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HOUSE OF COMMONS

First Session—Twenty-second Parliament

1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

NO. 1

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TUESDAY, APRIL 6, 1954.

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Main Estimates of the Department of External Affairs  
(ITEMS 84 to 103)

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Statement by Honourable L. B. Pearson,  
Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954.

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: L. PHILIPPE PICARD, Esq.,  
and Messrs.

Aitken, Miss	Green	McMillan
Balcer	Henry	Nesbitt
Boisvert	James	Patterson
Cannon	Jutras	Pearkes
Cardin	Kirk ( <i>Shelburne-</i>	Pinard
Coldwell	<i>Yarmouth-Clare</i> )	Richard ( <i>Ottawa East</i> )
Crestohl	Knowles	Starr
Croll	Low	Stick
Decore	Lusby	Stuart ( <i>Charlotte</i> )
Fleming	MacDougall	Studer—35.
Garland	MacInnis	
Gauthier ( <i>Lac-Saint-</i>	MacKenzie	
<i>Jean</i> )	Macnaughton	

(Quorum 10)

ANTONIO PLOUFFE,  
Clerk of the Committee.



## ORDERS OF REFERENCE

### HOUSE OF COMMONS

WEDNESDAY, December 16, 1953.

*Resolved*—That the following Members do compose the Standing Committee on External Affairs:

Messrs.

Aitken (Miss)	Green	McIlraith
Balcer	Henry	McMillan
Boisvert	Jutras	Nesbitt
Cannon	Kirk ( <i>Shelburne- Yarmouth-Clare</i> )	Patterson
Cardin	Knowles	Picard
Coldwell	Low	Pinard
Crestohl	Lusby	Richard
Croll	MacDougall	Richard ( <i>Ottawa East</i> )
Decore	MacInnis	Starr
Diefenbaker	MacKenzie	Stick
Fleming	Macnaughton	Stuart ( <i>Charlotte</i> )
Garland		Studer—35.
Gauthier ( <i>Lac-Saint- Jean</i> )		

(Quorum 10)

*Ordered*—That the Standing Committee on External Affairs be empowered to examine and inquire into all such matters and things as may be referred to them by the House; and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

FRIDAY, March 5, 1954.

*Ordered*—That the name of Mr. James be substituted for that of Mr. McIlraith on the said Committee.

Attest.

THURSDAY, April 1, 1954.

*Ordered*—That the items numbered 84 to 103 inclusive of the Main Estimates, 1954-55, be withdrawn from the Committee of Supply, and referred to the Standing Committee on External Affairs, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

Attest.

MONDAY, April 5, 1954.

*Ordered*—That the name of Mr. Pearkes be substituted for that of Mr. Diefenbaker on the said committee.

Attest.

TUESDAY, April 6, 1954.

*Ordered*—That the said Committee be empowered to print from day to day 600 copies in English and 300 copies in French of its Minutes of Proceedings and Evidence and that Standing Order 64 be suspended in relation thereto.

*Ordered*—That the said Committee be authorized to sit while the House is sitting.

Attest.

LEON J. RAYMOND,  
Clerk of the House.

REPORT TO HOUSE

TUESDAY, April 6, 1954.

The Standing Committee on External Affairs begs leave to present the following as its

FIRST REPORT

Your Committee recommends:

1. That it be empowered to print from day to day 600 copies in English and 300 copies in French of its Minutes of Proceedings and Evidence and that Standing Order 64 be suspended in relation thereto.

2. That it be authorized to sit while the House is sitting.

All of which is respectfully submitted.

L. PHILIPPE PICARD,  
*Chairman.*



## MINUTES OF PROCEEDINGS

TUESDAY, April 6, 1954.

(1)

The Standing Committee on External Affairs met at 10.30 o'clock a.m. this day. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Miss Aitken and Messrs. Balcer, Boisvert, Canon, Cardin, Coldwell, Crestohl, Croll, Fleming, Garland, Gauthier (*Lac St-Jean*), Green, Henry, James, Jutras, Kirk (*Shelburne-Yarmouth-Clare*), Knowles, Low, MacDougall, MacInnis, Macnaughton, McMillan, Nesbitt, Patterson, Pearkes, Picard, Pinard, Richard (*Ottawa East*), Starr, Stick and Studer (31).

*In attendance:* The Honourable L. B. Pearson, Secretary of State for External Affairs and Messrs. R. A. MacKay, Acting Under-Secretary of State, R. M. Macdonnell, Assistant Under-Secretary of State, Arnold C. Smith, Special Assistant to the Secretary of State for External Affairs.

The Chairman read the Orders of Reference.

On motion of Mr. MacDougall,

*Resolved,*—That the Committee ask permission to print from day to day 600 copies in English and 300 copies in French of its minutes of proceedings and evidence.

On motion of Mr. Stick,

*Resolved,*—That the Committee ask leave to sit while the House is sitting.

After discussion, and on motion of Mr. Coldwell,

*Resolved,*—That a Subcommittee on Agenda and Procedure be appointed comprising the Chairman and 8 members to be designated by him.

At this stage, the Chairman called the attention of the members to a demonstration which was being made at this meeting to record the proceedings on a sonograph magnetic tape recording machine.

The Secretary of State for External Affairs having arrived, the Chairman called Vote 90—Canadian Representation at International Conferences—and Mr. Pearson made a brief statement on

1. The agenda of the next meeting of the NATO Council.
2. The invitation to Canada to attend the next Geneva Conference (text to be given at the next meeting).
3. Dulles' recent statements.
4. Indo-China conflict.
5. Hydrogen experimental explosions.
6. Quebec agreement of 1943 between Churchill and Roosevelt on atomic energy control (text to be given at the next meeting).

Mr. Pearson was questioned.

After discussion, the Committee adjourned at 12.30 o'clock p.m. to meet again at the call of the Chair.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*



## EVIDENCE

TUESDAY, April 6, 1954.

The CHAIRMAN: Ladies and gentlemen, I have been informed that on the 15 January at a general meeting of all the committees of the House, according to common procedure, chairmen were elected for the different committees, and I have been told that on motion of Mr. Garland, seconded by Mr. Jutras, I was elected chairman of the committee on External Affairs.

Mr. STICK: You have my sympathy.

The CHAIRMAN: At one time during the proceedings of another committee, this procedure was declared to be not exactly legal because nobody could be sure whether or not there was a quorum of a particular committee at the general meeting. So, if anybody says that they do not want to corroborate the decision of the meeting, I might step down from the chair and have a new election held. If not, with your consent, I will carry on.

Mr. FLEMING: If there is any doubt, I will move a motion that Mr. Picard be elected chairman of the committee.

Agreed.

The CHAIRMAN: We are here today because of an order of reference from the House to enable us to work as a standing committee on External Affairs. The order of reference was: that the standing committee on External Affairs be empowered to examine and to enquire into all such matters and things as may be referred to them by the House and to report from time to time their observations and opinions thereon with power to send for persons, and records. And then, on April 1, it was ordered that items Nos. 84 to 103 inclusive in the main estimates, 1954-55, be withdrawn from the committee of supply and referred to the standing committee on external affairs, saving always the powers of the committee of supply in relation to voting public moneys.

I will not read the changes in membership of the committee which are not material.

We will have with us this morning, with your approval, the Secretary of State for External Affairs, as soon as we are through with this part of our work. Prior to that I think that it would be in order that we should have a motion for the printing of our reports of proceedings. The committee printed in 1952, 600 copies in English and 250 copies in French. In 1953 they had to increase the number of French copies due to the demand, so that there were 600 copies in English and 300 copies in French of our reports.

Mr. Low: Was that found to be a sufficient number of copies in French?

The CHAIRMAN: According to the Queen's Printer the number was increased from 250 to 300, and according to the demand last year it seemed to be sufficient for both. Unless there is an increase in demand, that would cover the request from the public, the Embassies and from the newspapers.

Mr. MACDOUGALL: I move that the same number be printed this year.

The CHAIRMAN: On motion of Mr. MacDougall the committee asks permission to print from day to day 600 copies in English and 300 copies in French of the minutes and proceedings and evidence. Is that agreed?

Agreed.

The CHAIRMAN: The other important item is that we should be able to meet while the House is sitting because of the many occasions on which we would want to sit in the afternoon. That is a usual motion, to permit the committee to sit while the House is sitting, I think.

Mr. STICK: I so move.

The CHAIRMAN: On motion of Mr. Stick the committee asks leave to sit while the House is sitting.

I suppose that you will have no objection to the Secretary of State for External Affairs appearing before us this morning.

Mr. Low: Before you leave the motion that the committee have authority to meet while the House is sitting, may we explain in that in addition to this committee this morning we have the Banking and Commerce Committee, and it would seem to me that we ought to try to find some time when that conflict will not occur.

The CHAIRMAN: I am quite in agreement, but the minister plans to go to Geneva and he thought that he should be at the disposal of the committee for a number of meetings prior to his departure to cover any point which the committee may want to go into. Had we waited until next week when we will be adjourning on Wednesday we might not have had enough time. We had thought of sitting on Wednesday, but it did not meet with the approval of some of the members. I consulted some of the members of the opposition parties. We finally decided that Wednesday was out of the question, so we thought that we would sit this morning and Friday morning. Friday does not clash with any other committee. I have been told by the chairman of the Banking and Commerce Committee that unfortunately some of his witnesses were already notified to come, and that he could not postpone the Tuesday and Thursday meetings and on the other hand Mr. Pearson felt that he should be at the disposal of the committee for a number of meetings, and therefore we thought we would have to have this meeting this morning. There are about seven members out of 35 who are members of the Banking and Commerce Committee and are also members of this committee. That is unfortunate. There may be also times after the recess when we will not be able to avoid meeting on the same day. That may not suit some of the members, but the witness may not be available on a given day, and be available on the day the other committee sits. I think that the thing for me to do is to consult with one member of each of the parties to make sure whether any proposed date would be satisfactory.

Mr. COLDWELL: If you had a steering committee, could you not consult the steering committee?

The CHAIRMAN: Yes, but, if I may be permitted to say so, my experience on the Public Accounts Committee is this: it is just as hard to get a steering committee of nine together as the whole committee. It is customary to have a representative of the C.C.F. party, and of the Social Credit party. If they have each one member, according to the number of members that were elected to the House, the Conservatives have a right to have two, and the Liberals have a right to have four or more members and the chairman above that, it makes a steering committee of at least nine. I would have a hard time getting them together.

Mr. Low: We have been operating since 1945 with a steering committee of five, and we got along very well.

Mr. COLDWELL: Can we notify them in advance?

The CHAIRMAN: Would you be willing to have no representatives from your party, Mr. Low?

Mr. Low: All we want is one.



The CHAIRMAN: It has been customary to have a sort of proportion on the sub-committee.

Mr. COLDWELL: We have had only five on this committee, and we have never had any difficulties at all.

The CHAIRMAN: Well, I am here just to comply with the wishes of the committee. If the committee wants a steering committee I have no objection at all, but then it means postponing decisions because the members of the steering committee will also have to consult their fellow members to see if any date is appropriate. But I have no objection; if anybody wants a steering committee I will have one with pleasure. The point is this: to expedite matters I think that we might proceed along these lines for the moment, and if it was not agreeable or if it did not fit the general arrangements, then we should later on appoint a steering committee, and that for the moment I would consult one representative of each of the three parties to decide on the next order of procedure. But if there is a motion for a committee, I have no objection personally.

Mr. Low: All I can say is that the experience that I have had with a small steering committee has been, I think, very good, and it has convinced me that it helps in the dispatch of business. It was chosen by the chairman himself. He asked each one of the parties to name one of the members of the committee to act on that steering committee.

Mr. COLDWELL: I will move that we have a steering committee of five, as we have usually had.

The CHAIRMAN: Do you want to fix it at five? I am quite certain that your steering committee in the last two years was made up of nine members.

Mr. COLDWELL: If you want to have seven or nine, I do not mind.

The CHAIRMAN: If you agree, let us say that we will have a steering committee and I will try to have it in operation before the next meeting.

Mr. COLDWELL: I think it is useful to have this committee not only because of the arrangement of meetings but also for discussion of whom it would be desirable to call next as witnesses and so on. We have never had any difficulty with this committee in the years during which it has been set up.

Mr. STICK: What about a vice-chairman? We had one before.

Mr. COLDWELL: I think we could dispense with that.

The CHAIRMAN: There is one thing that I would like to say before you go any further, that we have on the tables microphones that are connected to a recording machine. It is just, shall we say, an experiment for the first time in this committee. It does not mean that it will be carried on. This is in practice in some of the legislatures in the United States and it has been thought that it should be tried at one time or other and that we might try it at this committee. It is not intended to do away with the reporters' staff. It is just a test that is being made, and even if successful, it is hard to say if it would at any time be instituted as things take quite a long time to be decided in parliament. It is just a test, and I am asked to point out that even if this should be carried on, one day or another, as a permanent part of our committee set-up, it would not do away with the need for reporters. There is no other way to identify the members who are speaking because the machine does not take a picture nor can it recognize the voices of all members. So it would not do away with the staff, at least the staff that is here at the moment. It might reduce eventually, in years to come, part of the reporters' staff, but it is not contemplated that, even if this were carried on, it would in any way alter the present set-up of the reporters' staff.

Mr. FLEMING: Mr. Chairman—

The CHAIRMAN: If any member has any objection to it, it might be voiced. It might at a later time also be decided whether or not recommendation might be made to carry on this, by comparison of the work of the machine and the work of the reporters.

Mr. FLEMING: Mr. Chairman, might I ask this. These devices are not for amplifying sound?

The CHAIRMAN: No.

Mr. FLEMING: Merely the usual tape-recording device?

The CHAIRMAN: Yes. I understand that this thing should be turned up. They are all under operation now. This should be turned so as to catch the voice of all the other people around it.

Mr. GREEN: Does this mean that the proceedings of this committee will or can be broadcast?

The CHAIRMAN: Oh, no, such a thing could never be done without the authority of the members. At the moment it is just a test to investigate the possibility of such a thing, and I may say it is my own idea and not the idea of anybody else. If the committee does not want to experiment, we will just close it. I thought it might be a good thing to try.

Mr. GREEN: What use will be made of the recordings?

The CHAIRMAN: The recordings are to be erased, as the tapes can be used quite a number of times. After each recording they go through an eraser, which is quite easy to operate, to erase what is on them, and they can serve the next time for another recording.

Mr. GREEN: What use is to be made of them?

The CHAIRMAN: They will be transcribed in the same way as the notes of a reporter are transcribed. You cannot fool a machine, and at times human factors may cause an error to be made in shorthand or transcription by reporters. It is just to make reporting, shall we say, more accurate or perfect.

Mr. GREEN: Are they to be used in connection with the typed report?

The CHAIRMAN: At this moment, no. The only intention at this meeting is to have the proceedings recorded and then transcribed. That is all there is to it. There will not be machines at the next meeting unless the matter is brought before the proper committee of the House for discussion. It is just an experiment.

Mr. COLDWELL: Is it to help the stenographic staff?

The CHAIRMAN: In a way, yes.

Mr. COLDWELL: Is that the purpose?

The CHAIRMAN: The purpose is to decide whether it is good enough to use generally, and it could be a welcome addition to the stenographic reports so as to verify the exactitude of the terms used by some of the members. On committees you have technical terms, and so on, which may at one time escape a reporter, and it would make sure that some of the witnesses do not have to correct the report for inaccuracies and often add things. It had been suggested in the House that one witness before a committee, who had been given the opportunity to verify the report, had added substantial things that he had not said in the committee.

Mr. COLDWELL: There is no utility in it at all unless each person before he speaks identifies himself. The machine means nothing at all unless each person before speaking says, "Coldwell speaking," or something.

The CHAIRMAN: That is the point, but with that you may do away entirely with the reporters staff, and that is not the intention. The idea is, if it is decided that it should be carried on on a permanent basis, there would have

to be a man from the reporting staff here just the same, and he would take the words and the name of every speaker, and the two combined together would help make a more perfect record of the proceedings. If anyone wants to identify himself in the course of a discussion I feel it might not be very easy if he wanted to interject a question to have to say, "Jones speaking." I don't think it would be practical for this type of report, but there would be a reporter here at all times to take the words of the sequence of speakers.

Mr. GREEN: Has the stenographic staff of the House asked for this?

The CHAIRMAN: No, no one has asked for this, it is just an experiment that is being carried on, and once these reports are typed or transcribed the matter will be studied with the head of the reporters branch, and will be sent to the Committee on House Procedure in due course for approval or disapproval so this morning means nothing so far as we are concerned. You are not approving—order, please.

Mr. GREEN: Has His Honor the Speaker—

The CHAIRMAN: Of course, it is in accordance—the Speaker accepted the idea just as an exploratory thing. You see, it might help the stenographic staff or help to have more accurate reporting of what is said before a committee. These tapes will be transcribed and will be compared with the reports from the reporters. It might help them and if it became an established practice some of this transcription might be included in their report or help them to carry on their work, but this morning's meeting, of course, means nothing towards deciding whether this will be carried on or not. Only later, when the question has been studied by the Clerk and Speaker together with the head of the reporting branch will we learn whether it is feasible. No decision will be made one way or the other, before the matter has been gone into.

Mr. KNOWLES: Is this equipment purchased or on loan?

The CHAIRMAN: No, it is here just for demonstration. Nothing has been purchased, it is just for experimentation.

Mr. COLDWELL: I made mention about a steering committee a minute ago, but before we proceed I must say I think there is difficulty. The chairman says these tapes will be erased?

The CHAIRMAN: Yes, after they are transcribed.

Mr. COLDWELL: Supposing we have a stenographic report of the meeting, and tape recording, and the tape recording is erased, and two or three months later something comes up concerning a statement that had been made at the meeting, what record are we going by—the tape recording itself, which we do not have, or the reporter's record?

The CHAIRMAN: That is a matter of course that would have to be studied. We are just experimenting with this system. After a machine has recorded the proceedings of a meeting—a machine cannot make a mistake it cannot add or subtract something to what has been said—the reporter or stenographer who transcribes the records verifies that his transcription is a true record. If we had to keep these tapes it would be very costly, and would also complicate matters considerably, but just as we have to trust a reporter's ability to report our meetings, I think we can trust the stenographer who transcribes these records to have transcribed exactly what is on the tape and she can certify it.

Mr. GREEN: Suppose there is a conflict between the recording and the stenographic record?

The CHAIRMAN: What is your opinion, Mr. Green? Would you trust the machine which is technically right or would you trust the human ear which—like yours and mine—could make a mistake?

Mr. GREEN: In other words, then, you are replacing the stenographic staff?

The CHAIRMAN: No, no, no. Anyway, all this question will come up for discussion at a later stage when the report on this experiment is prepared; whether or not it will be acceptable is up to the members to decide and neither for me nor the steering committee. Please, gentlemen—nor for the the steering committee of this committee to decide. It would have to be decided by the Committee on House Procedure. That committee would have to decide on such things and not us.

Mr. KNOWLES: We have never heard of it in that committee.

The CHAIRMAN: No, no, no. This is an experimental thing. It has never been brought before any committee. But after the result of this experiment has been studied a report on it will be submitted to the Committee on House Procedure.

Mr. COLDWELL: Why not try it out this morning after the first ten or fifteen minutes of discussion and then have the recording played back for us?

The CHAIRMAN: I do not think I would like the first ten or fifteen minutes because I would be too often on the record. I think that the first ten minutes of the evidence of the Secretary of State for External Affairs would be better.

Mr. COLDWELL: No. It is the discussion we want to hear. We want to see if we get the interjections correctly on this machine.

The CHAIRMAN: At the moment we have with us the Secretary of State for External Affairs. Gentlemen, I do not think we will be able to carry on the proceedings if every member speaks at the same time. I am very sorry, but I would like to have as much silence as possible.

The Secretary of State for External Affairs has been asked to come here this morning, and has agreed to be at our disposal from 11.00 to 12.20, because he had a prior engagement at 12.20. So if you are agreeable, the minister will now be called in.

Mr. COLDWELL: Could we have the steering committee settled first?

The CHAIRMAN: Yes.

Mr. COLDWELL: I move that we set up a steering committee.

The CHAIRMAN: I think that was agreed, and Mr. Low said that the choice of the committee would be made by the chairman along with representatives of the parties.

Mr. COLDWELL: Well, if it is already settled, that is perfect.

The CHAIRMAN: Yes, it is agreed.

Mr. GREEN: One more question about this tape recorder: I understand that these recordings can be broadcast if you so wish.

The CHAIRMAN: No, no; they will never be broadcast.

Mr. GREEN: But they can be broadcast. Isn't that right?

The CHAIRMAN: They could be, but they will not be because it will not be the intention. Any decision concerning this recording system will have to be made by the Committee on House Procedure. But it is not the intention to use these recordings for broadcast.

Mr. GREEN: No; but it could be done?

The CHAIRMAN: Yes, I think so.

Mr. GREEN: These tape recordings could be broadcast.

The CHAIRMAN: They could be, I suppose.

Mr. GREEN: So you are putting the committee in the position where they could be broadcast if somebody decided they should be broadcast?

The CHAIRMAN: Nobody can decide that until the Committee on House Procedure so reported and the House approved; and I doubt very much if the

House would approve of such a thing. This committee will have nothing to do with it. It will be the Committee on House Procedure, and their report would go before the House itself.

Mr. BALCER: Is this the same machine that was used at St. Damiers.

The CHAIRMAN: It is of the same type as that used when Mr. Fleming came to speak in my constituency.

We now have with us the Secretary of State for External Affairs and if you are agreed we shall call him to be our witness. Gentlemen, the minister who is with us this morning will make a few preliminary remarks. I do not think he intends to give a long brief because we have already had two lengthy discussions on external affairs in the House. After his remarks he will welcome questions from the members on any point. Now, Mr. Pearson.

Hon. L. B. PEARSON (Secretary of State for External Affairs): Mr. Chairman and members of the committee, I am glad to have my annual opportunity of appearing before the committee and to subject myself to the committee for questioning on any subject in this field which may be of interest to any of the members.

As the chairman has said, I do not propose to make any long statement because I have already tried to cover the ground pretty thoroughly in the House debate. I have not very much to add in a general way to what I said then, although there were of course subjects at that time which were omitted from my statement on which, I might speak if I am questioned. I am glad, Mr. Chairman, to appear today and I hope possibly you will let me off around 12:15 as I have an important engagement then.

Mr. KNOWLES: In respect to that speech of Mr. Dulles.

