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SEAWAY FOR THE SHIPS OF THE WORLD

The following is a partial text of an address by the President of the St. Lawrence Seaway Authority, Mr. R. J. Rankin, in Toronto on August 25:

"...The building of the Seaway is now in the past and since April 1959 it has been in operation. It is with the results of these three and one-half years that I propose to deal briefly today, discussing such questions as:

1. What impact has the Seaway had on the trade patterns?
2. What benefits has it brought in industrial and port development to the Great Lakes, and even to the lower St. Lawrence region?
3. What is its present financial position in relation to its commitments?

"Before proceeding to deal with these questions, I feel I should recognize that there are many...who would reach different conclusions than those I have in mind. It is a well-known fact that, from the time the idea of a Seaway was conceived, it has been a controversial subject in many influential quarters, and it remains so today.

"In analysing the points of controversy, it is important, I think, to keep in mind that the main reasons for building the deep waterway were to provide ease of transit at lowest cost for all types of commodities moving within the St. Lawrence and Great Lakes trading areas.

"In this respect, from the standpoint of revenue, the movement of bulk products, such as grain from the West and iron ore from the East, was expected to provide the basic, or bread-and-butter income. The icing on the cake was expected to come from increased trade, industrial development and easier and less costly access to foreign markets.

"And this generally is the trend that has been established. For example, in relation to bulk commodities, it is possible to pass through the present Seaway facilities a ship with a cargo capacity nine times that of the small canaller in use in pre-Seaway days and crewed by 35 men instead of a nine-ship total of 225 men.

"In cargo, instead of being restricted to the maximum load of a smaller canaller, approximately 100,000 bushels, the large lakers of today carry approximately 1,000,000 bushels, representing the harvest of some 50,000 acres of grain.

"Hundreds of millions of dollars of public money were spent to construct this low-cost transit artery — making the people of Canada and the United States shareholders in the venture.

TOLL POLICY ATTACKED

"Critics of the Seaway recognize this fact, and to my knowledge it has never been suggested that the Seaway as such should be abandoned. The target for attack has been the fact that the present level of tolls has not been sufficient to provide revenue to meet the fixed charges on, and the planned repayment of, the huge sums lent to it for construction costs. But does the experience of a three-and-a-half year period provide a sound basis for such criticism?

"And even if it does, what is the alternative? Surely it would never be seriously suggested that, after spending the hundreds of millions of dollars to which I have referred to create an avenue of cheap transportation, the charges for its use should be such that they eliminate the benefits that were anticipated! This would defeat the whole purpose of the Seaway.

"Surely the constructive course — a course which would keep us in step with the confidence we must have in the expanding future of the two nations that are joined in this partnership — is to anticipate continuous growth in the movement of bulk commodities — more icing on the cake through increased trade, increased industrial expansion and the capture of a greater share of the markets of the world. These are things that must happen if Canada is to hold a competitive position in the swiftly changing world-trade picture.

"Three and a half years of operation — how many Canadian or American industrial or commercial adventures that are flourishing enterprises today looked rosy and wealthy on their third anniversaries? Let's be reasonable about this — 10 to 15 years from now, judge the Seaway, if you like, on its record, but, in the meantime, most seriously I say to you — don't let us lend our support to any course that might jeopardize its financial future while it is still in its infancy. By doing so, you might reduce it to the status of an entirely free avenue from the heart of the continent to the sea, and this would indeed give its competitors in the transportation field something to complain about.

IMPACT ON TRADE PATTERNS

"Now I should like to deal with the questions I referred to previously, the first of which was — what impact has the Seaway had on trade patterns? As you know, the deep waterway opened for navigation on 25 April, 1959. To find a fair basis of comparison, let us take the average for the two years 1957-1958, since 1958 was slightly lower than a normal year. On this average, traffic through the St. Lawrence locks and canals increased by 72 per cent in 1959, dropped to 70 per cent in 1960 and reached a level in 1961 of 95.5 per cent higher than in 1957-1958. From indications available so far this year, total traffic will approximate 27,000,000 tons in 1962, or 125 per cent higher than the 1957-1958 average.

"By the end of this season, more than 90,000,000 tons of cargo will have passed through the St. Lawrence segment of the Seaway.

