of Industry, announced the signing of a contract between the Government of the Netherlands and Canada covering the purchase of 105 C75 aircraft modified to meet special requirements of the Netherlands Air Force.

While the amount of the aircraft purchase is about \$120 million, the programme provides that in addition Canada will supply logistics and spare support value of approximately \$30 million.

Canada has undertaken to continue this support for the Netherlands Air Force in the Netherlands because the aircraft were designed in the Netherlands and the Netherlands and the Netherlands will participate in the production of the aircraft. The Netherlands will continue to be the prime contractor, will be responsible for the final