Hon. Mr. PEARSON: And then I will be glad to re-appear at any time the committee desires me, and I am at your service as long as I am required. The general statement that I have made was devoted, as you know, largely to NATO questions, European questions, and some aspects of Far Eastern and Asian problems, with particular reference to recognition of the Communist regime in Peking.

I did not say very much in that general statement about the United Nations and the work before the United Nations. Possibly I might say just a word about that.

We have finished our assembly and the next one will open in September.

There was one important resolution passed by the assembly which deals with a matter which is very much in our minds, I know, at the present time, that is, international control of atomic energy.

After a great deal of discussion in New York, and negotiations behind the scenes, a resolution was passed which submitted this matter of disarmament generally to the disarmament commission and expressed the hope that this commission should be used as an agency for discussions on not only disarmament generally but also on I might call atomic armaments. It was decided that the members more particularly concerned, that is, those concerned with atomic matters in that committee might take up the question of atomic energy control. Developments in recent weeks have emphasized, and this is in all our minds, the urgency of reconsidering that subject.

The disarmament commission, as you know, consists of the members of the security council plus Canada. We have been on that commission from the beginning because we are important in the field of atomic energy. The three powers, permanent members of the security council who are on that commission, the United Kingdom, the United States, and France, are at the present time considering the early re-assembly of the disarmament commission.

I think they are in contact with each other as to the procedure which should be followed in discussing the atomic energy aspect of disarmament when the commission meets.

Well, the powers who are principally concerned in this discussion felt at the last meeting of the assembly—and the feeling was based on the somewhat unhappy experience of the past—that a public discussion of this matter would be undesirable and that the best chance of making progress in this field would be to have private discussions at the beginning. Consideration is now being given by the three governments I have mentioned, as to how this might most usefully be brought about. We would expect in the normal course of events that Canada would be one of the countries included in that subcommittee group, but we are not sure that this will be the case.

However, I think that atomic matters will be brought under consideration again and I am sure that we all agree that it is time to have another look at it. Possibly we may want to go into these matters in greater detail later on.

So far as NATO is concerned.

Mr. KNOWLES: Before the report—

The CHAIRMAN: Was it not agreed to allow the minister to speak and afterwards go around? When we take one subject we will stick to it until we are through with it. But at the moment, I think we should let the minister finish his remarks.

Hon. Mr. PEARSON: In so far as the NATO organization is concerned the council which met last December, is meeting again in Paris on April 23.

The only subject now on the agenda is an exchange of views on the world situation which covers a good deal of ground. It will be different from previous council meetings because only foreign ministers will be there. Defence questions and the financial aspect of defence questions will be discussed at a subsequent meeting of the council when all three ministers in the various governments will be represented. But this is a meeting to give the foreign ministers of the member countries a chance to exchange views on recent developments. At the last meeting in December we had a couple of meetings which were restricted in character in the sense that the room was not full of advisers and experts as is often the case at NATO meetings. Sometimes there have been from 100 to 150 people in the room, which does not make for or provide a very good inducement for the frank discussion which you can get around a smaller table.

We had a restricted meeting in Paris last December and it turned out to be a very useful one. That will be the kind of meeting that we expect to have in Paris later in April, and at this meeting we may discuss questions such as the one I just mentioned, international control of atomic energy, and whether we have any new ideas on that subject. I hope also that we will discuss measures to make consultation more effective within the North Atlantic Council. This is something very much in our minds. Also we may take advantage of the opportunity to exchange views on some of the subjects which will be coming up at the Geneva conference which opens three days after the North Atlantic Council, on April 26.

That brings me to the only other matter which I want to mention in this general survey, and that is the Geneva conference. Preparations for that conference have been pretty well completed. As I have just said, it opens at Geneva, on April 26. Invitations have been sent for the conference on the United Nations side by the United States to all governments whose forces participated in United Nations military operations in Korea. I believe that they have all accepted that invitation with the exception of South Africa and Luxembourg; and, up to the present time, the government of the Republic

of Korea. It has not yet accepted but we must hope that it will do so because the conference would not be possible or very useful without the presence of that government.

I do not want to prophesy, but I think when the conference opens the government of Syngman Rhee will probably be represented.

The U.S.S.R. also sent an invitation, acting for the other side, to the communist government at Peking, and the government of North Korea. I am talking now about the Korean political conference. The formula for those invitations is of some importance because it is now being stated in certain communist countries that the Chinese communist government will be at Geneva as one of the big five, almost as one of the inviting countries. But that is not the case. The communist government of China is being invited there by the U.S.S.R. and it will have no special position at the conference that I know of.

The purpose of this conference, as you know, is to try to convert the Korean armistice which brought the fighting to an end into a peace. Our "terms of reference" on the United Nations side, as I have said in the House, is the United Nations resolution on this subject, by which we are bound.

The other aspect of this conference concerns Indo-China. That is, in a sense, a separate conference, but the discussions may take place at the same time. We may for instance—I do not know for sure—but we may be meeting about Korea in the morning and about Indo-China matters in the afternoon; or they may alternate by days.

The Indo-Chinese discussions are separate and will not necessarily include all the government that will be at the Korean conference. The foreign ministers meeting in Berlin from which this conference originated decided that the Indo-Chinese discussion should take place between the four governments, the United States, the United Kingdom, France and the U.S.S.R. plus the communist government of China and other interested governments. Presumably the four sponsoring powers if you may call them that will try to agree on who are "other interested governments".

These are only random observations on two or three subjects, but they are all matters which are much in our minds. Possibly I might stop here and try to deal with any questions which may arise.

Mr. FLEMING: There is a matter—

The CHAIRMAN: If I may interrupt, it was my intention when we take up a discussion of this kind, to recognize one member of each opposition party, and one member of the government party, to start the ball rolling; I mean, to bring up a subject, and that we should carry on with that subject until all the members who wish to speak have finished their remarks; and then, when that subject is over, I will turn to questions from other parties on matters which they are interested. They will have a chance to bring up a new subject. Every party will have a chance to bring a new subject up for discussion, and we would explore the subject on which the members of the committee want to speak.

Mr. FLEMING: I think we will be glad indeed to cooperate in making our discussion systematic, as you have suggested. The subject I should like to introduce is suggested by reports appearing in today's press, of the statements made yesterday by Mr. Dulles and by Sir Winston Churchill. Both of them have a direct bearing on the present situation, and in view of the importance of both those statements, I would like to ask Mr. Pearson if the Canadian government was consulted in advance before either of those statements was made.

Hon. Mr. PEARSON: To which statement do you refer?

Mr. FLEMING: First of all, to Mr. Dulles' statement in which he draws attention to the fact that the Chinese forces are actually participating in the fighting in Indo-China, and that anti-aircraft forces are involved, and as to Sir Winston—

Hon. Mr. PEARSON: I remember. Well, in so far as Mr. Dulles' statement is concerned I understand it was made before Congress, before a congressional committee just as I am appearing before a parliamentary committee; and his statement I think was in answer to a question. I think I am right in saying that. Therefore we were not consulted in regard to the answers he made to any particular questions. But Mr. Dulles has in recent weeks given us a very clear indication—he has given to me personally, and other members of the state department have followed it up with our embassy—of his views in regard to the dangers of the situation in Indo-China, especially if that situation should deteriorate to a point where Chinese interventions became open and powerful. He was emphasizing this to congress. We were aware of his views on this matter although we certainly were not aware of any particular language he was going to use.

Mr. FLEMING: Perhaps I could put it this way, Mr. Pearson: had the Canadian government been acquainted at an earlier date than yesterday with the facts Mr. Dulles expressed yesterday as to participation of armed Chinese forces in the fighting in Indo-China?

Hon. Mr. PEARSON: I do not know about these particular facts, but I would like to inquire. It may well be that our military people in Washington or our embassy people in Washington were given details of the information. I have no knowledge of these facts and figures myself although I did know, of course, that Chinese communist activity in Indo-China had been stepped up, and more help was going forward to Viet Minh forces.

Mr. FLEMING: What type of activity do you refer to?

Hon. Mr. PEARSON: The type referred to by Mr. Dulles in his speech.

Mr. FLEMING: That is, actual participation in fighting—in this case their anti-aircraft forces?

Hon. Mr. PEARSON: I had no knowledge of any details of their intervention, but I did know as a matter of fact it was a source of fairly general knowledge that they had been giving greater assistance in one form or another to the Viet Minh people. I can find out if we were given advance information of these particular facts.

Mr. FLEMING: On the other hand, we have been all aware for some time the communist rebels were drawing materiel and drawing assistance from the forces of China. It is quite another matter though to have Chinese armed forces actually participating in the fighting—not simply training communist troops, but actually participating in the fighting there—and I would like to know, Mr. Pearson, if the Canadian government or its officers have had that information previously?

Hon. Mr. PEARSON: We will find that out.

Mr. FLEMING: I have another question.

The CHAIRMAN: Is it in connection with the same thing?

Mr. FLEMING: Yes. What is your normal source of factual information about what is going on in Indo-China?

Hon. Mr. PEARSON: Our source of information is varied. We get information from United States sources through our contacts in the state department and through our contacts in the Pentagon. We get a great deal of information on Indo-Chinese matters from the French government through our embassy



in Paris, and from the French representatives here, and we get a good deal of information on Indo-China's events from the United Kingdom which has a diplomatic representative in Indo-China. We are pretty well informed of the facts of the situation.

Mr. Low: I am sorry to interrupt, Mr. Pearson, but we find down at this end of the room when you speak directly to the questioner that we cannot hear. I was just wondering if it would be possible to subject Mr. Pearson to the physical inconvenience of leaning forward?

Hon. Mr. PEARSON: Am I supposed to speak through this? (Indicating microphone.)

The CHAIRMAN: No, that works by itself. You do not have to worry about that.

Hon. Mr. PEARSON: I will try and remember that, Mr. Low.

The CHAIRMAN: Mr. Coldwell, do you wish to ask a question on the same subject?

Mr. COLDWELL: No.

Hon. Mr. PEARSON: I have not answered the second part of Mr. Fleming's question about Sir Winston Churchill's speech. We were in touch over the week-end with the United Kingdom government in respect of the statement that Sir Winston Churchill made in the House of Commons yesterday.

Mr. FLEMING: There is one question I did not finish on the first part. Does this latest information about actual participation of Chinese armed forces in the fighting in Indo-China affect the position that the Canadian government's delegation intends to take at the Geneva Conference?

Hon. Mr. PEARSON: Well, Mr. Chairman, I find it difficult to answer that question, certainly categorically. Any open and powerful intervention by Chinese forces in Indo-China does, of course, introduce a new element into that situation and any new element of course effects our policy, but I would point out that the Indo-Chinese war and the Indo-Chinese situation has never been brought to the United Nations and in that respect it is different from the Korean situation. In so far as our obligations to the United Nations are concerned they have not been engaged in this situation. Certainly a very important change would take place if open intervention by the Chinese communists or by anybody else resulted in the matter being brought formally to the attention of the United Nations that has not yet happened.

Mr. FLEMING: I assume we can go back to that subject later after Mr. Pearson has looked into the subject and obtained the information and the date on which it was obtained.

One further question, and that is all, Mr. Chairman. What is the position of the Canadian government in relation to the policy outlined by Mr. Churchill yesterday when he said, as I understood it, in effect, there should not be any attempt made to curtail the scientific preparations of the United States and investigations with respect to the development of the hydrogen bomb. I think he expressed the hope that the United States would be ahead of Russian scientific development in that respect.

Hon. Mr. PEARSON: Our position on that matter was indicated in the House; that we did not think—and I gather in this respect we are in agreement with Sir Winston Churchill—we did not think it would be wise for us to make formal representations to the United States to the effect that they should suspend any further—if I may call them that—"experimental explosions" of the hydrogen bomb. At that time I stated, and I feel the same today, that if you can take any comfort out of this development at all it is out of the fact that knowledge is not exclusively in the hands of the other side. Having said that we are as anxious as other governments will be—and we have

expressed our anxiety in this regard to the United States government—to know all that we possibly can know about the effects of these recent developments, the destructive effect of the scientific discoveries, as well as plans the United States may have for further “experimental explosions”. We quite recognize that the United States administration is subject to the McMahon Act in this matter. That Act, until it is amended, does govern what they can or cannot tell us. At the present time we hope that within the limitations of that Act they will give us all the information they possibly can. I think we are also permitted to hope—and I think they know of our hope—that the McMahon Act may in the future be changed somewhat to make this exchange of information a little broader than it is at present.

Mr. COLDWELL: Mr. Chairman, may I follow that with a question? In this morning's paper there is a rather important statement. I may say I addressed a question to the Prime Minister on it this morning to the effect that Mr. Churchill and Mr. Roosevelt at Quebec in 1943 came to a very definite arrangement regarding the development of atomic energy and the use of the atom bomb and that subsequently the McMahon Act came into being, and apparently that was set aside; and I am wondering if Canada was a party to that understanding. If so, when the unilateral action was taken by the United States did Canada make any protest regarding the setting aside of what seems to be, according to this morning's paper, a very important and fundamental agreement reached at Quebec in 1943.

Hon. Mr. PEARSON: Well, Mr. Coldwell, if you addressed a question to the Prime Minister, and I assume you have—

Mr. COLDWELL: I have, yes.

Hon. Mr. PEARSON: —I do not suppose I ought to anticipate the Prime Minister's answer, but I could say this, because I do not think it would necessarily be covered in the answer although it might be: the agreement you referred to of 1943 signed at Quebec was an agreement between Mr. Churchill, as he then was, and Mr. Roosevelt, the President of the United States. Mr. Churchill outlined in the House of Commons in London yesterday the nature of that agreement—an agreement between the heads of two governments, not between the heads of three governments.

Mr. COLDWELL: Were we a participant in the conference?

Hon. Mr. PEARSON: We were a participant in the conference, but I think the Canadian position in regard to it—and this is forgotten by many; indeed, it was forgotten by me until we began to look into this matter—was stated in the Canadian House of Commons on December 7, 1945 by Mr. Mackenzie King. Canada was specifically concerned with this agreement, because an agency was recommended in the agreement through which cooperation in this field should be carried out. That was a committee called “the Combined Policy Committee”, and the Canadian government was asked to nominate Mr. Howe as a representative for that committee. But that part of the agreement is only one paragraph and the rest of the agreement dealing with the use of atomic energy, paragraphs 1, 2, 3 and 4, did not, as I understand it, cover Canada.

Mr. COLDWELL: Were we accorded a copy of that agreement paragraphs 1, 2, 3 and 4?

Hon. Mr. PEARSON: Oh yes. We have had the text of this agreement since it was signed.

Mr. COLDWELL: Between Mr. Churchill and Mr. Roosevelt?

Hon. Mr. PEARSON: Yes.

Mr. COLDWELL: Well, when the McMahon Act came into being it would set aside this agreement of which we had knowledge, and which was very important to all the nations participating, did we draw this to the attention of the United States, and make any protest?

Hon. Mr. PEARSON: I speak subject to further examination.

Mr. COLDWELL: Perhaps I should not be asking this. I will ask the Prime Minister.

Hon. Mr. PEARSON: I had better say nothing more about this until the Prime Minister answers this afternoon. As I will be here again we can go into this matter in greater detail if he has not satisfied you—

Mr. COLDWELL: Curiosity?

Hon. Mr. PEARSON: —curiosity. I was going to say that, but I do not mean curiosity in an unkind sense.

The CHAIRMAN: Mr. Stick?

Mr. STICK: May I ask a question? I thought we were going to go in rotation. I am speaking from memory now, but in the reply to the labour motion in the House of Commons, I think yesterday or the day before, on the foreign affairs debate, Mr. Churchill said that the present time would not be the time for the heads of the three powers—such as himself and President Roosevelt and Mr. Malenkov—to meet to control atomic energy, and he said, as I understand it, it would be better to wait until after the Geneva Conference before agreeing that a conference of that kind would be useful. I would like to have your views on that. The other question which bothers me is this: in going to Geneva invitations have gone out to those nations who have participated in the Korean war. As I understand it Russia has never recognized that she had anything to do with it. What is Russia's position in the Geneva Conference; she is not there as a belligerent and it is rather curious as to what her position is going to be? Those are the two questions I would like you to throw some light on if you can?

Hon. Mr. PEARSON: As far as the first question is concerned, with respect, I would be inclined to agree with Sir Winston Churchill's judgment that the present moment would not be a good one to call a meeting of the heads of the three governments for the reason he gave. We are on the eve of a meeting at Geneva which will cover at least some of the ground which would be covered by such a heads of government meeting, and it surely would be well to find out the attitude of the governments concerned at Geneva before going ahead with an invitation for a high level meeting of that kind. As Sir Winston Churchill has been in the past a proponent of such a meeting I think if he feels it would be a little premature to have it at this moment his judgment on that matter should be respected. I am not expressing the opinion as to whether such a meeting might not be useful later on.

Mr. STICK: You think the timing would be a factor?

Hon. Mr. PEARSON: I think the timing would be a factor. Now, concerning the second question of Russia's position at Geneva. When we discussed the question of a Korean peace conference, a Korean political conference, at the United Nations Assembly, the resolution to that effect really invited all the participating governments, those U.N. governments participating in military operations there, but that same resolution recognizes that it would be essential to have Russia there if there is to be a Korean political conference.

Mr. STICK: On what grounds?

Hon. Mr. PEARSON: Because a Korean political settlement which was agreed to by the United Nations side, and with which the U.S.S.R. had nothing to do, would be a pretty unrealistic settlement, because they would have no responsibility for making it effective. They could on the other hand do a good deal

to make is ineffective if they so desired. So it was felt they should take their share of the responsibility and be included in the resolution but in a separate category. Their attendance was necessary if it was to succeed. That was the same basis for the representation of communist China, a state whose agreement to a Korean political settlement is also necessary if that settlement is to succeed.

Mr. STICK: Russia's position at Geneva will be somewhat similar, is that the idea?

Hon. Mr. PEARSON: A little different because the immediate origin of this meeting is the foreign ministers' meeting at Berlin. A four-power agreement was reached there that this conference should be held and it will be recalled we were unable to reach that kind of agreement at the United Nations because of the Russian attitude. That attitude was changed in Berlin to the point where she was willing to participate in this kind of meeting.

The CHAIRMAN: Mr. Low, are you on the same question?

Mr. Low: Yes, Mr. Chairman. Mr. Pearson said something about the position of Russia at Geneva. I wondered if Mr. Pearson could give us a little more information about the exact status of the communist China representatives at Geneva?

Hon. Mr. PEARSON: The formal status of the delegation of the communist government in China at the conference will be the same as that of the delegation of Canada—not quite the same, as I see it, as delegations from the U.K., the U.S.S.R. and France will represent in a sense the sponsoring and inviting powers. The Chinese communist delegation will have the same status as the Canadian delegation in so far as the participation in that conference is concerned. The reason for that is obvious and it is the same reason I gave when I was talking about Russian participation. If there is to be a Korean peace settlement it cannot be brought about without the participation of this particular government. As I said in the House the other day, whether it can be brought about with their participation, I do not know; but it cannot be brought about without it. There is recognition of that fact in the United Nations resolution which had to do with membership of the conference and also in that part of the resolution which provides as part of the peace settlement for the withdrawal of foreign troops from Korea. The great bulk of those troops are Chinese communists.

Mr. Low: I did not think we were quite through with Indo China but I would like to ask Mr. Pearson if he can tell the committee: What is the real reason why France has never referred the Indo China affair to the United Nations? We have heard a good many things about it, but I have yet to see from reading the press what the real reason was.

Mr. GARLAND: Might I ask a question on the Geneva Conference before you go on?

Mr. Low: It doesn't matter to me.

Hon. Mr. PEARSON: I have the question which you asked, Mr. Low.

Mr. GARLAND: Following the Berlin conference of foreign ministers, each one naturally reported his own information and presented the type of report that would be popular in his own country. I refer to Mr. Dulles' statement in which he made it clear that the Chinese would not be at the Geneva conference as one of the big powers. I wonder how much reality there is in that statement, or if "reality" is the right word to use.

Hon. Mr. PEARSON: It is a good word.

Mr. GARLAND: We find now that in addition to the Korean matter that will be discussed there will be the important matter of the war in Indo-China and I wonder what other matters will be discussed at that conference which the Government of China will participate in?

Hon. Mr. PEARSON: I would not like to comment on Mr. Dulles' statement.

Mr. GARLAND: I refer to his radio broadcast to the nation.

Hon. Mr. PEARSON: I recall it. It is true that the Chinese communist government is not there as one of the inviting and sponsoring powers. Whether you think China is there as a big power depends on your interpretation of the words "big power". The Chinese communist government has authority over a lot of people at the present time and its participation is certainly essential and probably will be powerful at this conference.

Mr. Dulles is trying to make it quite clear that the legal position of the Chinese communists at this conference is not that which the Chinese government might claim for itself. That is about all I can say about it. Now, what was the other part of your question?

Mr. GARLAND: I was wondering what other matters would be discussed?

Hon. Mr. PEARSON: Oh yes. The agenda of this conference covers only two things, Korea and Indo-China. I have no knowledge of any other subject that will come up for discussion at this conference. They might take advantage of the persons and delegations present to talk about a lot of things. I do not know what will be discussed there, but, I think the United States government has made it quite clear on its part that it is there to discuss two subjects and two subjects only.

Mr. GARLAND: What other matters could conceivably come up?

Hon. Mr. PEARSON: I would hate to have to say that nothing else could come up. They might talk over anything that they wanted to talk about. There will be large delegations there from the larger powers and they will have experts of every kind. I understand the Chinese communist delegation is bringing about 150 to 200 in delegation.

Mr. GREEN: The Chinese are participating but not as a sovereign power?

Hon. Mr. PEARSON: Mr. Low asked if I could give him the real reason that the French government had not submitted the Indo-Chinese question to the United Nations. I would not like to suggest whether there was any difference between the real and the ostensible reason. Perhaps the best way I can answer the question is to try to get a statement of the French government with respect to its own position in the matter. We will have that at the next meeting.

Mr. BALCER: In his statement to the House yesterday Mr. Dulles was reported as saying that what the Chinese were doing now in Indo-China was awfully close to what he called an action which might produce retaliation from the United States, or an action which might not be confined to Indo-China. What would be your opinion of an action by Chinese armies in Indo-China which would meet with Mr. Dulles interpretation of a necessity for retaliation? Actually right now the Chinese are shooting down French planes and so on. What is the difference between that and actual participation by a Chinese army?