"The increase for the Welland section of the deep waterway is heavy but less sharp because of the long-established 'local' traffic to and from Lake Erie to Toronto and Hamilton. Using the same base, the 1957-1958 average, traffic rose by 26 per cent in 1959, increased to 34 per cent in 1960, 44 per cent by 1961 and is estimated from early returns to reach 36,000,000 tons in 1962, or 65 per cent more than the figure for 1957-1958.

EFFECT ON THE LAKES

"Let us look for a moment now at what effect the Seaway has had within the Great Lakes. One informed source has said the Seaway has changed the lake ports, which were near capacity in inter-lake trade, to international ports with unlimited futures.

"To find ample evidence that this is so one has only to look at the great port-expansion programme that is taking place from Seven Islands to the Lakehead. Here in Toronto, and in Hamilton, you have only to look at your own ports — their new terminals and dockage facilities — and their physical growth.

You should look too — because it is impressive — at the fact that more than 1,000,000 tons of foreign trade is moving through the port of Toronto this year. In Hamilton direct overseas traffic is up early in this year approximately 40 per cent....

FINANCIAL POSITION

"The Canadian Seaway revenue in 1959 amounted to approximately \$9.2 million, in 1960 \$9.5 million and in 1961 \$10.4 million. Annual operating expenses are between \$6 and \$7 million. Interest payments from revenue have been made of \$5 million and \$3.5 million.

"The suspension of the tolls on the Welland Canal will be reflected only in part in this year's revenue, since the suspension took effect on July 18.

"The increase in revenue in 1962 until the end of July was approximately 8½ per cent over the same period last year. This increase, together with the tolls suspension for part of the year, should mean that our year-end revenue position will not have materially altered, as the tolls on the Welland were roughly 10 per cent of Seaway revenue. The revenue forecast for 1963 should therefore show a further gain, particularly if the effect of the suspension is to further encourage Seaway usage, as we think it may well be....

THE FUTURE

"Speaking to the Dominion Marine Association and the Lake Carriers Association conference in Dearborn, Michigan, last January, I said:

"It may well be that the upward curve of tonnages and revenues realized is not as sharp as was forecast by the Tolls Advisory Committee, but this may or may not be significant in the long-range view. Who is to say, for instance, that, in the next say five or six years, the tonnage volume and the revenues will not even exceed the levelling-off point set by the committees?"

"That's the way I saw it last January and that's the way I see it now, with my view strengthened by the encouraging traffic and revenue reports on the present navigation season.

"Commenting on the analysis I had made in the Dearborn speech, one writer described it as a 'pleasant dream'. I accept this, because if I'm not dreaming happy dreams about the Seaway, I don't know who is. As a matter of fact, I believe a lot of people are sharing these pleasant dreams with me and among these I include: the shipping companies, because they respect its increasing efficiency and its ability to move commodities in greater volume than ever before; the strategically-located ports of the Great Lakes, which have experienced hitherto undreamed-of development and expansion; the lower St. Lawrence River ports, where increases in tonnage records have been attributed, in substantial part, to the traffic attraction of the Seaway; and even in Halifax, where the Seaway has been described in such harsh terms as 'a menace' (recent newspaper reports have indicated that Halifax now views the Seaway as the cheapest route for export and domestic grain from the Lakehead and that, with this in mind, they are embarking on a vigorous campaign aimed at securing faster loading and unloading equipment in that port and greater elevator space for storage)....

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FOREST PRODUCTION

The volume of Canada's forest production in 1960 increased 6.9 per cent to 3,405,417,000 cubic feet from 3,186,387,000 in the preceding year, and the value advanced 12.7 per cent to \$806,488,000 from \$715,716,000, according to advance figures that will be contained in the 1960 issue of the annual report "Operations in the Woods, and Final Estimates of Forest Production", published by the Dominion Bureau of Statistics.

Production of leading primary forest products in 1960, expressed in equivalent volume of merchantable timber: logs and bolts, 1,728,012,000 cubic feet (1,650,176,000 in 1959); logs for pulping, 196,649,000 (165,856,000); pulpwood, 1,189,352,000 (1,075,233,000); fuelwood, 240,304,000 (249,314,000). Values for these items: logs and bolts, \$385,924,000 (\$344,424,000); logs for pulping, \$45,336,000 (\$32,115,000); pulpwood, \$311,579,000 (\$288,129,000); and fuelwood, \$36,896,000 (\$26,520,000).