Hon. Mr. PEARSON: There is certainly a difference of degree if not of kind between Chinese intervention as alleged yesterday by Mr. Dulles, and that type of intervention which would mean the movement across the border of a mass of Chinese forces under Chinese command and formally taking part in the war. I think there is a distinction in degree as to what kind of intervention by the Chinese would justify the kind of retaliation that Mr. Dulles was hinting at yesterday. But I could not express any opinion on that. This is a kind of peripheral conflict which, important though it may be, should require consultation before any action of that kind is taken between those who are involved in the action.

Could I come back in that regard to the importance of the United Nations in this matter? So far as our obligation in Indo-China is concerned it arises because of our membership in the United Nations and the pledges we have

taken under the United Nations charter to cooperate in resistance to aggression. That was the basis of intervening in Korea and that basis does not exist at the present time in Indo-China.

Mr. BALCER: Mr. Dulles said that the Chinese, if they go a little further are apt to produce an action which might not be confined to Indo-China. Would that action mean that the United States would bring the matter before the United Nations, or would that mean direct intervention right away?

Hon. Mr. PEARSON: I have no idea what that might mean. After all, it is not the United States that is primarily concerned in this matter although certainly the United States is very "importantly" concerned. But the member of the United Nations who has primary concern in this is France. Whether retaliatory action of that kind would be taken and in what form, and whether it would come to the United Nations beforehand for consideration, I cannot answer because I do not know what was in Mr. Dulles' mind. Mr. Dulles has emphasized on more than one occasion that one of the advantages of this policy of retaliation is to keep the enemy guessing as to what form retaliation will take and I am quite sure that he has had some success in his remarks yesterday in that regard.

Mr. PEARKES: I wonder if Mr. Pearson could tell us the position of the Nationalist government in China, the government in Formosa, because it seems to me that they are a very distinct power. Are they still members of the United Nations? Are they attending this conference?

Hon. Mr. PEARSON: China is a member of the United Nations. The Chinese representative, the man who sits in China's seat at the United Nations, is a representative of the Nationalist government of China which has its headquarters at Formosa. But the Chinese Nationalist government was not invited to the Geneva conference or to the Korean political settlement and that was in accordance with the United Nations resolution. I suppose the reason the Chinese Nationalist government was not invited to the Geneva conference was that it was not essential to the conclusion of the Korean political affair, nor had its forces taken part in the Korean operations on the United Nations side which was the basis of our representation.

Mr. PEARKES: Their forces have been operating, have they not, against the mainland of China and thereby contributing something towards the Korean situation?

Hon. Mr. PEARSON: Well, we have heard stories about raids occasionally by the Chinese Nationalist forces on the mainland. Every clash between Chinese Nationalist forces and Chinese communist forces contributes something.

The CHAIRMAN: Mr. Knowles.

Mr. KNOWLES: I want to make further reference to and to ask about Mr. Dulles' speech yesterday. May we take it from what you said a moment ago that Canada is not involved in any way in Indo-China?

Hon. Mr. PEARSON: Not legally or formally.

Mr. KNOWLES: Yes, I understand, from a legal or formal point of view, but is there any other treaty or commitment?

Hon. Mr. PEARSON: No, we have no commitment that I know of in respect of Indo-China, that is, no formal or legal commitment apart from our membership in the United Nations and our acceptance of the United Nations charter and our obligation to play our part in resisting aggression. But when I say that we have no formal legal commitment or obligation, that does not mean that we are not aware of the importance of what is going on in Indo-China and what it means in the struggle between communist forces and the forces on our side.

Mr. KNOWLES: But in the light of present Canadian policy, the only way we could become involved in Indo-China would be in response to a United Nations decision?

Hon. Mr. PEARSON: In present conditions and circumstances that is the only way by which we could be formally involved in the Indo-Chinese war.

Mr. KNOWLES: Speaking of Mr. Dulles, I believe a week ago tomorrow you were questioned in the House about his second last speech. You must have quite a job keeping up with his speeches.

Hon. Mr. PEARSON: Yes, and probably he has quite a job keeping up with mine.

Mr. KNOWLES: You mean keeping up with your speeches explaining his. I refer to his unity of action speech, and when questioned about it in the House you said you preferred not to comment further until you had obtained clarification or something about it. Have you obtained anything further on that subject and if so, what have you to say in the light of it?

Hon. Mr. PEARSON: We have had some exchange of views with Washington over that statement and what was meant by "united action"; but nothing that would, I think, warrant me at this moment making another statement. I would be glad to say something when we have had the meaning cleared up but I hope I can be excused from making any further comment on what he meant by "united action" at this time.

Mr. KNOWLES: I wonder if you would care to comment on the relationship between your respect for Sir Winston Churchill's judgment that there should not now, at this time, be a meeting of the heads of the three governments on the question of atomic energy compared with your statement that these three governments are negotiating or discussing that question. I presume it must be at some lower level. Have I made my question quite clear?

Hon. Mr. PEARSON: Yes.

Mr. KNOWLES: Can you relate those two things which seem a bit contradictory?

Hon. Mr. PEARSON: I do not really think they are contradictory because one of the reasons for a meeting on such a high level was to discuss atomic energy; and at this time representatives of those same three governments are now considering how to start a discussion in New York on the question of atomic energy under the United Nations resolution passed last December for that purpose. I think we all hope that within a very short time this discussion will begin and that it will be conducted in the initial stages, at least, privately. I think there is a greater channel of progress in this way than having great public discussions at higher political levels at the present time.

Mr. KNOWLES: I have one other question: would you be in a position to say what kind of information on atomic weapons or hydrogen weapons and so on you are getting from the qualified scientific official to whom you referred last week. You said that you had one at Washington, dealing with these matters. Is the information that you get from this person purely scientific or are there diplomatic or political aspects to it as well?

Hon. Mr. PEARSON: The information is scientific, but I hope I will not be misunderstood when I say that I really do not feel that I can make public that information at this time. A great deal of it has already been made public by General Strauss and other United States officials; and that information which has been made public emphasizes the horrible power of this new weapon. The information we have got merely underlines this.

Mr. KNOWLES: You have been getting some information which may be beyond what we and the public generally are getting in the press.

Hon. Mr. PEARSON: Nothing that adds very much to the knowledge we are getting in the press, which seems to me pretty complete in so far as the dangerous effects of this new weapon are concerned.

The CHAIRMAN: Now, Mr. Nesbitt.

Mr. NESBITT: Mr. Knowles referred to Mr. Dulles speech before the Overseas Press Club a few days ago in which he made the remark that the United States would not take action by itself but that united action would be taken. I gather that you do not care to comment at the moment any further on that, but I wonder, in following up Mr. Knowles' questions, if the External Affairs Department received any explanation from the United States government as to what Mr. Dulles did mean in his remarks?

Hon. Mr. PEARSON: Well, I would hesitate about replying to that question asked by Mr. Knowles because we are still discussing the matter with them. However, I can go a step further and say that by united action they mean action in which those countries directly concerned would participate; in other words, that the United States would not "go it on its own;" that they would not go on their own, or without consultation with other governments directly concerned in Indo-China but would act together. Whether he means by "united action" action under a United Nations resolution, that kind of united action, remains a little doubtful.

Mr. NESBITT: One other question in the same area, so to speak: when the Prime Minister was making his recent tour, was he invited to Formosa?

Hon. Mr. PEARSON: I cannot answer offhand, but I would be glad to get the answer because there would be no reason to keep it secret. I have the impression that the Chinese National government—when they heard that he was taking his world tour, and after his itinerary had been completed—the Chinese Nationalist representative here expressed the hope that the Prime Minister would be able to go to Formosa. But I will be glad to get that information for you.

Mr. NESBITT: If the Prime Minister was not formally invited, did the Department of External Affairs make any representations to the Chinese National government that the Prime Minister might visit Formosa?

Hon. Mr. PEARSON: No, no. The Prime Minister's original itinerary did not include Formosa. Formosa and a good many other countries had expressed an interest in his appearance if he could fit it into his tour, and they assured him of a very warm welcome in their territories. I am thinking of at least half a dozen countries and it is my impression that the National government in China was one of those governments who told the Prime Minister that he would be given a welcome if he could come to Formosa. But there were considerations of time and place. Also in practically every case he was returning visits that had been made to Canada by the heads of governments. That was the formal reason for his going to those particular countries.

Mr. NESBITT: There would not be any relationship between the failure of the Prime Minister to visit Formosa and the Prime Minister's slip of the tongue in the Philippines regarding the possible recognition of China?

Hon. Mr. PEARSON: No relationship of any kind. The Prime Minister stated to the various governmental representatives of the countries he was not able to visit how sorry he felt that he was not able to do so, and that he was returning visits which had been made to Canada by those governments. No significance should be attached to the fact that he was not able to visit them at this time.

The CHAIRMAN: Now, Mr. Cannon.



Mr. CANNON: Mr. Chairman, I would like to ask one or two questions referring to the Geneva Conference. If I understood Mr. Pearson correctly I think he said the standing of our country and that of Red China at the Geneva Conference would be a similar standing?

Hon. Mr. PEARSON: Formally we are both there as invited governments.

Mr. CANNON: By that you mean we are both there as invited governments, but I think there are considerable differences which we should point out for the record, one being they are attending at the invitation of Russia, as I understand it?

Hon. Mr. PEARSON: That is correct. I think I mentioned that at the beginning of my answer.

The CHAIRMAN: Yes.

Mr. CANNON: And we were invited by the United States?

Hon. Mr. PEARSON: Yes, we are invited by the United States acting for the three foreign ministers—the United States, the United Kingdom and France.

Mr. CANNON: Also our representatives will be representing a government which is certainly recognized by all the other governments while the Red Chinese government will be in the position of not being recognized by some of the other governments at the conference including our own government.

Hon. Mr. PEARSON: Yes, there is in that sense a very great difference in the position of the two delegations. All I was talking about was their position around the table for the purpose of this particular negotiation.

Mr. CANNON: I just did not want there to be any misunderstanding about that.

Hon. Mr. PEARSON: I am glad to clear that up.

The CHAIRMAN: Mr. Stick?

Mr. STICK: I just want to state two or three things. Mr. Nesbitt's question did refer to a slip of the tongue by the Prime Minister. Some of us do not admit there was a slip of the tongue. That is the first thing I wanted to say. The second was Mr. Knowles' implications. He asked a question about Canada's position in Indo-China. The implication, as I understood it—perhaps I was wrong—was that our hands would be tied and we would never intervene. I do not think we should tie our hands down to legal definitions. None of us know what is going to happen in this world and if we are going to tie our hands before events take place I think it would be very bad policy. I want to make that statement.

Mr. COLDWELL: If our hands are tied when we are members of the United Nations we would have to come to a decision.

Hon. Mr. PEARSON: As I understand it our hands are not tied as members of the United Nations. We make up our mind and when that decision has been made we have certain obligations.

Mr. GREEN: Mr. Pearson, I understood you to say that you did not consider that there had been interventions by the Red Chinese troops in Indo-China, although there had been in north Korea; just how do you make the distinction. Apparently, according to your own statement, the Red Chinese have anti-aircraft troops in Indo-China taking part in this attack on the fortress there. Is your distinction there in the matter of members or just how do you base your statement?

Hon. Mr. PEARSON: I tried to make the distinction—probably I did not do it very clearly in answer to Mr. Fleming's question. There undoubtedly has been Chinese communist intervention in Indo-China possibly from the beginning of that trouble, but that intervention had not taken the form as I understand it of sending Chinese divisions into Indo-China to direct the war

as was the case in north Korea. Now there is a distinction in degree certainly if not in kind. Until fairly recently we have had no indication of the actual participation of Chinese troops in Indo-China. Now there is a distinction, I believe, between the kind of intervention which took place in north Korea and that which up to the present has taken place in Indo-China, and one indication of that distinction I would think is the fact that the French government had never felt it necessary to refer this matter to the United Nations.

Mr. GREEN: Would you not be more accurate to say there is a difference in the degree of intervention. For example, we read in the press one of the leading Red Chinese generals is taking some part in the direction of the attack on this fortress with Chinese advisers in each of the Viet Minh divisions and that there are transport trucks going by the hundreds from Red China into Indo-China.

Hon. Mr. PEARSON: That is what I tried to say. There is a difference in degree, but I come back to the point that neither the French government nor the government of Viet Nam has brought the matter to the United Nations and stigmatized Chinese actions as open and massed intervention and aggression against them. Therefore I think there is a difference between the kind of intervention as well as the degree of intervention in Indo-China.

Mr. GREEN: Are you sticking to your statement that there is no intervention by China in Indo-China?

Hon. Mr. PEARSON: I never made that statement. I said there has been Chinese intervention in Indo-China of one kind and another for a long time.

Mr. COLDWELL: Is it not a fact you have American technicians and equipment and planes going in on the other side, so in reality you have intervention on the two sides, but France has not brought this to the United Nations, and therefore we have not come to a decision as to what our position is regarding it?

Hon. Mr. PEARSON: It is true the United States is assisting the French government and the Viet Nam government in defending themselves against the Viet Minh revolution.

Mr. STICK: At the request of the French and Viet Nam governments?

Hon. Mr. PEARSON: Yes, and with their very hearty approval.

Mr. COLDWELL: They probably asked for aid on the other side.

Mr. GREEN: Surely there is a very big difference between an attack in the one case and defence on the other. You are not putting Americans and Russians on the same basis?

Mr. COLDWELL: I am not arguing the case, I am just pointing that out for the record.

Hon. Mr. PEARSON: I have already made that statement.

Mr. FLEMING: Apparently I started something with this subject, which I think I should make clear. I began, Mr. Chairman, by asking Mr. Pearson as to whether this latest information that apparently Mr. Dulles gave yesterday may change the picture, and that is why I asked Mr. Pearson and he was good enough to indicate he would make a search to find out when intervention of the type now being practised by the Chinese, apparently as reported by Mr. Dulles yesterday, first came to the attention of the Canadian government. Perhaps on that point Mr. Pearson could tell us if he has any reason to doubt the accuracy of the factual statement made yesterday by Mr. Dulles that Chinese anti-aircraft groups are actually participating as combatants in this attack on the fortress held by the French troops in Indo-China?

Hon. Mr. PEARSON: I would not for a minute doubt the accuracy of the statement of Mr. Dulles made before congress. I have no information to warrant doubting it at all, but as I said we will try to get all the information possible.

Mr. STICK: Did Mr. Dulles say it was based on military reports?

Mr. FLEMING: My question was suggested by an answer made by Mr. Pearson to Mr. Garland concerning the agenda at the Geneva Conference. Mr. Pearson said there were only two things on the formal agenda, mainly Korea and Indo-China. Of course there might be opportunities for other discussions. Now China itself or the position of the Chinese government is not, I take it, on the formal agenda?

Hon. Mr. PEARSON: No, not at all.

Mr. FLEMING: So that if this vexed question of recognition arises it would only be in the course of pour parlars that might accompany the formal conference?

Hon. Mr. PEARSON: That is only where it could arise and I have no reason to believe it will arise. It might be suggested that because the Chinese government will have a delegation there including their foreign minister, I suppose—it has been suggested that we might take advantage of their presence and try to get in touch with them and protest about the treatment of Canadians under their regime in China. It might be possible to do that, but it might also be probable that the Chinese government would say, if you want to bring these matters up you had better send a diplomatic representative to Peking because we are not recognized here and we do not want to talk about it.

Mr. FLEMING: What would be your answer? I do not propose to take the question into hypothetical realms, but I think this is a fair question. Granted that this matter could conceivably be broached in informal discussion, what would be the position or what will be the instructions to the Canadian delegation in reference to (a) efforts to raise it, and (b) discussing it in informal conference if it should be raised by some other government?

Hon. Mr. PEARSON: That is a very difficult question to answer because there are so many considerations involved. For instance, and this is pure hypothesis, if the United States, United Kingdom and French foreign ministers felt it would be proper for the Chinese communist government to introduce in this discussion the question of recognition as bearing on a Korean political settlement, that would be one question.

Mr. FLEMING: You mean in the formal conference?

Hon. Mr. PEARSON: If the three big powers agreed it would be appropriate for the Chinese to do that in the formal conference, that would be one question; if the three governments agreed, which I assure you I think is a very hypothetical question.

Mr. FLEMING: I cannot imagine the United States doing that!

Hon. Mr. PEARSON: The United States view in this particular matter is to be respected and agreement of this kind would require United States participation. Then there are other ways it might be done; it might be that three foreign ministers of the western powers may discuss this informally with the people on the other side, but I have no reason in the world to think that is going to happen. In view of all the things that might conceivably happen I think it is difficult for me to give any opinion as to what the Canadian attitude would be.

Mr. KNOWLES: Under all circumstances?

Hon. Mr. PEARSON: Under all circumstances, yes. We are not going there to discuss the recognition of communist China. Nor have I at the present time any reason to believe that the subject will come before the conference, but I cannot say it will not, because I do not know. If it came formally before the conference as a result of the decision of those who called the conference, we would have to decide what we would do in these circumstances. The Canadian delegation in the first place would refer the matter back to Ottawa.

Mr. KNOWLES: But you are not here?

Hon. Mr. PEARSON: Government is here.

The CHAIRMAN: Gentlemen, if there are no further questions this morning, Mr. Pearson asked to be excused at 12.15.

Hon. Mr. PEARSON: I could go on for another five minutes.

The CHAIRMAN: Are there any further questions on this matter?

Mr. FLEMING: I do not want to take more time.

The CHAIRMAN: We would not like to take a new subject and leave it open without there being time for the minister to answer.

Mr. KNOWLES: I suppose the same answer would be made by the minister if this question came up at any informal discussion?

Hon. Mr. PEARSON: We might not even know about informal discussions, but however it came we would have to decide in the light of the circumstances and the decision would have to be made in Ottawa, but I do not want to give the impression that this is likely to happen because I do not think this matter is likely to come up in Geneva. That is only my opinion.

Mr. FLEMING: Mr. Knowles' question was also on my next question—has there been any exchange in views as between the Canadian government and, say, the government of the United Kingdom, or the government of the United States in relation to the subject of recognition of the communist government of China or in any way that could throw light on the question whether it may be expected to arise in any form in the agenda in the Geneva Conference?

Hon. Mr. PEARSON: To my knowledge there has been no such discussion between those two governments on the subject preparatory to the conference.

Mr. FLEMING: I said between the Canadian government and either of those governments?

Hon. Mr. PEARSON: I thought you said the United States and United Kingdom governments. I speak subject to correction in this, it is the kind of thing I want to be absolutely correct about, and I will check what I say—but to my knowledge we have not had discussions on that subject because, as far as we are concerned, it is not on the agenda of this conference and we have not raised it as a hypothetical question.

Mr. FLEMING: Over how long a period have there been no communications on the subject between the Canadian government on the one hand and the other governments on the other?

Hon. Mr. PEARSON: In recent days we have been exchanging views between the United States, the United Kingdom, France, the governments of Australia and New Zealand and other governments as to the agenda, procedure and policy to be adopted in Geneva. We try to do that before we go to such conferences; it is a wise thing to do—that is consultation through preliminary exchanges of views. We have a couple of weeks more. This hypothetical question of recognition coming up at the conference has not arisen.

Mr. Low: Mr. Chairman, just on that very point—in the discussions that took place preparatory to the Geneva Conference did Russia at any time lay down as a condition of yielding to the conference that China should be recognized?

Hon. Mr. PEARSON: No, to the best of my knowledge the Russians have laid down no such condition and I should have added to my previous observation on this matter that one reason I should have thought the Canadian government would not raise this particular point, at least at this stage, is that the United States government has made its position very clear in this matter.

Mr. FLEMING: May I come back again? Apart from the agenda of the forthcoming Geneva Conference, when was the last communication on the sub-

ject of recognition of the Red government of China between the Canadian government on the one hand and the government of any other country on the other hand?

Hon. Mr. PEARSON: I do not recall there have been any communications on this subject for quite a long time, but I would have to look that up. I cannot say it is not, as has been said, an immediate issue and not one requiring consultation now with anybody.

Mr. COLDWELL: What do you call a long time, Mr. Pearson.

Hon. Mr. PEARSON: Oh, a matter of months, I would say, but we are making a note of all these points and I will try to get more accurate and up-to-date information when I come next.

Mr. COLDWELL: Since December 1949?

Hon. Mr. PEARSON: I think I had better not try to specify. I will try to find out.

The CHAIRMAN: Mr. Pearkes.

Mr. PEARKES: Has the French government ever indicated they considered the Indo-China war as a domestic affair in somewhat the same way they indicated they considered the question of their north African rebellions as a domestic affair?

Hon. Mr. PEARSON: They have given indications of their policy by not bringing it before the United Nations. It is in a sense an affair of the French union. It is not quite the same as a domestic affair. They have given indications to that effect.

Mr. FLEMING: I ask Mr. Pearson just to put it on the record. It is not a question for today.

The CHAIRMAN: If it is a new problem I do not want to bring it up at the end of the meeting.

Mr. FLEMING: It is important that we should have in the record the full text of the document which sets forth the agenda for the Geneva Conference.

Hon. Mr. PEARSON: I shall be glad to do that.

Mr. FLEMING: It is in the invitation?

Hon. Mr. PEARSON: It is in the invitation and I will put the text of the invitation on the record.

The CHAIRMAN: With your permission we will excuse Mr. Pearson for today. He is on call and is willing to come to us on Friday morning.

An Hon. MEMBER: Thursday might be better than Friday.

The CHAIRMAN: Then Thursday morning or Thursday afternoon. Do we agree on Thursday afternoon?

Mr. COLDWELL: Provided that the budget debate is not called on Thursday?

Mr. FLEMING: Is Mr. Pearson not in some difficulty on Friday morning?

Hon. Mr. PEARSON: There is a meeting of the Treasury Board, but Friday afternoon would be all right.

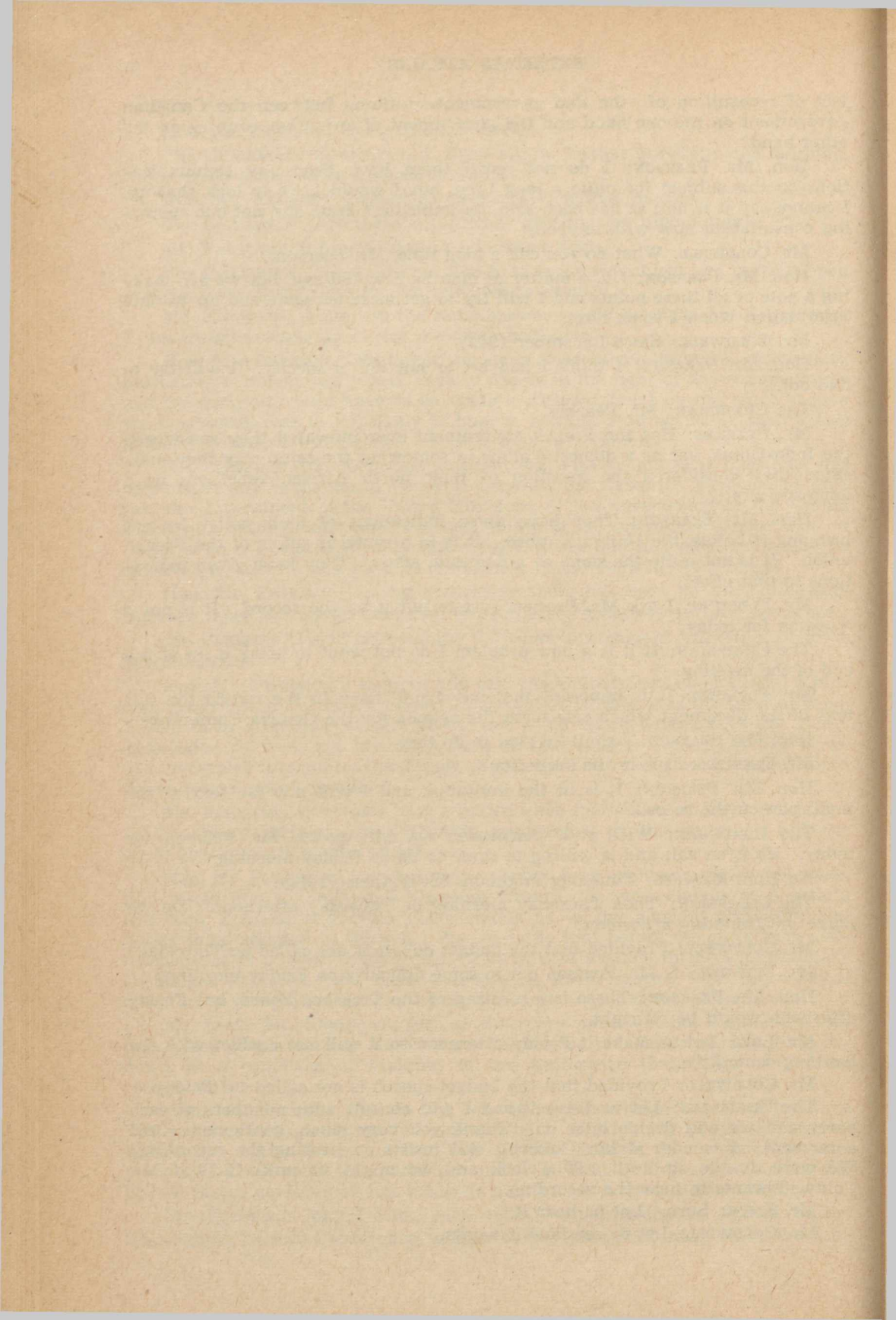
Mr. Low: Let us make it Friday afternoon so it will not conflict with the banking committee.

Mr. COLDWELL: Provided that the budget speech is not called for Friday.

The CHAIRMAN: Let us leave it and I will consult with members of each party and we will decide later on. Thank you very much, gentlemen. Just a moment. I wonder if Mr. Coldwell still insists on hearing the recording? We were due to sit until 1.00 o'clock and we might sit until 12.30 if Mr. Coldwell wants to hear the recording.

Mr. STICK: Sure. Let us hear it.

Mr. COLDWELL: Let us see how it works.



HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L.-PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

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WEDNESDAY, APRIL 7, 1954.

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Main Estimates of the Department of External Affairs

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Statement by:

Honourable L. B. Pearson, Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954.

HOUSE OF COMMONS

Foreign Affairs and Commonwealth Relations

1952-53

STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

Chairman: LORD PEARCE

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

WEDNESDAY, APRIL 7, 1953

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Statement by

Honourable L. H. PEARCE, Secretary of State for External Affairs

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## MINUTES OF PROCEEDINGS

WEDNESDAY, April 7, 1954.

(2)

The Standing Committee on External Affairs met at 3.30 o'clock p.m. The Chairman, Mr. L.-Philippe Picard, presided.

*Members present:* Miss Aitken and Messrs. Balcer, Cardin, Coldwell, Crestohl, Croll, Decore, Garland, Green, Henry, James, Jutras, Lusby, MacDougall, MacKenzie, Macnaughton, McMillan, Nesbitt, Patterson, Pearkes, Picard, Pinard, Starr and Stick. (24).

*In attendance:* Hon. L. B. Pearson, Secretary of State for External Affairs, Mr. R. A. MacKay, Acting Under-Secretary, Mr. R. M. Macdonnell, Assistant Under-Secretary, Mr. A. C. Smith and Mr. E. de Lotbiniere, all of the External Affairs Department

The Chairman referred briefly to the experimental use of the tape recorder at the last meeting.

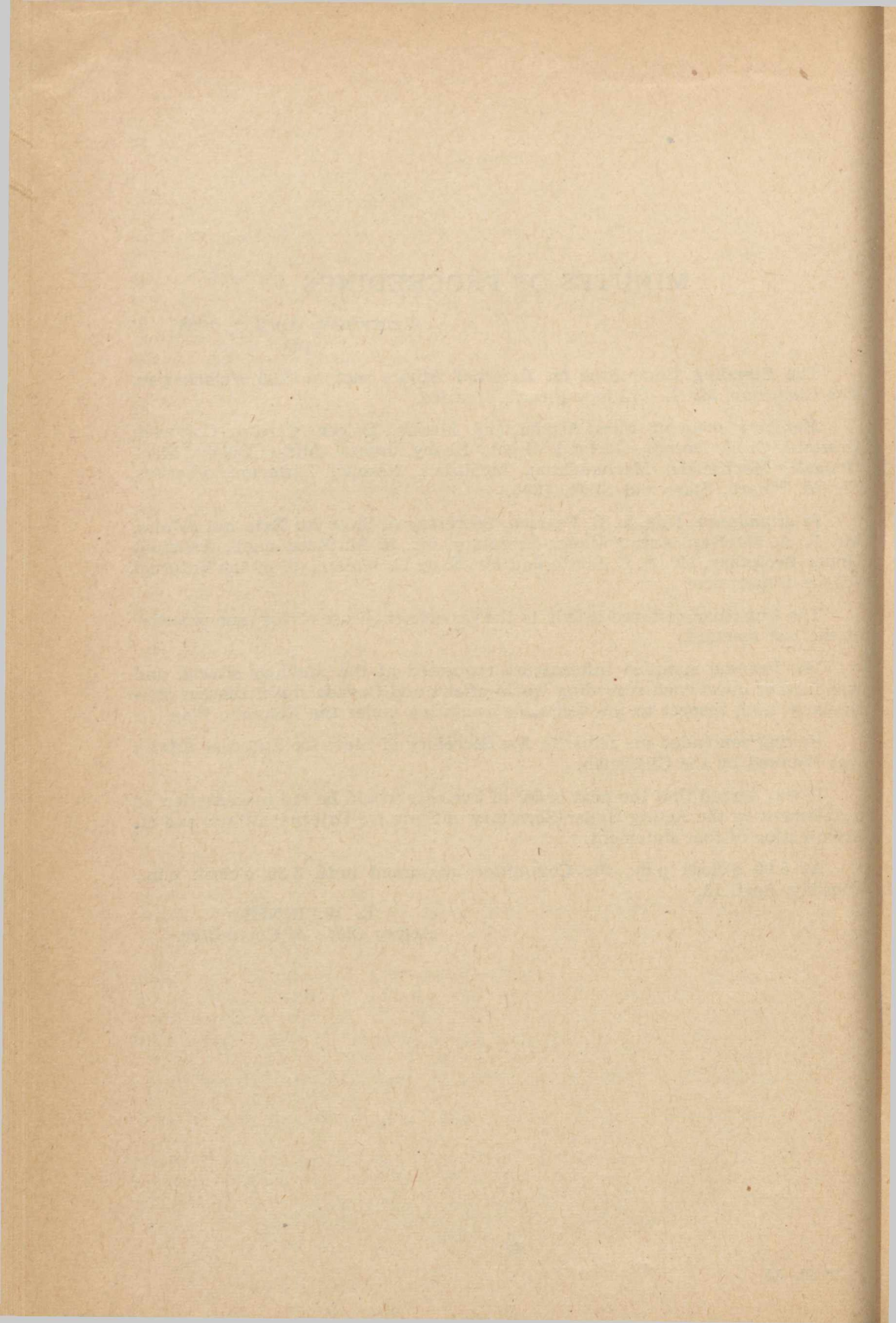
Mr. Pearson supplied information requested at the previous sitting, and was further questioned regarding world affairs and Canada's part therein particularly with respect to the technical assistance under the Colombo Plan.

Having concluded his remarks, the Secretary of State for External Affairs was thanked by the Chairman.

It was agreed that the next order of business would be the presentation of a statement by the Acting Under-Secretary of State for External Affairs and an examination of that statement.

At 5.00 o'clock p.m., the Committee adjourned until 3.30 o'clock p.m., Tuesday, April 13.

E. W. INNES,  
*Acting Clerk of Committee.*



## EVIDENCE

WEDNESDAY, April 7, 1954

The CHAIRMAN: Gentlemen, we now have a quorum. Before calling on the minister to give answers to some questions which were asked the other day I should like to say concerning the recordings which were made yesterday that they are now in the hands of the stenographers of the committee branch and they are transcribing them. As soon as they are transcribed the transcription will be compared with the stenographic report of the reporters, and will be available for Mr. Speaker. I agreed with Mr. Fleming that I would show him a copy, and I will show it to the other members of the other parties. No other machines will be installed until the matter is duly submitted to the Committee on House Procedure.

Mr. JUTRAS: Mr. Chairman, as a matter of curiosity, how did it come out on the tape recorder?

The CHAIRMAN: The stenographers are working on it. It is not music. We should not have illusions that our voices were very musical. When two or three people were asking for the floor and were speaking at the same time it was, of course, a little garbled, but that happens in every meeting—in the United Nations and elsewhere. We will see what the result is, but it would be an impossible thing to have it broadcast on the radio, as one of our colleagues suggested, because each time one of you gentlemen tapped his pipe on the table it registered on the tape recorder as a bang, and therefore a broadcast of the recording would be out of the question in the event that anyone thought that could be done. The idea is that we will learn what gain could be obtained from having the recordings made, but the matter will be referred immediately to the Committee on House Procedure.

Mr. JAMES: We will have to rule out the smoking of pipes!

The CHAIRMAN: That is right, and cigars.

Mr. GREEN: The machine is not to be used again in the committee?

The CHAIRMAN: No, and no machines will be purchased until the Committee on House Procedure has been acquainted with the practice and the results, and it will be up to them to accept or reject this idea. The initial installation yesterday was entirely my own responsibility with the idea of experimenting with a new method of registering meetings and speeches and so on. It had to be tried once, and now it has been tried we will see the result and nothing more will be done about it until the Committee on House Procedure is acquainted with the results.

Now, gentlemen, the minister is with us and I understand he has some answers to give us to questions asked at the previous meeting.

Hon. Mr. PEARSON: Mr. Chairman and members of the committee, there were a few questions asked at the first meeting which I was not able to answer fully and on which I said I would try to secure further information. The first question was asked by Mr. Fleming:

What information had the Canadian government received about Chinese armed forces actually participating in Indo-China and when was this information received?

We have been, Mr. Chairman, receiving information over many months in regard to this matter, but none within the last few days has been received which would confirm the statement Mr. Dulles made—I believe on Monday—

and which gives details regarding Chinese communist intervention. I am not suggesting by that that Mr. Dulles' statement was not accurate. We have not received information from our own sources in Washington on which that statement was based, although I have no doubt we will be receiving it through military channels. Previously we had received information from friendly sources on the nature and extent of Chinese communist military and technical intervention in that war, and that information—I am now talking about the situation before the recent heavy fighting—indicated that the intervention of the Chinese communist government in that campaign was through technical and materiel assistance rather than by way of forces. It is quite well known that the Chinese communists since 1950 have been supplying the Viet-Minh forces with arms, ammunition, food and training.

There was another question asked by Mr. Low as to why the French government had not submitted the Indo-Chinese question to the United Nations. I did mention this when I was before the committee previously, but Mr. Low wanted to know the real reason because I had not actually gone into any details in the matter. It was, I thought, a matter for the French government itself to deal with; but in looking into the files and records of previous discussions on this matter it is quite clear that the Viet insurrection in Indo-China, since it began in 1946, had been considered by the French government as a domestic issue to be solved within the context of the French union and for that reason the French government have not up to the present considered it appropriate to bring this matter before the United Nations. It may be recalled that last year when the Viet-Minh forces first invaded Laos, the government of Thailand considered bringing the conflict in Indo-China to the attention of the Security Council but that was not done. That I think is all I can say on that matter.

Mr. Nesbitt asked me whether the Prime Minister had been invited to visit Formosa and my tentative reply was that I thought he had been, but only after the itinerary had been completed, and therefore he was unable to alter the itinerary at that time. The information that I have been able to obtain since confirms what I said then. While no formal invitation to visit Formosa was received, informal inquiries were made as to whether it would have been possible for the Prime Minister to accept the invitation to visit Formosa during his tour of the Far East. That informal inquiry was made—and indeed other inquiries were made from other governments—after the itinerary had been completed, and there was no possibility of altering it.

Then Mr. Fleming asked me whether there had been any correspondence with the United Kingdom or the United States on the question of the recognition of communist China with particular reference to the forthcoming Geneva Conference. The answer is there has been no such correspondence, and no such discussions with the United Kingdom or the United States in relation to this subject for the Geneva Conference. In this connection, Mr. Chairman, possibly I might read the following paragraph in the Berlin communique concerning the Geneva Conference and I quote from that communique:

It is understood that neither the invitation to, nor the holding of, the above-mentioned conference shall be deemed to imply diplomatic recognition in any case where it has not already been accorded.

Mr. Fleming also asked me when was the last communication with any government regarding the recognition of communist China. The answer to that, which confirms my tentative answer, is that there has been no formal communication with any government on the question of the recognition of communist China since the outbreak of the Korean conflict. There have of course been various discussions on the question with friendly governments from time to time.

Then Mr. Fleming also asked me to put on the record the invitation to the Geneva Conference, I might do that by reading the invitation which came from the State Department to the Canadian embassy in Washington and which is dated February 24, 1954. The invitation reads as follows:

In accordance with the proposal agreed upon February 18, 1954, at a meeting of the foreign ministers of the United States, France, the United Kingdom and the Soviet Union and announced in the enclosed communique of the same date, the government of the United States has the honor to extend to the Government of Canada an invitation to participate, if it so desires, in the Korean Political Conference to be convened at Geneva, Switzerland, April 26, 1954.

In view of the many administrative and procedural arrangements which must be settled before the conference convenes, an early reply would be appreciated.

We replied accepting the invitation. The nature of the invitation will be made clear from the communique, which is attached to the letter from the State Department. The communique was issued at the conclusion of the quadripartite meeting of the four foreign ministers at Berlin, and states that the four foreign ministers reached the following agreement:

“(A)”

The Foreign Ministers of the United States, France, the United Kingdom and the Union of Soviet Socialist Republics, meeting in Berlin,

Considering that the establishment, by peaceful means, of a united and independent Korea would be an important factor in reducing international tension and in restoring peace in other parts of Asia,

Propose that a conference of representatives of the United States, France, the United Kingdom, the Union of Soviet Socialist Republics, the Chinese People's Republic, the Republic of Korea, the People's Democratic Republic of Korea, and other countries the armed forces of which participated in the hostilities in Korea and which desire to attend shall meet in Geneva on April 26 for the purpose of reaching a peaceful settlement of the Korean question;

Now, that is the Korean part of the communique, and it is that conference to which we have been invited, dealing with a peaceful settlement of the Korean question, but the communique goes on, in the next paragraph:

Agree that the problem of restoring peace in Indo-China will also be discussed at the conference, to which representatives of the United States, France, the United Kingdom, the Union of Soviet Socialist Republic, the Chinese people's Republic and other interested states will be invited.

It is understood that neither the invitation to, nor the holding of, the above-mentioned conference shall be deemed to imply diplomatic recognition in any case where it has not already been accorded.

I think that makes it quite clear that our invitation was to attend that part of the Geneva conference dealing with a Korean peace settlement, as one of the countries participating on the United Nations side in military operations there, and that we would be directly concerned with the Indo-Chinese part of this conference only if we were one of the interested states to be invited by the foreign ministers when they reach Geneva.

Mr. STICK: We do not know yet whether we will be invited to the Indo-Chinese part until you meet in Geneva ?

Hon. Mr. PEARSON: That is right.

Mr. GREEN: Is the decision as to which states are interested states left to the discretion of the states themselves, or are these inviting powers to decide which states are interested in Indo-China?

Hon. Mr. PEARSON: As I understand it, the four inviting powers—if you like, the four sponsoring powers—will decide who should be included in this category of interested states so far as Indo-China is concerned.

Mr. GREEN: Have any states been invited on that basis?

Hon. Mr. PEARSON: Not so far as I know.

Mr. GREEN: I take it that all interested states are included in those that took part in the fighting in Korea?

Hon. Mr. PEARSON: The expression "interested states" in that paragraph has no relation to Korea at all, and it might well be—this is pure speculation on my part—that interested states to discuss the Indo-Chinese question might be quite apart from the interested states who will be at Geneva for the Korean question.

Mr. GREEN: Then they could not take part in the conference of April 26? You said that no states have been invited specifically to take part?

Hon. Mr. PEARSON: That is true, but later when the conference meets and the four sponsoring delegations get together, they may decide to invite to participate in the Indo-China part of this conference governments who have not yet been invited to the conference.

Mr. GREEN: Does the Canadian government regard Canada as an interested state in respect of Indo-China or not?

Hon. Mr. PEARSON: We are certainly a government interested in what goes on in Indo-China. Whether we would be considered by the four foreign ministers as an interested state within the meaning of that invitation, I do not know.

Mr. GREEN: If Canada is invited, will she take part in that conference?

Hon. Mr. PEARSON: Undoubtedly we will take part if we are invited.

Mr. MACNAUGHTON: I have two questions. I do not know if you are ready?

The CHAIRMAN: Are they on this matter? Is the minister finished?

Hon. Mr. PEARSON: I am finished.

Mr. MACNAUGHTON: Mr. Chairman, I should like to ask the minister two questions. The first is this: What is the difference in position between the communist countries and the rest of us with regard to the control of atomic energy?

Hon. Mr. PEARSON: It is an important question, and I could talk a long time about it, because this difference has accumulated over a good many years of discussion. In a word, the crux of the difference is this: The Soviet position is that we should at the United Nations outlaw the bomb and declare we will not use it; then, having outlawed the bomb, we would work out a system of inspection and control to make sure that the declaration is kept. Further, they feel that the question of the atomic bomb should be isolated and dealt with at once apart from the general question of disarmament, which they would deal with as a separate subject.

The western position, if I may use that expression, is that it would be foolish and dangerous to subscribe to any declaration outlawing the use of atomic energy for war purposes until we have a system of inspection and control in effect which will make sure that that declaration is observed by both sides. For that purpose the inspecting and controlling agency of the United Nations must have free access to all atomic establishments of the countries concerned at any time that they see fit. Unless you can get that kind of inspection and control, the mere declaration, "We won't use the bomb", would be not only

futile but dangerous. We also feel—by “we” I mean those of us on the western side—in discussing these matters at the United Nations, that you cannot isolate the question of atomic disarmament from general disarmament and that the two should be discussed at the same time. That is a simplification of the position, but that is roughly what the situation is.

Mr. MACNAUGHTON: My second question.

The CHAIRMAN: Is it in relation to the first question? Mr. Coldwell wants to speak on the first question. Is your second question on the same subject?

Mr. MACNAUGHTON: Not directly. It is close to it.

Mr. COLDWELL: My question arises out of this question. It occurred to me that we are on the disarmament commission or conference of the United Nations, the Security Council plus Canada. You stated the view of the western powers. I take it that that is Canada's view as well?

Hon. Mr. PEARSON: That is correct. That is our view.

Mr. COLDWELL: That the atomic bomb should be a part of the general disarmament question. Has an agenda been established for this meeting, and if so, have we made any suggestions regarding a policy concerning disarmament for discussion at that conference?

Hon. Mr. PEARSON: At the present time discussions are going on and, as a matter of fact, I think they have been completed between—and I mentioned this the other day—representatives of the United Kingdom, the United States and France, with a view to summoning within a few days the disarmament commission which has been charged by the United Nations Assembly not only with general disarmament questions but with re-examination of the question of atomic disarmament. These three powers have, I think, been in touch with others and it is expected that the disarmament commission will meet very shortly. The assembly resolution on this question last December stated that when the disarmament commission meets it should give special consideration to the question of atomic disarmament through a subcommittee of the powers particularly interested in atomic questions, and that they should go to work at once and have another look at this question of atomic disarmament. Those powers obviously include the United States, the U.S.S.R. and the United Kingdom. There is no question about that.

Mr. COLDWELL: What about Canada?

Hon. Mr. PEARSON: And we expect that we should be included in that subcommittee because we have in the past been included in such atomic energy discussions. But the question of the composition of the subcommittee has not yet been decided.

Mr. COLDWELL: And also arising out of that and to some extent out of the answer you gave to my question this afternoon, could we have before us the text of the agreement that Mr. King referred to in that speech made in December, 1943?

Hon. Mr. PEARSON: Yes, I have it here.

Mr. COLDWELL: What was the nature of it? Was there not a secret agreement between Mr. Roosevelt and Mr. Churchill which was not made public and which was only referred to in the British House during the past few days, dealing with the banning of the use of the atomic bomb unless both parties agreed? What do you have to say about such an agreement?

Hon. Mr. PEARSON: I would be glad to put the full agreement on the record. It covers both your points. There was a secret agreement which, for obvious reasons at the time, had to be kept secret.