THE ARCTIC'S FLOATING ISLANDS

Some 200 square miles of the ice-shelf that extends north from Ellesmere Island has become detached and is floating free in the Arctic Ocean. The breakaway, reported in mid-April by a reconnaissance plane of the Royal Canadian Air Force, is believed by Defence Research Board scientists to have maintained its original position near the shore of Ellesmere for hundreds of years.

Detachment of the ice-shelf became apparent to crew members when they spotted a vehicle on a small ice island. The shelf had apparently drifted 30 miles from its original landfast position near the field research area of a United States party active in 1960.

Dr. Geoffrey Hattersley-Smith, Defence Research Board glaciologist who returned recently from the DRB research station at Lake Hazen on Ellesmere Island, reports: "Many new floating ice islands have resulted from the breakaway. Four or five are of considerable size, including one of approximately 60 square miles".

The Ellesmere shelf is believed to have been the birthplace of several other ice islands during the past 20 years. One, known as T-3, has been occupied intermittently by U.S. scientific teams during the past ten years. Scientists from the Soviet Union established a station on a similar ice island in 1956.

SCIENTIFIC USE

Ice islands differ from other Arctic ice floes in their unusual thickness and their typical smooth-ridge and furrow-surface pattern. Their bulk and resistance to breakup make them ideal platforms for scientific research. Previous investigations have provided significant data on ice drift, meteorology, ocean depths and temperatures, and related scientific topics.

Of particular interest to DRB scientists is the eastward drift of one of the largest of the new ice islands. The others appear to be moving west-

ward in accordance with the drift pattern generally believed to obtain in this sector of the Arctic Ocean.

In order to maintain a continuous picture of the movement of the largest of the new ice islands, the Defence Research Board, in co-operation with the Polar Shelf Project of the Department of Mines and Technical Surveys, arranged to place a number of radar reflectors on this 13-mile x 5-mile island off Point Moss. Placed in position by means of a helicopter, the reflectors will facilitate tracking with airborne radar equipment. The radar records will be forwarded to Ottawa for study at DRB headquarters and by scientists from other interested agencies.

TRINIDAD-TOBAGO INDEPENDENCE

At the independence ceremonies for the unitary state of Trinidad and Tobago, which began on August 30 in Port-of-Spain and will continue until September 5 Canada is represented by the Minister of Fisheries, Mr. J. Angus MacLean. The new state became independent on August 31. Its Government has decided to remain in the Commonwealth.

Mr. MacLean carried a message from Prime Minister John G. Diefenbaker to Dr. Eric Williams, Prime Minister of Trinidad and Tobago, conveying the good wishes of the people of Canada to the people of Trinidad and Tobago.

In response to an invitation from the Trinidad and Tobago Government, two ships of the Royal Canadian Navy - the destroyed escorts "Iroquois" and "Huron" - have been made available for the celebrations.

VEHICLE PERMITS

Permits issued to foreign vehicles entering Canada in July numbered 1,293,797, an increase of 1.4 per cent from the total of 1,276,199 a year earlier. This brought the number issued in the January-July period to 3,942,446, larger by 5.9 per cent than last year's 3,724,332.

Entries were more numerous in July this year than last in all provinces but New Brunswick and Quebec. The totals: Newfoundland and Nova Scotia, 3,700 (3,692 in July last year); New Brunswick, 66,443 (68,566); Quebec, 111,347 (114,622); Ontario, 95,258 (95,823); Manitoba, 19,153 (18,134); Saskatchewan, 8,667 (7,654); Alberta, 18,220 (17,570); British Columbia, 102,749 (84,032); and the Yukon Territory, 4,260 (3,706).

January-July entries by provinces: Newfoundland and Nova Scotia, 5,585 (5,581); New Brunswick, 222,916 (203,830); Quebec, 354,476 (346,269); Ontario, 2,924,543 (2,794,209); Manitoba, 56,870 (59,442); Saskatchewan, 27,941 (26,105); Alberta, 34,671 (33,997); British Columbia, 305,868 (246,693); and Yukon and Northwest Territories, 9,576 (8,206).

ESKIMOS TO RUN ARCTIC PLANTS

Ten young Eskimos returned home this summer qualified to operate the power plants that provide heat and light to schools in their Arctic communities.