Mr. CROLL: I think that Mr. Coldwell is suggesting there was something in addition, and if I am not mistaken, Mr. Churchill referred to it in the House of Commons as being notes which were made at the time; and he had reference to notes not to an agreement.

Mr. COLDWELL: I had the idea that there was an understanding between Mr. Roosevelt and Mr. Churchill which was not known to the other participants.

Hon. Mr. PEARSON: If there was, I do not know anything about it. But the particular agreement to which I am now referring and to which I referred this afternoon does include a provision regarding the use of the atom.

Mr. COLDWELL: That is clear.

Hon. Mr. PEARSON: And this is the only agreement between Mr. Churchill and Mr. Roosevelt of which we have any knowledge and the only agreement so far as I know which is in existence.

It was done in a very rough way at Quebec. It is not in the form of an inter-governmental agreement because it is initialled or signed by those two men.

Mr. COLDWELL: It is an agreement between two men, not an inter-governmental agreement?

Hon. Mr. PEARSON: It is an agreement signed by the President of the United States and the Prime Minister of the United Kingdom. I do not wish to interpret its constitutional or legal significance but we certainly know something about its practical significance.

Mr. COLDWELL: Yes.

Hon. Mr. PEARSON: And it was a very important and a very useful agreement to have reached at that time. It has "top secret" on it, but the "top secret" has been crossed out because it was made public, I think, the other day. It reads as follows:

Whereas it is vital to our common safety in the present war to bring the tube alloys project to fruition at the earliest moment; and whereas this may be more speedily achieved if all available British and American brains and resources are pooled; and whereas owing to war conditions it would be an improvident use of war resources to duplicate plants on a large scale on both sides of the Atlantic and therefore a far greater expense has fallen upon the United States:

It is agreed between us

First, that we will never use this agency against each other.

Secondly, that we will not use it against third parties without each other's consent.

Thirdly, that we will not either of us communicate any information about tube alloys to third parties except by mutual consent. that mutual consent was very freely given as far as Canada was concerned.

Fourthly, that in view of the heavy burden of production falling upon the United States as the result of a wise division of war effort, the British government recognize that any postwar advantages of an industrial or commercial character should be dealt with as between the United States and Great Britain on terms to be specified by the President of the United States to the Prime Minister of Great Britain. The Prime Minister expressly disclaims any interest in these industrial and commercial aspects beyond what may be considered by the President of the United States to be fair and just and in harmony with the economic welfare of the world.



And fifthly, that the following arrangements shall be made to ensure full and effective collaboration between the two countries in bringing the project to fruition:

- (a) There shall be set up in Washington a combined policy committee composed of:

The Secretary of War (United States),

Dr. Vannevar Bush (United States),

Dr. James B. Conant (United States),

Field Marshall Sir John Dill, G.C.B., C.M.G., D.S.O. (United Kingdom),

Colonel the Right Hon. J. J. Llewellyn, C.B.E., M.C.M.P. (United Kingdom),

The Honourable C. D. Howe (Canada).

The functions of this committee, subject to the control of the respective governments, will be:

- (1) To agree from time to time upon the program of work to be carried out in the two countries.
  - (2) To keep all sections of the project under constant review.
  - (3) To allocate materials, apparatus and plant, in limited supply, in accordance with the requirements of the program agreed by the committee.
  - (4) To settle any questions which may arise on the interpretation or application of this agreement.
- (b) There shall be complete interchange of information and ideas on all sections of the project between members of the policy committee and their immediate technical advisers.
- (c) In the field of scientific research and development there shall be full and effective interchange of information and ideas between those in the two countries engaged in the same sections of the field.
- (d) In the field of design, construction and operation of large-scale plants, interchange of information and ideas shall be regulated by such *ad hoc* arrangements as may, in each section of the field, appear to be necessary or desirable if the project is to be brought to fruition at the earliest moment. Such *ad hoc* arrangements shall be subject to the approval of the policy committee.

Approved.

Franklin D. Roosevelt

Winston S. Churchill

August 19, 1943.

Mr. COLDWELL: With regard to the use of the atomic bomb, was that agreement in effect at the time of the bombing of Hiroshima and Nagasaki, and was it done after consultation between the governments?

Hon. Mr. PEARSON: The terms of the agreement were carried out in respect of the first atomic bomb.

Mr. COLDWELL: Did Mr. Attlee have to rely on it when he came over in 1950 to discuss the possibility of bombing China?

Hon. Mr. PEARSON: I cannot answer that.

Mr. COLDWELL: I am thinking of the McMahon Act which seems to have been an act or agreement to set aside this agreement.

Hon. Mr. PEARSON: It is true that it has been announced recently in the United States that this agreement is no longer valid and that it was set aside; but it is also true that the combined policy committee has been functioning steadily since it was set up.

Mr. COLDWELL: But not completely in the new sense in which this agreement intended it should.

Hon. Mr. PEARSON: It has been functioning within the limits imposed upon it by legislation.

Mr. COLDWELL: You mean by United States legislation?

Hon. Mr. PEARSON: Well, by legislation. I am not aware of any United Kingdom legislation which might exercise a check on the United Kingdom representatives on the committee. I would prefer to say just legislation as including the McMahon Act. I do not know enough about the United Kingdom legislative side of it.

Mr. COLDWELL: But we have never withdrawn from it.

Hon. Mr. PEARSON: No. We have been represented on the combined policy committee since it was set up. In fact I myself sat in at some of the meetings when I was in Washington.

Mr. STICK: Is there not a clause in the agreement providing for the termination of the agreement?

Hon. Mr. PEARSON: No. I read the full text.

Mr. STICK: Isn't there something about terminating the agreement? Isn't there a clause which mentioned something about termination? I thought I heard it.

Hon. Mr. PEARSON: The "interpretation" of the agreement, not the termination.

Mr. COLDWELL: Are we making any proposals regarding its termination?

Hon. Mr. PEARSON: Well, at the moment in our department we are making as complete and exhaustive a review of our position in the past as we can, and we are trying to relate it to the new situation created by the development of the hydrogen bomb, to see if there is anything which can be done to bring the two positions closer together.

Mr. MACNAUGHTON: I have a second question, Mr. Chairman.

Mr. GREEN: Mr. Chairman—

The CHAIRMAN: Is it on the first one question?

Mr. GREEN: The terms of the agreement seem to be very clear in providing for an exchange of information at least between the United States and the United Kingdom. Now, it is perfectly obvious that there has been a very wide departure from those provisions because, as we know, there has not been an exchange of information and as I understand it there is not a full exchange at the present time.

Hon. Mr. PEARSON: No. There was a change in the situation which arose out of the passing of the McMahon Act I know, and possibly other things I do not know about. But, certainly the McMahon Act did cut across this agreement.

Mr. JAMES: What was the date of it?

Hon. Mr. PEARSON: The McMahon Act was in 1946.

Mr. GREEN: Did the United Kingdom or Canada make any protest against the enactment of the McMahon Act which was in effect doing away with this very important provision in the agreement?

Hon. Mr. PEARSON: As far as the Canadian government is concerned, I stated in the House this afternoon that we did not make a protest or feel we were committed to any part of this agreement except that article which invited

us to participate in the work of the committee. We did make our views known as to the desirability of the fullest possible exchange of information of peacetime use of atomic energy which is the only aspect of atomic energy with which we were concerned. We were not interested in the weapons part of it at all. The McMahon Act has a general restrictive effect on exchange of atomic information.

Mr. COLDWELL: Has there been a general exchange between Canada and the United Kingdom?

Hon. Mr. PEARSON: As far as I know there has been a complete exchange of information between the United Kingdom and Canada to date.

Mr. MACNAUGHTON: Has the minister any comments to make on the Soviet proposal for a European security system which would involve Soviet membership in NATO?

Hon. Mr. PEARSON: I had a few words to say about this in the House the other day. Since that time we have been studying the Soviet note, and I suspect that a good many governments have. As a matter of fact, the North Atlantic Council—the permanent council—is at the present time considering the implications of that note and trying to work out, prior to the ministerial meeting of the council, common policy in respect of it.

Mr. COLDWELL: Has not the policy pretty well been laid down by the statements in the United States regarding this matter?

Hon. Mr. PEARSON: The United States' representative on the permanent council is taking his part in the discussion with the others. The immediate reaction to this proposal on the part of all the NATO governments was one of surprise, amounting almost to stupefaction, that the Soviet Union which had over the years made known in no uncertain terms its feeling about the NATO should suggest that it might, with its communist friends, join the organization in the interests of European security. But, there is no disposition in the council, and certainly no disposition on our side, to dismiss this as so fantastic that it should not even be looked at.

Mr. COLDWELL: That is the point.

Mr. CROLL: Did they not attach a condition to that offer? Would they not do away with the E.D.C.?

Hon. Mr. PEARSON: Yes, it would do away with the E.D.C., and would set up an entirely new arrangement for European and Atlantic Security which would supercede all existing arrangements and would include in its membership Poland, Czechoslovakia, and the Soviet Union. The obvious doubt we have in respect of the genuineness of this note springs from our experiences with this kind of Soviet initiative in the past. If the Soviet Union are sincere in their desire to ease international tension in this way we have got a very good security system in effect at the present time—at least in theory—in the United Nations. As I have said the disarmament commission of the United Nations is likely to meet within the next few days and the Soviet can discuss these matters in the light of their new views—if they are new views—at that agency. So, I think we have some cause at least to be skeptical about the value of this Soviet initiative. But that is no reason why we could not examine it.

Mr. STICK: To get back to the question about the McMahon Act. As I understand it, this agreement was a gentleman's agreement between Mr. Churchill and Mr. Roosevelt and was never ratified by the government. If it was a formal treaty in the United States it would have had to have been ratified by the United States Senate. I think that that is correct. If that is so, the McMahon Act is in compliance with the legal position of the United States government and they were within their rights in so doing.

Hon. Mr. PEARSON: That is quite true. The McMahon Act is legislation by Congress. This agreement certainly was valuable, but it was an agreement between the heads of two governments and not, of course, submitted to legislatures. It would have been quite impossible to do that in time of war.

Mr. STICK: The United States government were perfectly within their rights in bringing in the McMahon Act even if it superceded this agreement?

Hon. Mr. PEARSON: Yes. They were perfectly within their rights in doing that.

Mr. COLDWELL: Did the United States government notify the other party to this agreement that the McMahon Act was setting it aside?

Hon. Mr. PEARSON: There was discussion at the time of the affect of he McMahon Act on this arrangement for cooperation. I am sure that this was discussed at the Combined Policy Committee.

The CHAIRMAN: Are there any further questions?

Mr. BALCER: If we are through with the atomic question, I would like to go back to the Indo-China matter. I would like to ask Mr. Pearson in the case of Indo-China matters being brought to the United Nations if the United Nations decide on joint action something similar to the Korean affair, can the Canadian delegation to the United Nations pledge Canada to this joint action without decision of the Canadian parliament?

Hon. Mr. PEARSON: The Canadian delegation to the United Nations can, if it has authority from the Canadian government, accept any resolution being passed by the United Nations General Assembly. But, that resolution is only a resolution and has no binding constitutional or legal affect on any government, and, therefore, the resolution would not bind Canada to any particular action of any kind. It would be a statement of Canadian policy, action regarding its implementation would depend on the nature of the resolution. If it were one which recommended action of a kind which would require submission to parliament, that course would be taken.

Mr. COLDWELL: Would you interpret those last few words, "action which would require consent of parliament"?

Hon. Mr. PEARSON: I would suggest that we would follow the example of the Korean resolution when we accepted a resolution at the United Nations, but took action after parliamentary approval of the policy laid down.

Mr. BALCER: Did we send our destroyers prior to the decision of parliament?

Hon. Mr. PEARSON: I have not all the facts of the situation before me. I think that it was in the summer when parliament was not sitting and it may be that destroyers were sent to Korean waters but not to engage in a war-like enterprise. It is also true that as soon as government policy in respect of Korea was decided it was submitted to parliament for consideration and received approval.

Mr. STICK: That was at the special session when we were called back here at that time.

Mr. JUTRAS: I think that the suggestion was that the destroyers were out on a tour at the time.

Hon. Mr. PEARSON: There were two destroyers in the Pacific at the time and they were ordered to move to Korean waters which is a normal thing to do in war emergency if there are destroyers afloat.

The CHAIRMAN: To follow the procedure I started yesterday, I gave the lead to Mr. Fleming, and I am offering it now to Mr. Coldwell. If there are any new subjects he would like to bring in he may do so now in order that every party will have an opportunity to bring any new matters to the attention of the minister.

Mr. JUTRAS: I do not think, Mr. Chairman, you should stick too close to this rule.

The CHAIRMAN: No, but if we are finished with the present question and entering upon something new, I think it is the only fair procedure.

Mr. COLDWELL: I thought I had introduced a new subject when I introduced disarmament.

Mr. JUTRAS: I was on a point which I did not raise yesterday.

The CHAIRMAN: If we will follow this procedure it will give everyone an opportunity to split the subjects and will give everyone an opportunity to bring in new matters.

Mr. JUTRAS: The procedure you established yesterday was that you permitted questions from the Conservative, Social Credit, C.C.F. and then the Liberal government. The point I am bring out now is that proportionately it is not quite fair to the government members on that basis.

The CHAIRMAN: I am endeavouring to give a chance to everybody.

Mr. COLDWELL: You can consider, Mr. Chairman, that I asked the question I intended to ask on the disarmament procedure.

The CHAIRMAN: Is there anyone on the government side who wants to bring some matter in?

Mr. JAMES: Are we still discussing Indo-China?

The CHAIRMAN: Yes. I just asked the members if there were any more questions on the subject which they want to put to Mr. Pearson, or if we are leaving that subject.

Mr. GREEN: I want to ask Mr. Pearson one further question. I think he said that the effects of the McMahon Act were considered by this special committee of which Mr. Howe is a member. That seems to conflict with the statement made the other day by the Honourable Mr. Attlee in the United Kingdom who said he had no opportunity whatever to protest against this whatever—the provision for the exchange of information—which was contained in the original agreement between Mr. Churchill and Mr. Roosevelt.

Hon. Mr. PEARSON: I do not recall, I may be wrong—that Mr. Attlee put it exactly that way.

Mr. CROLL: Mr. Attlee was alleged to have said that subsequently he spoke to Senator McMahon after the Act was passed and Senator McMahon said he did not know anything at all about the agreement or he would not have introduced the bill.

Mr. GREEN: Was that what happened?

Hon. Mr. PEARSON: I cannot say what Mr. Attlee knew or did not know. Concerning Mr. Croll's observation, I do not think it should be attributed to Mr. Attlee. It was Sir Winston Churchill who said that Senator McMahon told him that.

Mr. CROLL: Yes, I am sorry.

Hon. Mr. PEARSON: All I am trying to say is that a committee dealing with the exchange of atomic information between the three governments meeting in Washington would obviously know all about the McMahon Act which was public—discussion of which took place in congress and were quite public—and they would naturally have all this information and could consider the effect of that Act on their own deliberations. That is all I have attempted to say, I am quite sure that the United Kingdom government was just as aware of the effect of the McMahon Act on this situation as we are, and probably more aware. I cannot go beyond that, because I do not know to what extent Mr. Attlee was kept informed of developments and documents and discussions prior to his accession as prime minister in 1946.

Mr. GREEN: Is Canada making any representations now which would lead to the widening of the exchange of information on the atomic question?

Hon. Mr. PEARSON: We have already stated more than once in Washington, and it has been stated publicly, that we would welcome the widest possible exchange of information between the governments on this subject, but this is a matter for United States legislative action. Within the last few months the president of the United States has himself indicated he hoped the situation could be made a little more liberal in this respect; and indeed at the last meeting of the North Atlantic Council in Paris last December we talked about this matter. There has been some easing of the situation in regard to the effect of atomic weapons—that is not bombs, but tactical weapons—and there has been a greater exchange between the military representatives of the countries concerned than has previously been the case. But any further widening in this field will have to be done by some alteration of the legislative situation in the United States. I know that matter is under consideration because it has been stated so by the president, but what congress will do, I do not know.

Mr. COLDWELL: What observers did we have, if any, when the recent hydrogen explosions were undertaken in the Pacific?

Hon. Mr. PEARSON: I am not aware we had any observers at all. I do not think we had any observers.

Mr. COLDWELL: Were we invited to send observers?

Hon. Mr. PEARSON: I do not think we were but I would like to check on that, and also I will check whether we have had any observers at any of these experiments.

Mr. STICK: We did have observers in Australia?

Hon. Mr. PEARSON: Yes, we had observers in Australia.

Mr. STICK: That was the United Kingdom party?

Hon. Mr. PEARSON: Yes. It might not have been possible under the McMahan Act for the United States government to invite observers, but I will check on that.

Mr. STICK: The paper said there were British planes there.

Hon. Mr. PEARSON: That report referred to a British plane which was flying a considerable distance from the explosion making scientific observations in the upper air on the effect of the explosion.

Mr. McMILLAN: I would like to come to our own continent and inquire about conditions in Guatemala?

Hon. Mr. PEARSON: They are not very happy from the point of view of communist infiltration into a western hemisphere country because a government is in control in Guatemala which is working very closely with communist elements in that country. I am not prepared to say that it is a communist government dominated by Moscow, because I do not know. I do know, however—and you are aware of this also, I am sure—that the economic condition down there have been such as to make easier movements for social reform than would have been the case in a stable prosperous society, and that the reform movement in its earlier stages a few years ago seemed to have been a legitimate one directed towards improvement of conditions. As is so often the case, communist elements moved in and attempted to take over. To what extent they have been successful in doing that, I do not know. The attitude of the Guatemalan government is well known from its representatives, at the United Nations and from the newspaper reports from Guatemala itself. Of course, we also get information through diplomatic channels from our friends because we do not have a representative there of our own.

Mr. McMILLAN: Well, Canada was represented at the meeting in South America?

Hon. Mr. PEARSON: No, we were not represented at the South American meeting.

Mr. STICK: We did not even have an observer there?

Hon. Mr. PEARSON: No, but we were given full reports as to what went on there.

Mr. COLDWELL: What about the E.D.C.? Is there anything you can tell us about the situation which has developed in the last week or so? What are the prospects?

Hon. Mr. PEARSON: I would be very rash indeed if I attempted to prophesy what is going to happen to the E.D.C. in Paris. As you know, it has been ratified now in several countries: Holland; Belgium, I think; in the republic of Germany—West Germany—which, I think, has concluded the formal stage of the ratification although I am not certain about this. It is now being submitted to the legislature in Rome. Progress is being made, but the situation in France is just the same as it was a week or two ago. I have no idea whether E.D.C. will be ratified by the French legislature or not, and I would not like to express any opinion on that.

Mr. COLDWELL: What is the alternative if it is not ratified?

Hon. Mr. PEARSON: Well, I am sure you are just as capable of answering that question as I am. I wish I could ask a few questions around here!

The CHAIRMAN: Are there any further questions, gentlemen, on any matters that you want to submit to the Minister?

Mr. GREEN: I would like the minister to give us some enlightenment on the suggestion which was made by the Prime Minister in Bonn some weeks ago. I have a copy of the speech here. He said:

Perhaps the time has now come to consider whether some of the steps towards closer integration, which we must take if our concept of civilization is not to perish, should be taken within the larger framework of the North Atlantic community.

The CHAIRMAN: Would you speak a little more slowly and in a louder voice, because the stenographer has a hard time hearing you? Would you start over again, so that the stenographer can take it? I have no recording machine today. It is quite hard, you know, for the gentleman to take it.

Mr. GREEN: The first paragraph which I read is:

Perhaps the time has now come to consider whether some of the steps towards closer integration, which we must take if our concept of civilization is not to perish, should be taken within the larger framework of the North Atlantic community.

Then, going into that in further detail, the Prime Minister had this to say:

More particularly, many of us believe the peoples living about the great basin of the Atlantic Ocean might well seek the solution to their problems of economic betterment, political stability and self-defence in this closed integration of their national resources and of their machinery and government.

Hon. Mr. PEARSON: That is a typographical error. Where it says "machinery and government" it should be "machinery of government".

Mr. GREEN: "Machinery of government". Both of those suggestions would appear to me to come to this: first of all a closer integration of national resources, and, secondly, closer integration of the machinery of government. Just what does the Canadian government have in mind in that regard, or was this just a general statement, behind which there was not any concrete plan?

Hon. Mr. PEARSON: There was not any concrete plan in the Prime Minister's mind when he made that statement at the dinner given to him by the German government. What he had in mind was that in the circumstances of today—and we know what they are—closer and closer cooperation, in both the economic and the political sphere, is increasingly important. If that is so in a general way it is especially true of the nations around the Atlantic basin. Therefore the Prime Minister's statement was really a plea for building up the Atlantic community through NATO in association with the German Republic.

Mr. GREEN: Has the Canadian government any views as to the actual steps that should be taken to bring about this closer integration of national resources and closer integration of the machinery of government, which seems to go very far?

Hon. Mr. PEARSON: It may seem to go very far. I am sure the Prime Minister did not have anything more in mind—I have talked to him about this—than what I have said. Closer integration of the machinery of government should be related, of course, to the machinery of Atlantic cooperation which we now have, which is the North Atlantic Treaty Organization, through its council and its subsidiary agencies. It has been our policy to use those as much and as effectively as possible and make them better instruments for international cooperation, and there has been success achieved in that regard in the military field. There has not been so much success in the non-military field, which is a much more difficult problem and which in recent years has been subordinated to the necessities of military defence. The Prime Minister was really making a plea, and that plea has often been echoed in the House of Commons, to do more to implement Article II. That is all he had in mind, Mr. Green.

Mr. GREEN: The Canadian government has in mind no actual steps which might be taken to bring about this result?

Hon. Mr. PEARSON: No specific steps at the present time. We feel that every time the North Atlantic Treaty Organization meets in council some progress is made towards this goal. One of the things which we have been emphasizing, and we will emphasize it at the next meeting, the meeting two weeks from tomorrow, is that the council should be used more for purposes of economic and political consultation. We will then know, each of us, what the other is proposing to do and try to act together. I think we have made some progress in that regard. The permanent council of the North Atlantic Treaty Organization is meeting this week to discuss the Soviet proposal in regard to the security arrangements. The fact that it is meeting as a council and discussing this is of value, it will make it easier for the governments to work together.

Mr. GREEN: Is there any consultation through the members of that council on economic questions?

Hon. Mr. PEARSON: There is, but we have learned from experience in the last few years that the North Atlantic Treaty Organization, as a vehicle for economic cooperation, is both too large and too small. Although we exchange views there in regard to economic matters, as an agency for cooperation it is not the most effective. For instance, from the Canadian point of view, there are countries outside the North Atlantic Treaty Organization which are more important in relation to economic cooperation than some of those inside. It would be quite unrealistic and unwise on our part to try to work out specific arrangements inside this NATO group for some kind of economic arrangement which would keep outside countries of the Commonwealth, for instance. There is also, from the European point of view, the handicap that the North Atlantic Treaty Organization is too small, because certain countries of the O.E.E.C. do not belong to NATO. They are working out in Europe through the European



Payments Union and O.E.E.C. ways of removing obstacles in the way of payments for trade, which are more effective than if this were done through NATO. So it has not proven to be a very effective organization for developing economic machinery. Then we have GATT. GATT includes all the countries in the world that want to come in. That is where we best work out or should work out our international trade arrangements. So, while NATO is useful for exchanges of views on economic matters, it is not in its present state very effective for building up economic machinery.

Mr. GREEN: Is it ever going to be?

Hon. Mr. PEARSON: In its present form, it would probably never be as effective as the Organization for European Economic Cooperation, or as the General Agreement on Tariffs and Trade. We would be unwise, I think, in NATO if we tried to set up a separate piece of international economic machinery when we have at least two that are pretty effective for the purpose, quite apart from our trade arrangements within the Commonwealth. We would be making a mistake, I think, if we tried to overlap existing arrangements and added to the multiplicity of organizations which we already have in this field.

Mr. BALCER: I wonder if Mr. Pearson could tell us whether the Israel-Iraq question will be brought up at the next meeting?

Hon. Mr. PEARSON: It will be brought before the U.N. Security Council within the next few days—in fact, it is before the Security Council now. There has been a new incident which has resulted in certain Arab states bringing this question again to the Security Council. It is continuously before the Security Council, and there has not been, to my knowledge, a single assembly where the question of Israel or Jerusalem has not appeared in some way, shape or form, I suspect there will be problems on this subject brought before the next assembly as well.

Mr. BALCER: What is Canada's position? Do you care to comment on that?

Hon. Mr. PEARSON: We take our position in regard to individual issues that are brought before the assembly, and it is difficult for me to comment on our policy until I know how the question appears on the agenda of the assembly. Our policy in the past is pretty well known. We have been particularly anxious to work out some arrangement which will guarantee the security and freedom of the holy places in Jerusalem, for instance. That is one of our most immediate concerns. But I am not sure how the problem will appear on the assembly agenda and therefore I am not quite sure what our attitude will be to it.

The CHAIRMAN: Now, Mr. Nesbitt.

Mr. NESBITT: I wonder if Mr. Pearson would care to tell us if there is any increase contemplated in the amount of money to be allotted under the Colombo Plan in the near future?

Hon. Mr. PEARSON: I think the appropriation this year is already before parliament and it is in the same amount as last year, namely, \$25,400,000; and there was a \$5 million vote in the supplementary estimates for Pakistan. I do not know of any proposal to increase it in the supplementary estimates this year which will be coming down later.

Mr. NESBITT: Would the minister care to comment on whether or not he thinks the amount ought to be increased?

Hon. Mr. PEARSON: I am not going to say it should be increased when the government has decided that the amount will be \$25 million this year. Whether this should be increased in the future will depend a great deal upon conditions as they develop. I believe in the effectiveness of the Colombo Plan and the work accomplished and I would hate to see anything interfere with that development. We will have contributed at the end of this year \$100 million more or less. Our experience has been that in the earlier years of the

Plan if we had appropriated more than we did, we would not have been able to spend it effectively. But whether that is the situation at the present time, I am not prepared to say.

Mr. STICK: Have we had any requests for a larger amount?

Hon. Mr. PEARSON: There has been no general request. We are now working on a five-year Colombo Plan and we all agreed to contribute a certain amount to that five-year plan. The plan will be completed in a year or so and then there will be a re-examination of the whole question of the future of the Colombo Plan. It must be remembered that the original Colombo Plan visualized United States participation too.

Mr. CROLL: You say there has been no request.

The CHAIRMAN: Is it on the same question? Mr. Nesbitt has the floor.

Mr. NESBITT: Would the minister not agree that there are certain—apart from the purely physical development of the training scheme in the Colombo Plan where people come here from Pakistan and so on to receive technical training—that in addition to the technical training which they will take back with them—inasmuch as these people are probably in an influential position when they return—that there are certain or considerable intangible advantages of having them come over here, inasmuch as they can interpret our way of life when they return to their own country?

Hon. Mr. PEARSON: I would agree entirely with you, and that is why I welcome the fact that next year we may be devoting a greater proportion of our contribution to that kind of technical exchange rather than to capital assistance.

In the earlier votes a certain amount was put aside for technical assistance of that kind, and we were allowed only a few hundred thousand dollars. But now it is all lumped into the \$25 million and we can use as much of it as is needed. It is of great value. One of the difficulties has been that while it is not so hard for us to get people from those other countries to come here for technical training, they in turn are very anxious that we should send experts to them to help train them on the spot. It has been hard to get qualified experts from Canada who are available for that purpose because the kind of men they need are scientific, technical, and engineering experts who in recent years have been very busy in Canada. While we have already sent a good many, we would like to be able to send more.

The CHAIRMAN: Might I be permitted to make an observation? I was told when I was over there that no matter how much they liked to send their people to study in Canada under the Colombo Plan, they figured it would be more economical to have our professors go over there where they could educate 50 or 100 people, and that it would cost a tremendous sum to send as many people to Canada to receive tuition here. That is one of the reasons why the minister suggested that they wanted more technical men sent over there rather than that they should send their people over here.

Mr. NESBITT: There is a certain intangible value in having their people come over here inasmuch as they see a new way of life which they might hear about at home but which is often misrepresented to them.

The CHAIRMAN: Having regard to the question of money, they figure they can do a lot more with the amount of money available by having our professors go over there.

Hon. Mr. PEARSON: Some of our people who go out there derive great value by their contact with civilizations which are older than ours although perhaps not so materially developed. At the present time we have been asked—and I merely mention this by way of illustration—to find someone to go out

and help write a constitution for Pakistan. There is also on his way to Pakistan at the present time, a distinguished Canadian economist who is going to participate in an economic survey of Pakistan. I think that is all to the good.

Mr. COLDWELL: What about the other plan, the technical aid plan? Do you know if the nations which were members of this plan are meeting their commitments or "coming through"?

Hon. Mr. PEARSON: Our information is that that is so.

Mr. COLDWELL: We increased our commitments?

Hon. Mr. PEARSON: Yes, we increased our commitments on the condition that the other nations would, and they have. I think that is true. And we will be providing an extra amount.

Mr. MACNAUGHTON: What about Russia?

Hon. Mr. PEARSON: Russia has agreed to contribute this year to the Technical Assistance Program for the first time. There was difficulty in regard to the form of their contribution and certain conditions which they attached to it, which were unacceptable. But a representative of the United Nations went to Moscow and those difficulties have been ironed out. I learned in the last few days that the money will now be available in a form which the United Nations Technical Assistance Program can accept.

Mr. CROLL: That was Dr. Keenleyside?

Hon. Mr. PEARSON: It was Dr. Keenleyside who went to Moscow, yes.

Mr. CROLL: Is the minister aware that his department and the government generally has over-sold people on the Colombo Plan to the point where there is a general feeling in all walks of life that we are not doing as much as we could and should do. That feeling is not confined to any one particular party or group, and I find it to be the most general feeling that I meet with amongst people as a whole. Are we in a position now to say: "That is all they can absorb?" Is it not true that they can now make use of more than the \$25 million we originally intended to give them, and which was to be given them annually?

Hon. Mr. PEARSON: I am not aware that our department has ever been able to over-sell the Canadian people on anything because we have no resources for that purpose. Our information budget is only a few hundred dollars a year.

Mr. CROLL: Well, I think you are doing a good job on it.

Hon. Mr. PEARSON: But so far as the other part of your question is concerned, I think that at the early stages of the plan it would have been undesirable to attempt to do more than we did. Therefore larger appropriations would not have been of much use. I am not prepared to say that that is the case now. We have received advice from experts in this field that a great deal of money from other quarters—and I am not talking about the Colombo Plan—that a lot of money has been wasted and that we should be pretty careful to make sure that before Canadian money is spent and Canadian resources are used that we are directing them to a constructive and practical purpose. That is why the Colombo Plan has been, I think, singularly effective, because every project is worked out directly between the Canadian government and the government affected by the project, and we do not take part in it until we are satisfied that it is a constructive and feasible scheme. To send 25 million, 50 million or 75 millions out to some country and put it at their disposal and tell them to use it for assistance, would not necessarily be very helpful to them.

Mr. COLDWELL: We have been very fortunate in the administration.

Hon. Mr. PEARSON: Yes, we have been very fortunate in the administration.

Mr. MACDOUGALL: Is it not true, in the early stages of the formulation of the Colombo Plan, that they could not at that time use the full amount?

Hon. Mr. PEARSON: They could not have absorbed it effectively. There is another side of the question, and I hope I will not be misunderstood in bringing it up, but in justice to ourselves—and we are sometimes reproached for not doing enough in this field in relation to what we do in our own defence—it must be remembered that these nations undeveloped industrially and economically as they are, and with the low standard of living they do not enjoy, have to spend between 50 and 70 per cent of their existing budget on defence. Think what they could do for their own improvement if the situation out there made it possible for them to cut their own defence expenditures in half.

Mr. COLDWELL: During the sittings of this committee will Mr. Cavell be back in Canada to give us the kind of survey he did a few years ago? It would be very useful?

Hon. Mr. PEARSON: I believe he will be back.

The CHAIRMAN: The committee will arrange the time later as soon as we have finished with the minister. I will ask the committee what they would like to have as the second order of business and we can later on establish it.

Mr. LUSBY: Is India doing anything in connection with its population problem?

Hon. Mr. PEARSON: It is increasing its population very rapidly.

Mr. LUSBY: Do you think there can be any permanent improvement in India unless they do limit their population?

Hon. Mr. PEARSON: I would not want to answer that question.

Mr. PEARKES: In connection with the Colombo Plan—

Hon. Mr. PEARSON: I can refer you to some experts in the field of demography, but I have no view to express on the subject.

Mr. PEARKES: Did we send a Dr. Newton who was a pathologist out to Ceylon and who returned before his expected term of work was completed owing to the failure of the scheme which he was out on?

Hon. Mr. PEARSON: I do not know that. We will find out. We did send a plant pathologist out there.

Mr. PEARKES: Dr. Newton left. I do not know what he went out for, but I did understand that perhaps there was some reason why his mission was not a success.

Hon. Mr. PEARSON: There has been more than one occasion when experts we have sent out have had to come back, some of them because of health.

Mr. MACKENZIE: Have you any comment on the fact that we send a lot of money to Colombo and there is a lot of controversy about trade with China, and still Colombo gave China the option on all the surplus rubber they had for sale this year?

Hon. Mr. PEARSON: We may not agree on the policy, but I doubt if we should allow that to prevent us helping the Ceylon government by the kind of assistance we have been giving them in fisheries and agricultural matters. It is true that they have been trading with communist China in materials which we consider strategic. It is also true if their trade collapses—and they depend on two or three staples for their very existence and rubber is one of them—there would be further economic depression. That in turn would lead to social unrest and that might result in a very great strengthening of the communist movement in Ceylon, already there are more communist members of the Ceylon Parliament in proportion, I think, than in any legislature in the world. The net result might be that Ceylon would likely go communist itself, and the Chinese government would get all the goods.

Mr. COLDWELL: Is that not generally true?

Hon. Mr. PEARSON: That is the argument they put forward.

Mr. GREEN: How much is Russia contributing towards technical assistance this year?

Hon. Mr. PEARSON: I think \$1 million.

Mr. GREEN: What were the conditions that Mr. Keenleyside was able to get removed?

Hon. Mr. PEARSON: It is hard for me to keep these details in my mind, but the Russians did attach conditions in regard to the use of their funds; that they would not be used for any project which was controlled by any United Nations agency of which they were not a member. I am thinking of the Food and Agricultural Organization and I.L.O. and things like that. If they did not belong to a specialized agency they would not allow their money to be used for any object in which that agency participated. They also attached, I think, some exchange restrictions.

Mr. GREEN: Those restrictions have been removed?

Hon. Mr. PEARSON: The United Nations said that they would not accept the money under those conditions.

Mr. MACNAUGHTON: Was not one of the conditions that the money had to be used within the iron curtain?

Hon. Mr. PEARSON: One condition might have been that some of the money had to be spent within the iron curtain.

Mr. McMILLAN: Has Russia joined the World Health Organization?

Hon. Mr. PEARSON: No.

The CHAIRMAN: Are there any further questions? We have the minister with us today and at the next meeting we will have to go into other business. Are you satisfied.

Agreed.

The CHAIRMAN: May I express the thanks of the committee to the minister. I understand that he has already volunteered, at a later date, if the committee feel it is necessary to call him back, to appear again. At the present moment it will be the only appearance of the minister, if it is agreeable to members.

Hon. Mr. PEARSON: I shall be glad to come back any time next week. After that I shall be out of the country for a few weeks.

The CHAIRMAN: Please, gentlemen, the meeting is not over. We have concluded one order of business, but I would like to call to the attention of members the fact that at the next meeting we will be stepping into something new. I would like to have the committee decide whether we should go into the estimates of the department or whether we should first take the departmental report of External Affairs. I understand that the deputy minister will be available with a statement, and perhaps we could start with that statement as the next order of business since we would not have time before the Easter recess to do much in the way of considering estimates. Perhaps we had better start with the departmental report.

Agreed.

The CHAIRMAN: We will get the report which will be circulated within a day or two; and if we are to proceed in an orderly fashion, after we have finished asking questions of the deputy minister on the brief which he might read to us when he comes, we will consider the report chapter by chapter rather than go over the whole report at one time.

Hon. MEMBERS: Agreed.

The CHAIRMAN: Therefore, will Tuesday afternoon of next week be suitable to the members?

Agreed.



HOUSE OF COMMONS

First Session—Twenty-second Parliament

1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

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TUESDAY, APRIL 13, 1954.

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Main Estimates of the Department of External Affairs

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Honourable L. B. Pearson, Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954.





## MINUTES OF PROCEEDINGS

TUESDAY, April 13, 1954.

(3)

The Standing Committee on External Affairs met at 3.30 o'clock this day. Mr. L. Philippe Picard, Chairman, presided.

*Members presents* Aitken (Miss), and Messrs. Boisvert, Cannon, Coldwell, Crestohl, Decore, Fleming, Garland, Henry, James, Jutras, Knowles, Lusby, MacDougall, MacInnis, Picard, Richard (*Ottawa East*), and Starr. (18)

*In attendance:* Honourable L. B. Pearson, Secretary of State for External Affairs; Mr. R. A. MacKay, Acting Under-Secretary of State; Mr. R. M. Macdonnell, Assistant Under-Secretary of State, Special Assistant; and J. E. de Lotbinière, Esq.

The Secretary of State for External Affairs being present, answered questions on the present world situation, in particular on:

1. North Atlantic Treaty Organization.
2. European Defence Community.
3. Shipping of strategic goods to communistic countries.
4. St. Lawrence Waterway.
5. Pan-American Union.
6. Inspection and control of atomic development.

In the course of his examination, Mr. Pearson placed on the record the government proposed views on the revision of the U.N. Charter in accordance with Article 109 thereof and the composition of the Canadian delegation to the pending Geneva Conference.

The Minister was further examined on Indo-China.

The Chairman expressed the good wishes of the members of the Committee to the Secretary of State for External Affairs and other delegates on their departure for the Geneva Conference.

After discussion, it was agreed to defer the examination of the Acting Under-Secretary of State, Mr. R. A. MacKay, until the first meeting of the Committee to be held after the Easter Recess.

At 4.45 o'clock p.m., the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*



## EVIDENCE

TUESDAY, April 13, 1954.

The CHAIRMAN: Gentlemen, we have with us again today the minister, the Secretary of State for External Affairs, who has volunteered to come because some members who had special questions to ask him were not here at the last meeting. The minister has an engagement this afternoon, but has consented to give us half an hour so that these questions may be asked by, I think, Mr. Fleming.

Mr. FLEMING: Thank you, Mr. Chairman. I certainly appreciate the trouble that the minister has gone to in order to be available to meet the committee this afternoon. May I ask the minister, in the first place, Mr. Chairman, if he has anything to say in general about a possible improvement in the world outlook. I realize that it is hard to be dogmatic about this; but can he make any comment in general on the world situation as compared with that situation the last time he made comment on it to the committee a year ago?

Hon. Mr. PEARSON: Mr. Chairman, that is not an easy question, as Mr. Fleming has himself indicated. All I think that I can say is that there has been—and I gave this as my opinion a year ago also—some easing of international tension since I appeared before the committee last year. I am thinking more particularly about Europe. I think that easing—if it has occurred and I think it has—is due—to repeat what I have already said outside this committee—primarily to the growing strength and unity of the NATO coalition and to a change of tactics in the Soviet Union which I do not know may reflect a change of situation there. But, that combination of growing strength and unity on our part and changed tactics—and they may be nothing more than tactics—on the other side has produced in most people's mind an easing of tension. Against that improvement is the fact that there are still very grave dangers in the Far East, although there has been an end of the fighting in Korea which has also served to ease the tension. There is also the fact that we now know that if the situation should deteriorate to the point where there is war, that war will be even far more horrible than it would have been even a year ago.

Mr. COLDWELL: Is not that an assurance against it?

Hon. Mr. PEARSON: It is often suggested that the fact that war would now be almost inconceivably destructive is in itself reassuring because neither side would wish to begin a war which would result almost immediately in the destruction of both sides, and that you might, therefore, achieve an uneasy balance of peace based on that factor. There maybe something in that. But, as I said in the House, I cannot get any great comfort out of the fact that our foundation for peace—is merely the fact that the other fellow can destroy you and you can destroy him and that there is a self denying ordinance in effect that you would not want to destroy each other. That comforting factor, if it is such, is also influenced by the fact that if war occurs it may well be not from any calculated act of aggression but from a miscalculation. However I repeat that in my opinion there has been during the last year some easing of tension. Certainly there has been an armistice achieved in Korea that has stopped the fighting there. But, nevertheless, the underlying factors which makes for danger and trouble still remain.

Mr. FLEMING: The minister has referred to the growing strength of NATO. I wonder if the minister would state the extent of our commitments now and the degree to which we have already complied with our commitments and the remaining extent of commitments yet to be fulfilled.

Hon. Mr. PEARSON: I am not sure, Mr. Chairman, whether I can be certain of the accuracy of every statement I may make in this matter. But, subject to correction if I find that I may be out in some of my details, I would say that we have already—and by we I mean the Canadian government—discharged the commitments that we have undertaken in NATO. Those commitments provide for a brigade group on the ground which is now stationed in Europe. Also our commitment for 12 squadrons of jet fighters has been fulfilled. Those are in Europe. That commitment was discharged at the end of 1953 ahead of the schedule laid down in NATO planning. A headquarters for those 12 squadrons has been set up in Metz. In the navy we are committed to 42 ships for the NATO command for the defence of coastal waters, and during 1953-54, the current year, that commitment will be discharged in full. I understand that those are the only NATO military commitments we have now. Of course those plans are reviewed every year and they will be reviewed this year. But, we have so far discharged our commitments with the possible exception that I am not sure whether all our ships for NATO have already been earmarked or will be by the end of this year.

Mr. FLEMING: When the minister says that these commitments have been discharged does he mean those forces have been supplied with the requisite equipment and there remains now the obligation to maintain them?

Hon. Mr. PEARSON: Yes. Those forces are now operational. Of course, we have other commitments in NATO which are not exclusively Canadian. We make a contribution to infrastructure, the building of airfields, communication facilities and common facilities of that kind. Our commitment there takes the form of a share of the cost, and we have provided our share each year. We have also agreed on a certain amount for mutual aid, and we have fulfilled that agreement. Those commitments are reviewed each year and they do not extend beyond the single years' planning.

Mr. FLEMING: Can it be said that apart from whatever balance remains of the 42 naval ships, Canada has discharged all its commitments to NATO, apart from the maintenance of existing contributions of men and equipment?

Hon. Mr. PEARSON: That is true, Mr. Chairman, and I am not even sure that the exception of the ships applies. We will find that out.

Mr. FLEMING: Is it proper to ask the minister for further detail about the nature of those ships?

Hon. Mr. PEARSON: I can get that detail, I think. I do not have it here. We can secure that information.

Mr. FLEMING: I move on now to the part that Germany holds in the importance that the government attaches to current factors that are influencing the course of our external relations. I realize it is not altogether fair to compare Asia with Europe in terms of one of them being the more vital an area of political or diplomatic conflict, but I would like to ask the minister for a statement as to the position that Germany holds in the views of the Canadian government in relation to vital areas of political and diplomatic conflict in the world today?

Hon. Mr. PEARSON: Well, Mr. Chairman, in a word—and of course one always runs the risk of over-simplification in these matters when one gives an opinion in a few words on such an important subject—but in a word we consider—that the position of Germany in regard to security of western Europe is of first importance and that the threat to peace is just as great or remains as great in western Europe as in any other area of the world not excluding Asia,

and that in that threat to peace once again Germany's position is all important. The history of the last 50 years, if nothing else, shows that. In meeting this danger we have taken the position with other NATO countries that it is of great importance to associate a democratic Germany with the western powers—not only with western European powers but with the Atlantic powers—to associate Germany in some form with a collective security system. This has been repeated more than once. While we do, I hope, understand and sympathize with the fears of countries nearer Germany which more than once in recent years have been exposed to German aggression and German invasion—one cannot forget that—while we must appreciate and understand their position, that does not alter our view that the best way to minimize that danger would be to associate Germany in some form with the western European and Atlantic collective system. We feel that if that can be done the position of Germany in such a system would not be a dominating one. It may well be dominating in the western European system but it would not be in a collective system of which the United States and the United Kingdom are also members. Therefore, we hope that the European defence community will soon be in existence because the European Defence Community is to be associated with NATO. Now, if there was any alternative that seemed equally satisfactory from the point of view of preserving the peace and security of western Europe, we would certainly be glad to accept that alternative, but my own view is that there is at the moment no alternative for that purpose which is practicable or satisfactory. As Mr. Eden said in the House of Commons the other day—and I think these words are both wise and succinct—“If Germany is to be neutralized, who is going to keep her neutral? If Germany is to be disarmed, who is going to keep her disarmed?” If you do not feel that this can be done, and it certainly was not done in the 1920's, then the alternative course of limited rearmament as part of a broader security system—not national rearmament, but international rearmament—seems the best way of dealing with the problem. It is not a perfect way. It has its dangers and no one can be unaware of those dangers who knows anything about German history in the last 50 years. We have to keep these dangers in mind, but we cannot see any better alternative.