They had just finished a 3-month course at the Royal Canadian Electrical and Mechanical Engineers' School at Barriefield, Ontario, and were the third group to have been trained there since 1959. "These short courses," said Northern Affairs Minister Walter Dinsdale, "are part of a long-term programme designed to prepare the Eskimos to play an increasingly important role in the development in Canada's north now under way".

The Army's help enabled Northern Affairs to solve the problem of providing qualified operators for the diesel-electric power plants that were being installed in smaller Arctic communities (the plants average 3½ K.W.). Providing fully skilled mechanics raised problems of cost. It was felt, too, by the Education Division, which was responsible for planning and organizing vocational courses, that local Eskimos with an aptitude for this kind of work would, if given the right training, do the job well.

THE ENGINEERS STEP IN

But the Sir John Franklin School at Yellowknife, vocational-training centre for the Northwest Territories, did not have the space to set up such a course. The Army did. RCEME facilities included instruction in the use of tools, diesel operation and maintenance, and power-plant operation. Private companies came forward to offer to lend equipment of a size and type similar to that used at Arctic installations. Most plants are in schools, and their operation includes the providing of heat and light for teachers' homes.

The 40 men who have qualified since 1959 are now running, or helping to run, plants at Eskimo Point, Wakeham Bay, Notre-Dame-de Koartac, Fort Chimo, Notre-Dame-d'Ivugivic, Sugluk, Rankin Inlet, Port Harrison, Churchill, and Frobisher Bay. Dave Okpik, one of the first group and now in charge of the power plant at Notre-Dame-de Koartac, has been recommended to become an instructor. Peter Audlalook, a 1962 trainee, is back at Notre-Dame-d'Ivugivic as assistant to Issac Padlogat, who was at Barriefield last year. Tom Orpigak at Wakeham Bay has Simeon Sirbuck, a 1962 trainee, to help him. As the programme stands, it should take care of power-plant operations for the next two or three years.

ESKIMO INITIATIVE

The course supervisor this year was Carol Baker, a Northern Affairs teacher and the first to be posted north of the Canadian mainland. When Mr. Baker went to Resolute on Cornwallis Island in December 1958 to open the school, he found that his pupils were ahead of him. They had started their own school, sparked by the enterprising teenager Leah, who had rounded up all available small fry, including a few babies in parka hoods, and talked the local Mounted

Police constable into making available one of the rarest commodities in the Arctic, a few square feet of vacant indoor space. (A visitor to Resolute two years after Baker left found that his former pupils could still recall both his names and pronounce them properly.)

Assistant course supervisor William Hendon, a keen shot, formed an after-work rifle club for the Eskimos, held nightly shoots, and awarded a trophy. As part of a programme designed to show the Eskimos as much as possible of Southern Canada in their free time, they were taken on a number of trips, including the St. Lawrence Seaway. When the time came to go home, they had also completed first-aid and St. John's Ambulance courses.

When Eskimos are out of the Arctic on courses, their families aren't forgotten. Letters and tape-recorded messages help bridge a gap that is wider in way of living than in distance. The "Innuits", who live in a huge land where mails are sometimes irregular, are among Canada's most avid tape-recorder fans.

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SEAWAY FOR THE SHIPS OF THE WORLD

(Continued from P. 2)

"...Queen Elizabeth, at the official opening ceremonies, stated it this way:

"This vast undertaking has been a co-operative effort of Canada and the United States.... The two nations build it together and the two nations will share its benefits.... Ocean-going ships will go up and down this waterway, taking goods to and from American and Canadian ports, and exchanging the products of North America for those from the rest of the world.

"More than all this, it is a magnificent monument to the enduring friendship of our two nations and to their partnership in the development of North America."

"President Eisenhower's words were:

"It is, above all, a magnificent symbol to the entire world of the achievements possible to democratic nations peacefully working together for the common good."

"Inscribed on a huge slab of black granite at the international boundary line of the Cornwall-Barnhart Island powerhouse structure are these words:

"This stone bears witness to the common purpose of two nations, whose frontiers are the frontiers of friendship, whose ways are the ways of freedom, and whose works are the works of peace."

"Every day of the navigation season ships of all nations are being received in and passed through its locks and its canals, located in the most populated and developed regions of Quebec, the rich farm and park lands of Eastern Ontario and the fertile orchards and vineyards of the Welland peninsula. From the ports of the seven seas they bring cargoes to the strategic Seaway lake ports and, returning, take with them cargoes from Canada and the United States...."

(Continued on P. 4)