Mr. COLDWELL: You make a distinction between national and international?

Hon. Mr. PEARSON: I do indeed, a vital part of the European Defence Community is the fact that it provides for not a national German army, but a German contribution to an international European army.

Mr. MACINNIS: Would not her contribution to an international European army have a tendency to keep Germany from thinking in terms of German nationalism?

Hon. Mr. PEARSON: That is what we hope.

Mr. MACINNIS: I think I have put that clearly.

Hon. Mr. PEARSON: That is what we hope. There would be no German General staff. There would be no German headquarters in the European Defence Community and it is to be hoped that the European defence system would provide an outlet for the natural German feeling that they must somehow share in the defence of their own country.

Mr. FLEMING: I suppose we all have in mind the events of recent days as bearing on this next question as to whether there is any real hope that the French national assembly will ratify the E.D.C. with the proposed measure of German rearmament on this international basis. Is the minister in a position to make any comment on that?

Hon. Mr. PEARSON: No, I really am not. I believe I said last week that I did not feel, on the basis of the advice and information which I received, that I was in a position to calculate the chances of an early ratification of the E.D.C. in Paris.

Mr. FLEMING: Are the other countries, our own included, thinking of any time limit—on the necessary ratification? We have had ratification by some of the countries and in the case of one or two countries we have had ratification by one of the houses of their parliament although not by both. The minister has referred to the possibility of considering alternatives if the hope of ratification should be dashed. When is it expected this matter may come to an issue and what plans if any will be made to have the countries concerned meet with a view to considering that situation should it arise?

Hon. Mr. PEARSON: It is felt that the question of completing the ratification with E.D.C. must be decided this year either positively or negatively, but until we are sure that it will not be decided positively it is felt it would be unwise officially to take cognizance of any alternatives.

Mr. COLDWELL: What countries have ratified already?

Hon. Mr. PEARSON: Belgium, Luxembourg, Holland, Germany—and I think the matter is soon to be submitted to the Italian parliament.

Mr. CRESTOHL: To what extent is Austria participating?

Hon. Mr. PEARSON: Not at all. It is still under an occupation regime.

Mr. FLEMING: Is it the intention of the Canadian government to await ratification by France before bringing this matter on before us? What is the intention of the United States and of Britain in this respect, too?

Hon. Mr. PEARSON: In London and in Washington they are still awaiting action in Paris before giving any consideration officially to alternatives. In other words they have by no means given up the hope of ratification.

Mr. FLEMING: I am thinking about ratification. You did not mention the United States and Britain and Canada among the ratifying countries?

Hon. Mr. PEARSON: No, we are not concerned with the European Defence Community as such, but we are all concerned with the relationship between the E.D.C., and NATO. The protocol was drawn up about a year ago which provides for that association. We have taken action in parliament on this protocol.

Mr. KNOWLES: But you have not deposited that ratification?

Hon. Mr. PEARSON: No, I do not think it has been deposited. We took action on June 17, 1952, in the form of approval and I think it was announced at that time that we would not deposit our ratification until we saw what happened in the other countries. That is the position now.

Mr. FLEMING: The matter has remained in precisely the same position as it was on June 17, 1952?

Hon. Mr. PEARSON: Yes, that is right.

Mr. FLEMING: Austria was mentioned by Mr. Crestohl. Has the Canadian government taken any interest in the political future of Austria?

Hon. Mr. PEARSON: Yes, we have. That subject came up at the United Nations Assembly. We took a stand there for the earliest possible restoration of Austria to free status, and on occasion we said that, Austria being one of the first victims of Nazi German conquest, it was unfortunate that Austria should still be under occupation. We have not been directly concerned, because the discussions regarding Austria have taken place between the foreign ministers of the occupying powers; so we have not had to take any direct responsibility. The Berlin Conference showed that for the time being there is no possibility of any action in regard to Austria until the U.S.S.R. changes its policy.

Mr. FLEMING: Have you any authentic information as to the effectiveness of the ban on the export of strategic materials to China or other communist countries?

Hon. Mr. PEARSON: Yes, because we exchange information with other governments directly concerned, particularly with Washington, London and Paris, but other governments too. The direct shipment of strategic materials to China by those countries has been effectively stopped, but there are loopholes in these matters, of course, and some goods are getting into China—even strategic goods. That is something about which we may worry but about which we cannot do very much. However, the regulations, and their enforcement by the governments directly concerned, have been effective in stopping strategic materials.

Mr. FLEMING: Do you know the country of origin of the strategic materials that are getting into China?

Hon. Mr. PEARSON: I think there is some information, but I cannot say offhand. We know, of course, that rubber is being shipped into China by countries who do not accept the United Nations resolution on this subject banning the shipment of strategic goods. There are other countries that are not members of the United Nations and that have not felt bound by that resolution. As I mentioned the other day, they, for reasons that seemed good to them, have felt it necessary to ship these goods to China.

Mr. FLEMING: What countries among the United Nations members have been countries of origin of strategic materials being shipped to China?

Hon. Mr. PEARSON: I cannot speak with any assurance of being absolutely accurate. I would not want to mention any unless I felt absolutely certain, but we get reports, and some of the countries you probably know about. They are not United Nations members and they are not bound by regulations of the United Nations.

Mr. FLEMING: But those are outside the United Nations. I have inferred, perhaps wrongly, from your earlier answer that there may have been some countries which are members of the United Nations.

Hon. Mr. PEARSON: I do not know of any members of the United Nations that have accepted the resolution and that have not been living up to it. But, of course, the members of the Soviet bloc did not accept this resolution, and naturally they are shipping everything they possibly can to China. But apart from the Soviet bloc, I do not know of any United Nations members that have submitted to that resolution and that are not carrying it out.

Mr. COLDWELL: I suppose that some countries are shipping rubber because they actually need rice?

Hon. Mr. PEARSON: Some nations say they must ship rubber in order to get the things from China that they need, and I use rubber as an example—tin is another—and if they did not find a market for these surplus commodities their own economies would collapse.

Mr. FLEMING: Can you tell us anything more than you said in the House on an earlier occasion in this session about plans for revision of the charter of the United Nations, or what revision or amendments the Canadian government has under contemplation, if they have not already been advanced, to the point where it is ready to propose them?

Hon. Mr. PEARSON: Well, Mr. Chairman, I am glad that that matter has been brought up because I will be glad to put a little statement on the record. Doctor MacKay would have done that following me, but I might as well do it now if the committee so desires. I have a short statement on that matter which will outline the position.

Article 109 of the charter, as you know, was as a matter of fact originally proposed by the Canadian delegation to the San Francisco Conference in 1945, and it states that the tenth session of the general assembly—that is the one that meets in 1955, a year from this September—shall have on its agenda a proposal to call a conference to review the charter. That conference will be held if a majority of the members of the Security Council are in favor of it. So it is not by any means certain yet whether we will ever have such a conference. All we are committed to is putting it on the agenda of the tenth session, and then a majority of the members of the Security Council will have to agree to it.

Mr. COLDWELL: Is that a majority without a veto?

Hon. Mr. PEARSON: Yes, without a veto.

Mr. COLDWELL: I remember at San Francisco we got that change.

Hon. Mr. PEARSON: Yes, the Russians were very anxious to have the veto applied to that and I happened to be on that little committee that worked out this article of the charter. If that conference is held—and I am not suggesting that it will not be held, but we do not know for sure—it will not be convened, I should think, until 1956. The decision in respect of holding it will be made in 1955 and the conference presumably will be convened in 1956, that is, two years from now. Under the terms of Article 109, amendments to the charter adopted at the conference must be ratified by two-thirds of the members of the United Nations, including all the permanent members of the Security Council. So, while the permanent Security Council members have no veto in relation to the holding of the conference, they have a veto over any amendments which that conference might propose.

Mr. FLEMING: That would not be a veto in the conference?

Hon. Mr. PEARSON: No.

Mr. FLEMING: A veto when the matter comes back before the council?

Hon. Mr. PEARSON: That is right. Article 109 of the charter, the article that I have just quoted, does not refer to charter revision but merely refers to charter review. In my opinion, this is not a trivial difference in wording but, in fact, represents an important difference in approach. The charter review conference will be expected to review the charter, to consider its operations during the years since San Francisco, to assess its strength and weaknesses as they have been revealed in practice, and to discuss possible improvements. This conference may decide, on review, that it would be folly to try to make any changes at all except, possibly, relatively unimportant ones, because the attitude of the permanent members of the Security Council at the conference will have demonstrated whether it is worth while pushing amendments. Though they may not have a veto at the conference, if in fact the U.S.S.R. or the United Kingdom or another country objects to an amendment at the conference, there would not be much point in pressing it at the Security Council later, because it would be vetoed there.

That does not mean, in our view, that serious study should not be devoted to the charter between now and 1955 to determine whether there are sufficient worth-while amendments to the charter which could be put forward at a conference and would justify convening it. With this in mind, your External Affairs Committee—last year, I think it was—recommended that it be empowered at this session to proceed with review of the charter with a view to submitting proposals to parliament concerning charter review. Some members will recall that discussion. Since that time the subject has been considered by the general assembly through its legal committee at the session which recently concluded at New York. After a full debate, during which there was very considerable opposition expressed to the very idea of amendment, especi-



ally by the communist delegations, the assembly passed a resolution—and this was as far as it was able to go—instructing the secretary-general to prepare a summary of the practice of the United Nations organs and to undertake certain compilation and indexing work on the San Francisco documents so that the essential records would be more readily available. The basic and essential preliminary work will probably not be completed until next year. We sponsored this resolution—the Canadian delegation—and we spoke in favour of it. It seems to me that until we get this basic work completed by the secretariat, that is, until after the next United Nations assembly, we would be unwise in this committee to spend much time or research work on it because we will have ample time later, as the conference is not to be convened until 1956.

Therefore it is the view of my department that it might be better to wait until the next session of this parliament before this committee should undertake a review of the charter with a view to advising parliament and the government as to what might be done.

However, the committee might take a different view, and if it does, we in the department will be glad to cooperate. Meanwhile our department has set up a departmental working group to begin consideration of the subject and we have been exchanging views with other governments as to the best way to tackle it. We hope to start discussion soon with four or five other friendly governments. This working group within the department will later make a report. Meanwhile my own view is in favour of a postponement of consideration by this committee until our department has this report completed and until the secretary-general has made his report to the next assembly.

You may also be interested to know that the Carnegie endowment is carrying on research in this matter in a number of countries including the United States and that it will be producing a voluminous and detailed report on charter revision.

Mr. KNOWLES: Would that report in your department be made available to us?

Hon. Mr. PEARSON: Oh yes. If this committee decided next session to go into this question in detail we would be happy to give you our report, and the secretary-general's report which will be submitted to the next general assembly, and possibly the Carnegie report also.

Mr. FLEMING: I take it that is a matter to be considered by the steering committee, Mr. Chairman.

Now might I ask the minister a question—I am surprised that it has not come up before—about the St. Lawrence waterway. Have there been any recent exchanges on this subject which would throw any light on the prospects?

Hon. Mr. PEARSON: No, not in recent days or weeks. The situation now is that the Wiley-Dondero bill which provides for American participation in the seaway part of the project has passed the Senate and is now before a committee of the House of Representatives, but it has not yet been voted upon there and has not yet, therefore, been referred to the full House.

We had rather expected that this might have been done before their Easter recess, but the rules committee in the House of Representatives in Washington decided otherwise, therefore no action will be taken on the bill by the House for a few weeks yet. Until that action has been taken we cannot be sure whether or not the United States is going to participate.

Now, in so far as the Canadian construction of the seaway and power development is concerned, all the steps required to make this scheme possible—that is, the Canadian scheme—have been taken. The only thing that stands

in the way of construction is the injunction before the Supreme Court of the United States to prevent the New York State Power Authority—which is the agency designated by the Federal Power Commission to develop the power on the American side of the international section of the river—that injunction has not yet been dealt with by the Supreme Court.

It was dismissed by a lower court and an appeal was taken and I think that the appellants have until the end of May. They will hold their appeal presumably until the very last date. But when that appeal is made to the Supreme Court, we hope, the Court will deal with it as speedily as possible. They have, in Washington, cooperated in every possible respect to expedite these legal proceedings. When that appeal is dealt with—and we expect it will be dismissed—then there is nothing to prevent the New York State Power Authority and the Hydro Electric Power Commission of Ontario from starting the power project, which is an essential prerequisite to the whole scheme.

Then there will be a period of some weeks or months during which construction is going on, when it will not matter whether it is to be a Canadian scheme or a joint scheme. However, there will come a time on a date some weeks or possibly a few months after the beginning of the power development when those who are responsible for the total project will have to know whether it is going to be a Canadian seaway or a joint operation. And at that time we will go right ahead, if they have not taken action in Washington, construct it as a Canadian seaway.

Mr. FLEMING: Is the bill that has been submitted to the House of Representatives identical with the bill approved by the American Senate?

Hon. Mr. PEARSON: I think it is—substantially. It provides for participation of the United States in the seaway itself but not in the power development. I can get you the details of it but I have not got them all actually in my mind.

Mr. FLEMING: This present House of Representatives has not very many months to live. Now, if the House of Representatives has not approved the bill before the next election I take it then that the Canadian government will proceed, once the appeal to the Supreme Court has been disposed of provided that the refusal of the injunction is affirmed?

Hon. Mr. PEARSON: That is right, and I should like to emphasize that the delay in Congress is not retarding the construction of the seaway.

Mr. FLEMING: It is the injunction?

Hon. Mr. PEARSON: It is the injunction that is holding up the seaway, because we cannot proceed with the seaway until we get the green light on the power development. But once that injunction is dismissed, there is nothing to prevent the Canadian government from going right ahead. And then it will be up to the United States to act in time if it wishes to take any action; but that will not concern the timing of the seaway itself because there will be no delay there. We will already have started the Canadian part of the project and will go right along without delay from that point.

Mr. FLEMING: I wonder if the minister would announce the members of the delegation who are accompanying him to the Geneva Conference?

Hon. Mr. PEARSON: Yes. I shall be accompanied by Mr. Chester Ronning, our Minister to Norway. He was a representative of ours in the Far East for some years; and Mr. John Holmes, who is the Assistant Under Secretary of State for External Affairs; and Mr. C. E. McGaughey of the Department of External Affairs; and Mr. J. E. de Lotbinière, who will be Secretary of the Delegation.

Mr. FLEMING: There is a report in today's papers that the Canadian Government is considering the withdrawal of troops from Korea in certain events. Have you seen that report and is there any comment you would like to make on it?

Hon. Mr. PEARSON: I saw that report. No, there has been no decision of any kind taken to withdraw troops from Korea in the present circumstances. But naturally we have to give consideration to a possible change in those circumstances which would permit the withdrawal of troops. That is something we want to bring about as soon as possible, namely, the conversion of the armistice into peace. That would be one of those changes of circumstances.

Mr. KNOWLES: A few miles away from Korea there is the Indo-Chinese situation. I was quite satisfied with the answers you gave the other day when we asked you if it was clear that Canada has no commitments which would involve us in action in Indo-China apart from our membership in the United Nations. Perhaps I should leave well enough alone; but in view of the fact that there has been some development in this matter since—and I refer to Mr. Dulles' visit to London and the negative answer he received there from Mr. Eden—I wonder if there is any comment you would care to make? First of all, I would be glad if you would state your position, but have you had any consultation or correspondence about the matter at all?

Hon. Mr. PEARSON: Well, our position is the same as it was in so far as formal and legal commitments are concerned. We have been kept informed of Mr. Dulles' talks in London. Before he went to London Mr. Dulles sent for our ambassador in Washington and explained the situation very clearly and very fully to him as to what he had in mind. We appreciated that very much.

Mr. KNOWLES: But, he did not ask the ambassador for any comments?

Hon. Mr. PEARSON: No. Nor make any suggestions for Canadian action. But, he took a good deal of time from a busy day before he left to tell our ambassador about his visit to London, his talks with other representatives in Washington, and what he had in mind. He said he did this because of our friendly relations and because Canada is a Pacific power.

Mr. KNOWLES: Would you care to express approval of the stand taken by Mr. Eden?

Hon. Mr. PEARSON: Well, Mr. Dulles and Mr. Eden, I think not I, should express approval or disapproval of each other's stand. Mr. Dulles made it clear to Mr. Eden and to others in Washington that he was extremely worried about the developments in Indo-China, and the possibility of greater Chinese intervention there in an aggressive sense. He emphasized the desirability—and has been emphasizing it for the last few days—of building up some sort of collective security system in that area, that is an objective which I think we all approve.

Mr. COLDWELL: Was that conversation before or after Mr. Dulles made public announcement of what he had in mind?

Hon. Mr. PEARSON: It was after his speech in, I think, New York where he talked about united action.

Mr. COLDWELL: It is hard to keep up with his speeches.

Mr. MACINNIS: Can any of the materials Canada has given to France under NATO be used in the France-Indo-China war?

Hon. Mr. PEARSON: We have transferred material to France under mutual aid as a NATO country for NATO purposes.

Mr. COLDWELL: When we give these re-conditioned ships to NATO countries, or re-conditioned equipment, how are they settled for—that is re-

conditioned from the Department of National Defence. Do we receive a payment for our NATO contribution of these ships and equipment, or how is it done?

Hon. Mr. PEARSON: If it is under NATO mutual aid they do not make any payment of any kind.

Mr. COLDWELL: Does the Department of National Defence get any credit for it?

Hon. Mr. PEARSON: The Department of National Defence get a credit which they put into a mutual aid fund and they can use that credit for the purchase of equipment to replace that which they have turned over to the NATO partner.

Mr. COLDWELL: I suppose that is a question for the Minister of National Defence?

Hon. Mr. PEARSON: Yes.

Mr. COLDWELL: Is that in the estimates?

Hon. Mr. PEARSON: Yes, I think so.

Mr. KNOWLES: You have to be a Philadelphia accountant to understand that.

Mr. COLDWELL: I am not clear if that is an additional amount we have in addition to the appropriations made in the House.

Hon. Mr. PEARSON: I think it is made fairly clear in the Department of National Defence records that a valuation is put on the equipment that we turn over to our partners as mutual aid and that amount can be used by national defence for the purchase of military equipment. In other words, if that credit is valued at \$300 million and we appropriate that, that \$300 million can be used to replace equipment which would come out of national defence appropriations.

Mr. KNOWLES: Which would come out of that two billion two hundred million?

Hon. Mr. PEARSON: Yes.

Mr. KNOWLES: That is the point I was not very clear about.

Hon. Mr. PEARSON: I am informed that the Auditor General does pass on all these transactions to make sure that they are within the NATO mutual aid fund.

Mr. RICHARD: As I understand it Great Britain will not be a partner in E.D.C.?

Hon. Mr. PEARSON: Not as such, although she will be associated.

Mr. RICHARD: Will not be contributing?

Hon. Mr. PEARSON: Under the present E.D.C. arrangement, Great Britain does not contribute to E.D.C. as such, but Great Britain has forces on the continent of Europe under NATO which will work with the E.D.C. The question of closer association of Great Britain with E.D.C. has been and is now under consideration.

Mr. RICHARD: Was there a connection between the fact that Great Britain was not more or less a full partner in E.D.C. and France's objection to being a partner themselves?

Hon. Mr. PEARSON: That is one of the factors which have influenced certain people in Paris to oppose E.D.C. That they are being asked in France to do certain things which the British are not being asked to do in relation to E.D.C. They would like a closer integral association of the United Kingdom with E.D.C., some kind of a commitment to maintain forces with E.D.C. They have been talking about that a great deal in France at the present time.

Mr. KNOWLES: I wonder if I might ask Mr. Pearson a question relating to the A-bomb and the H-bomb. I have in mind the popular understanding that is abroad—I even saw it the other night on T.V. so it must be pretty widespread—as to the distinction between these two forces of energy having in mind the notion that the one can be controlled and used constructively whereas the other apparently can be used only for destructive purposes. I also have in mind the fact that there was some considerable discussion in the United States sometime ago as to whether or not to go ahead with experiments on the hydrogen bomb. Bearing in mind those discussions and the questions Mr. Coldwell asked you the other day, may I ask whether Canada through your department, or through the Prime Minister, or through anybody, had any finger in that pie, had any say, or was invited to make any comment at all on whether or not to go ahead with the development of the hydrogen bomb? Similarly, is Canada being consulted today as to whether or not experiments with the hydrogen bomb should be continued?

Hon. Mr. PEARSON: In so far as the first question is concerned, I cannot answer that categorically, but I would point out that any information that the United States might have desired to give us in this matter which would have provided a basis for conversation was limited by the McMahon Act. Whether or not there was any conversation between the two governments as to whether to proceed with this development or not, offhand, I do not know, but I would be glad to look into that.

Mr. COLDWELL: It might not come through your department?

Hon. Mr. PEARSON: It might not.

Mr. KNOWLES: Could I ask whether the Prime Minister—either the present one or the past—might be involved?

Hon. Mr. PEARSON: I cannot answer that, but I will make enquiries. With respect to the second question the implications on our strategy as a NATO coalition and the implications on our political cooperation of these new developments are being discussed at the present time between the governments concerned. The United States government is showing no reluctance to examine that subject with us, it will be discussed next week at NATO at Paris on the 23rd.

Mr. KNOWLES: Including the question as to whether the experiments should continue?

Hon. Mr. PEARSON: Any foreign minister on the NATO Council who feels he has any views as to whether the experiments should continue or not will be quite free to express them at this council meeting, Mr. Dulles and his advisers will be there. There was a hydrogen explosion in Russia a good many months ago, and some of us were even more alarmed at that time because there had only been one hydrogen explosion in the world and that was in Russia. I am not suggesting this other is not alarming, too.

Mr. KNOWLES: May I ask two questions, if you do not mind my putting them together? Can you tell us what views you might express at the NATO meeting? My second question is: have there been any further developments in connection with the matter the minister reported on a week or two ago as to the attempts of the United States, the United Kingdom and the U.S.S.R., at a certain level, to get together?

Hon. Mr. PEARSON: Yes, there have been further developments and I think they are a matter of public record. The disarmament committee of the United Nations which includes a member of the security council plus Canada met last Friday and at that meeting the United Kingdom representative suggested that atomic disarmament be referred to a small subcommittee which should be set up at once and deal with this question as a matter of urgent importance. For that purpose he proposed this subcommittee

consist of the U.K., the U.S.A., the U.S.S.R., France and Canada. Mr. Vishinsky at that meeting was not able to agree at once and said he would refer the matter to his government. He did not object to it particularly, but he did not agree, and he asked for a few days recess until he got the views of his government. The committee is to meet tomorrow to deal with the approval of this subcommittee and if it goes through in its present form without any further debate that subcommittee can deal with this question of the use of atomic energy for destructive purposes immediately and review the whole position in the light of recent developments.

Mr. KNOWLES: And Canada would be very glad to serve on that subcommittee?

Hon. Mr. PEARSON: Yes, we would be very glad to serve on it. We have participated in atomic energy discussions from the very beginning, I think.

Mr. COLDWELL: Who would be our representative on that subcommittee?

Hon. Mr. PEARSON: I do not know, Mr. Coldwell, but we are considering that now.

Mr. COLDWELL: I thought when General McNaughton was on the committee he was a most useful member?

Hon. Mr. PEARSON: General McNaughton was chairman for a while. I can assure you if we are asked to take part we will take steps to see that we are suitably represented.

Mr. KNOWLES: May I ask you about the other question concerning what views you might express at the NATO meetings.

Hon. Mr. PEARSON: No, I do not think I could answer that now except to say that we would wish to underline the importance of recent developments that have necessitated a review of the whole position in regard to United Nations efforts to control atomic energy. We will have to have a new look at it and see whether in the light of these developments the position we took previously is a sound one. The Russians will certainly have to have a look at their position too because we have no reason to believe that our position has not been a valid one, we still think that the last proposal for this purpose which was supported by the great majority of the states in the United Nations—not only NATO states but also Asian, Latin-American, European and North American—is a good one for the control of atomic energy. We would expect that, while we may have to make some changes in our position because circumstances have changed, greater changes would be made by the other side. So far as we can see, and we have been looking at this again in the last few weeks, the crux of the position remains international control and inspection. If this were not all important, then you would not need to disarm because there would be so much faith and confidence in the world there would not be accessive armaments. As long as fear and suspicion in the world is such that it inspires people to build hydrogen bombs the only way we can control the result is by an international agency which will have the rights of continuous inspection all the time—going into countries constantly without any restriction or limitation. This will take the place, we hope, of the confidence and trust that is missing. The Russians have never met us on that point. They have made approaches to our position but when we have tried to cross-examine Mr. Vishinsky—he is a hard man to cross-examine and a hard man to pin down—he has never agreed that any United Nations agency should be able to wander at will in the Soviet Union checking on atomic factories and installations. We have accepted that obligation for ourselves, and so has the United States and the United Kingdom. That is the gap that remains to be bridged.

Mr. KNOWLES: The best chance for a new look at this would be in the subcommittee if they can get going?

Hon. Mr. PEARSON: Yes. We are very anxious that they hold the meetings in private. It is the best chance for success if there is any chance at all. If the meetings start in public before the television cameras and microphones and Mr. Vichinsky begins making public speeches and the rest of us follow, I doubt that it will enjoy much more success than in the past. We have found from our experience that discussions in private around the table are more productive than the other kind in the initial stage of negotiations.

The CHAIRMAN: May we consider that inspection is the most important thing and that negotiations can get nowhere unless there is an admission of the principle of inspection? Is inspection not really the main point?

Hon. Mr. PEARSON: I do not think that we or any other non-communist country could accept any scheme for atomic disarmament or indeed any other kind of disarmament which was not brought under complete United Nations control and inspection.

Mr. KNOWLES: That is right.

Mr. CRESTOHL: I wonder, Mr. Chairman, if we could revert for a moment to the visit of Mr. Dulles to London. Does the Minister not consider it rather distressing that there should have been a disagreement between Mr. Dulles and Mr. Eden?

Hon. Mr. PEARSON: I think Mr. Eden and Mr. Dulles have issued a statement today on this matter in which they have emphasized that there was a good deal of agreement between them, too.

Mr. COLDWELL: The regrettable part of it is that the proposals were made in private without consultation with other governments.

Hon. Mr. PEARSON: I am pretty old fashioned in these matters and I think, other things being equal, it is useful to pursue proposals through diplomatic channels first to see how your friends react to them and try to get a general agreement so that when the proposal is made public for discussion in parliaments and other places it will be one from the group, but however, there are situations—especially for the government of the country which has the biggest share in the responsibility and at times has to act quickly—there are circumstances which may justify a departure from that rule. I think those exceptions should be as few as possible.

Mr. KNOWLES: You have had longer experience as a diplomat!

Mr. CRESTOHL: What would be the substance of that joint statement issued by Mr. Dulles and Mr. Eden? I think it is rather important.

Hon. Mr. PEARSON: It is in the press today, I think.

The CHAIRMAN: Gentlemen, are you satisfied that the minister has completed his remarks?

Mr. RICHARD (*Ottawa East*): I have one little question which has nothing to do with this. Are we invited any more, or are we still considering joining the Pan-American Union, or is it a thing which has been forgotten?

Hon. Mr. PEARSON: Well, the matter is not under active consideration at the present time. No action was taken at the recent meeting in Caracas of the conference there to extend an invitation or to look into the question of Canadian membership. There was a statement by the general secretary of the Pan-American Union in which he deplored the absence of Canada but no other reference was made to that fact. I think I can only say that we are not taking the initiative at this time in regard to this matter.

Mr. GARLAND: What is the background of that matter? Have we been invited previously?

Hon. Mr. PEARSON: No, we have never been invited. In fact, some years ago it was made clear that we would not be welcome as a member of the Pan-American Union, back in the thirties.

Mr. COLDWELL: Was it not before that time that President Coolidge instructed the American delegation not to support any proposal for the admission of Canada to membership in the Pan-American Union?

Hon. Mr. PEARSON: We showed some interest in the Pan-American Union in those early days in the thirties, when we were building up our own foreign service. The United States was always polite about our obvious interest then in becoming a member, but one day the State Department published—I think it was in the late thirties—a volume of state papers of a few years before. Apparently they had not checked those papers as carefully as they might have, because there was a dispatch among them from, I believe, the Secretary of State, to their delegation to the Pan-American conference in Havana, to the effect that: If the question of Canadian membership in the Pan-American Union comes up, have nothing to do with it. They did not put it quite that way—you never do in a state paper—but we have encountered enough of these expressions to know just what they mean. The situation is now, of course, different.

We belong to some of the Pan-American technical organizations, and they are useful—the Pan-American Sanitary Bureau and bodies like that. We work closely with the Latin-American delegations at the United Nations.

Mr. COLDWELL: Some of them.

Hon. Mr. PEARSON: And some of them make a very, very good contribution at the UN. We have a particularly close relationship to Brazil and Chile at the United Nations Assembly, because we sit beside them. That is the influence of propinquity on policy.

Mr. KNOWLES: Byelorussia also sits close.

Hon. Mr. PEARSON: They are right beside us.

Mr. GARLAND: Do we agree that membership would be useful?

The CHAIRMAN: In the Pan-American Union?

Mr. GARLAND: Yes.

Hon. Mr. PEARSON: In view of the fact that the government have not made up their minds on this matter, I would answer that question by saying, "Yes and no".

Mr. RICHARD (*Ottawa East*): At this stage, this country might be more popular and welcome than some other countries in the Pan-American Union. I do not think that the United States is at this stage any more popular than Canada would be with some of the Latin-American countries.

Hon. Mr. PEARSON: If we have not taken any initiative in joining the Pan-American Union, that does not mean that we are not as anxious as we can be to strengthen our friendly relations with the Latin-American countries. We are. We have indicated that desire in recent years by developing our diplomatic contacts and by strengthening our relations in other ways. We consider our relations with the Latin-American countries very important.

The CHAIRMAN: I think that I am expressing the views of all the members of the committee when I say that we appreciate the minister's co-operation very much, and we wish him a very fruitful and agreeable trip, if it can be agreeable, to the next conference.

Gentlemen, I will leave it to you as to what is next on the order of the day. We are supposed to have with us today the Acting Under-Secretary of External Affairs. Now Doctor MacKay is with us, and he had a brief concerning the recommendations made by the committee in previous years; It is



quite lengthy. Would you care to adjourn, and we would fix a meeting after the Easter recess; or would you like him to proceed now? It is already twenty minutes to five.

Mr. COLDWELL: There are so few members here that I think we will probably get a duplication of questions if we have Mr. MacKay today. I think we had better wait until after Easter.

The CHAIRMAN: I wanted your opinion before calling Dr. MacKay to the table to start the evidence—the brief is quite lengthy and most interesting—I think that we would like to wait until we have more members present after the recess.

Mr. FLEMING: If the brief is all prepared, could it not be put on the record, so that between now and the time of reassembly after the recess we could have a look at it?

The CHAIRMAN: I happen to have one copy, the same as the other documents, but it has been considered in the past—and I think it is a good rule—that such documents should be circulated only at the meeting where the witness starts reading them. Our minds should be quick enough to grasp what is in such documents as he proceeds.

Mr. COLDWELL: I am not criticizing the reporters and the staff, but it is a long time before we get the transcript of evidence, and we may not get it until after Easter, with the holidays intervening.

Mr. CRESTOHL: Cannot we have copies of that report so that we can study it between now and the next session?

The CHAIRMAN: The practice in the External Affairs Committee, as in other committees, has been to distribute such things the moment the witness comes before us. First of all, there are not enough copies to be distributed to everyone, and, secondly, it is a courtesy that the witness extends to us by giving us copies, there is no rule or necessity for doing so. I do not think that it is right to have the copies circulated long in advance; the gentleman himself may want to reconsider. There is a part in this statement that deals with the revision of the charter of the United Nations, which has been dealt with by the minister this afternoon; so the deputy minister, seeing that he is not appearing today, might want to leave this out of his brief and reconsider the latter.

Mr. COLDWELL: I think that is better, and it is better for him to read it to the committee.

The CHAIRMAN: With your consent, the committee will stand adjourned to meet at the call of the chair. We will have a meeting sometime during the first week after the recess. You will be given ample notice.



HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

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WEDNESDAY, APRIL 28, 1954

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Main Estimates of the Department of External Affairs

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Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs.

CORRIGENDA

Meeting of April 13, 1954  
(No. 3 minutes of proceedings)

Page 55, line 10, insert the name of Mr. Arnold C. Smith before the words "*Special Assistant*".

Page 55, line 11, insert the name of Mr. S. D. Hemsley, Head of Finance Division, External Affairs.

## MINUTES OF PROCEEDINGS

(4)

WEDNESDAY, APRIL 28, 1954.

The Standing Committee on External Affairs met this day at 3.30 o'clock. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Boisvert, Coldwell, Crestohl, Croll, Fleming, Green, Henry, James, Jutras, Knowles, Low, MacInnis, Mackenzie, McMillan, Nesbitt, Picard, Pinard, Richard (*Ottawa East*), Starr, Stick, and Stuart (*Charlotte*). (21)

*In attendance:* Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs; Mr. R. M. Macdonnell, Assistant Under-Secretary; Mr. S. D. Hemsley, Head of Finance Division.

The Chairman informed the members of the difficulties he encounters in setting the days of the meetings to avoid conflict with other committees.

After discussion, on motion of Mr. Crestohl, it was agreed that the Chairman take the initiative and call a meeting of Chairmen of all active committees with the view to arriving at a satisfactory agreement on days and hours of committee meetings.

Mr. Coldwell suggested that the question be considered by the Subcommittee on Agenda and procedure.

Copies of the following were distributed:

1. Statement of Acting Under-Secretary of State for External Affairs.
2. Progress Report—New Delhi, 1953—Colombo Plan.
3. External Affairs Monthly Bulletin of January, 1954.
4. Statistical summary of technical co-operation Program (1950-March 31, 1954) as prepared by the Department of Trade and Commerce.

*Ordered,*—That the statistical summary referred to above be printed as an Appendix (*see Appendix A to this day's evidence*).

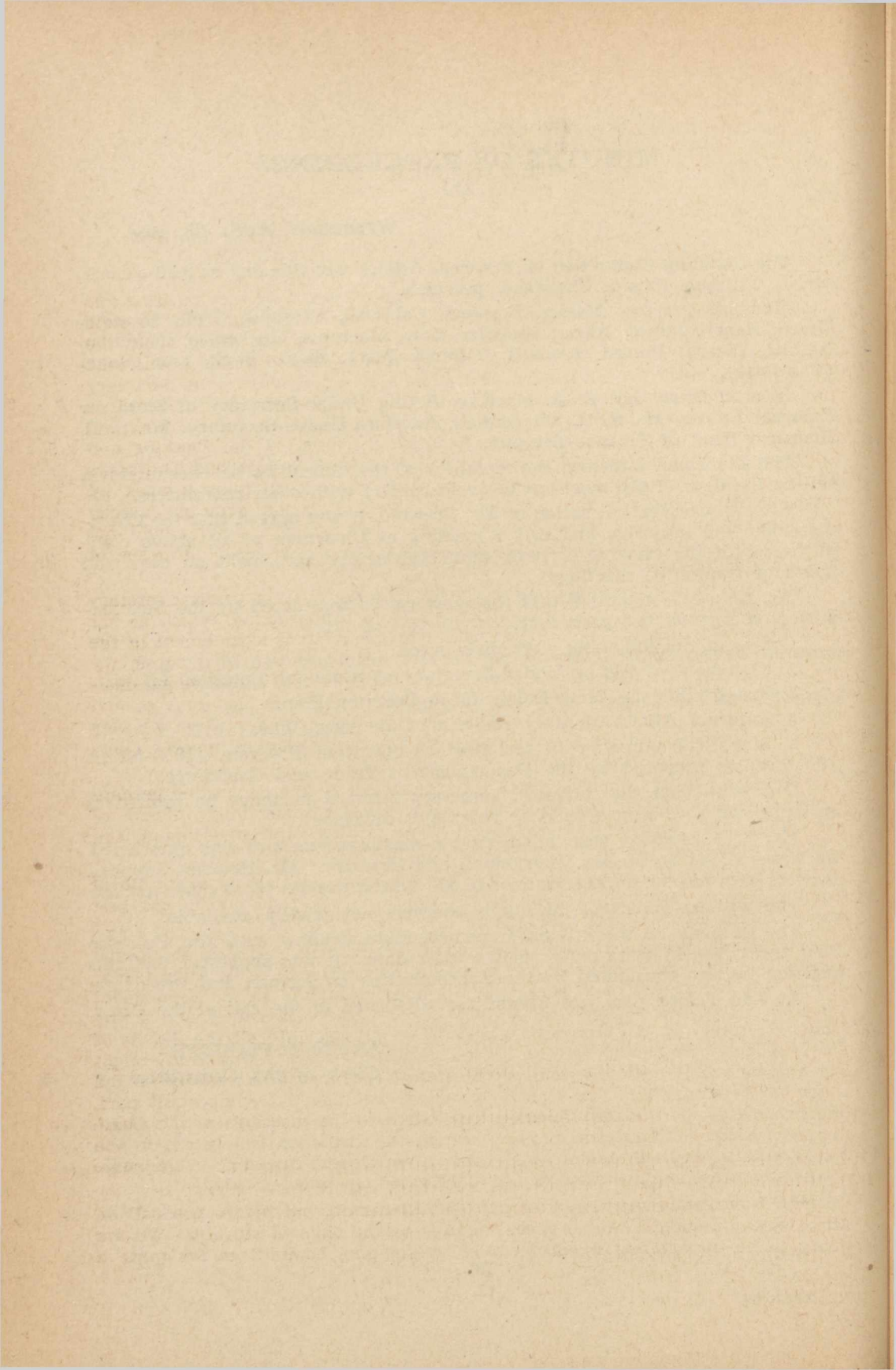
Mr. R. A. MacKay was called, read a memorandum and was questioned. He was assisted by Messrs. Macdonnell and Hemsley. Mr. Hemsley supplied answers with respect to contributions to the United Nations by member nations.

The witness undertook to supply answers not readily available.

The sections of the witness's memorandum dealing with the Colombo Plan and CBC—IS were deferred to a later date. It was suggested that this question be also considered by the Subcommittee on Agenda and Procedure.

At 5.40 o'clock p.m., the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE  
*Clerk of the Committee.*



## EVIDENCE

APRIL 28, 1954.  
3.30 p.m.

The CHAIRMAN: Gentlemen, we now have a quorum. We are meeting this afternoon and it may be our only meeting this week. I would like to state that I polled or called many members of the committee and asked about the convenience of the days of meeting for the next week. I think I will take the full responsibility for stating that Mondays and Fridays were not very agreeable to most members, and that was the result of the poll. Therefore since some members such as Mr. Low object to sitting while the Banking and Commerce Committee is sitting, I called the chairman of the Banking and Commerce Committee who said that he had retained Tuesdays and Thursdays until the end of his meetings. So I think if we want to sit twice a week we could sit on Wednesday afternoon and any other afternoon, such as Tuesday or Thursday, and then we will make some progress. Mr. Croll would not agree to give us Tuesday or Thursday, half of the day at least. In view of that I think this will be the only meeting this week.

We have today as our witness Dr. R. A. MacKay, acting Under-Secretary of State for External Affairs, who will speak to a memorandum which he has prepared and which will be circulated in a moment. It is a statement of the recommendations made last year, by the committee, and of what action the department has taken with it. Other material will be distributed which deals with some of the questions dealt with in that report. So before the next meeting we will decide whether we can go into the estimates when we may have Dr. MacKay and other witnesses from the department to answer questions on each item of the estimates.

Since this is Dr. MacKay's first appearance before the committee perhaps I might be permitted to say that Dr. MacKay was for some time professor of government at Cornell University and then professor of government and political science at Dalhousie University from 1927 to 1947.

His first appearance in Canadian public life was as a member of the Royal Commission on Dominion-Provincial Relations in 1937-1940 which was best known as the Rowell-Sirois Commission.

Dr. MacKay entered the Department of External Affairs as special assistant to the Under-Secretary of State for External Affairs in August 1943 and except for a very brief period he has been constantly in the department since then and now occupies the post of deputy Under-Secretary and acting Under-Secretary at the moment. I do not want to go into all the details of Dr. MacKay's background because I know he would object to that, but I might say that he was deputy chairman of the Inter-departmental committee on the union of Newfoundland and Canada in which he played an important part, and he was adviser to the Canadian Delegation to the meetings of the Commonwealth Prime Ministers in 1949, and to the Canadian Delegation to the North Atlantic Council on many occasions. I am pleased to extend in the name of the committee our welcome to Dr. MacKay as our witness today.

Mr. Low: I am sorry to interrupt, Mr. Chairman, but before you call on Mr. MacKay I should like to speak relative to the days of sittings. We are going to be up against the problem of overlapping committees for quite a

long time and I would think that now is the time to determine whether we can have two sittings of this committee a week. I do not see how we can possibly get through our work unless we do. Certainly it would mean no undue claim upon the time of the members of this committee if they were asked to stay here on Friday and to attend this committee.

The CHAIRMAN: Then we might ask the banking committee to stay one week on Friday and the next week we would stay on Friday. I do not think it would be fair to ask the members of the committee—except those who like you, Mr. Low, live in Ottawa for the whole session—but I will take the full responsibility for saying, as I mentioned a moment ago, that I polled the members of the committee and there was objection to sitting by quite a large number, on Monday and Friday.

Mr. COLDWELL: Might I ask a question, Mr. Chairman? What members of the committee did you poll? I was not polled.

Mr. KNOWLES: And neither was I.

The CHAIRMAN: I polled those who were not living in Ottawa, not those who were staying permanently during the session in Ottawa. I phoned at least 15 members of the committee among those who might be absent on Monday morning or Friday afternoon and the general consensus was—even amongst the conservative members—that we should endeavour to sit either on Tuesday, Wednesday or Thursday.

Mr. KNOWLES: I do not think that such a suggestion should be given such general circulation.

The CHAIRMAN: As I said, some of the members did not want to give their names and I will take it upon myself to say that I cannot sit on those days. Would it not be possible that an agreement could be reached with the banking committee that they would sit on Friday morning one week and we would sit on Friday morning the next week and we would have Thursday of one week? I do not see why one committee should have the privilege of having Tuesdays and Thursdays and that we should be relegated to other days as it may suit them. So the proposal was that we should sit Wednesday afternoon and one other afternoon during the week, preferably on a Tuesday or a Thursday.

Mr. COLDWELL: I agree with you and I do not think it is fair to ask this committee to sit on Friday in order to relieve other people. It is my belief that all the committees of the House should sit on Friday.

The CHAIRMAN: I agree.

Mr. COLDWELL: I do not see why we should not, if we are elected as members of this House of Commons.

The CHAIRMAN: I do not see why some committees should reserve certain days a month ahead for their sittings and not give us a chance to have our own sittings once in a while on those days during the week. We have 35 members on this committee and only 8 of them are members of the banking committee.

Mr. KNOWLES: Some of us are members of a committee which also meets on Friday morning. It should be Friday afternoon or Wednesday.

The CHAIRMAN: I am sorry. I am willing to relinquish the chair but I surely would not sit on Monday. I am willing to take the blame and I know that I speak for a number of people that I polled.

Mr. GREEN: You mentioned conservative members.

The CHAIRMAN: I did not name them. I was asked by one of them not to mention his name, and he said that he was not available on Friday.

Mr. GREEN: There may be one of them who did not want to sit on Friday morning but the majority of them do. I do not think that Mondays and Fridays should be ruled out as business days here particularly at the latter end of a



session and particularly when there are some people who prefer to be home to attend to their own affairs, and especially since the indemnities have been increased.

The CHAIRMAN: That will sound pretty popular in the press. I am not here to defend members of one party or another. But might I answer the member and then he will speak. I have questioned the members who have taken part in the work of the committee and it was agreed that they would prefer not to sit on Fridays, and that is why I have tried to make an arrangement so that we would sit one Friday and then skip the next one, but I could not come to an agreement with the chairman of the banking committee, Mr. Croll. But if we sit whenever we may decide to sit, we may come into conflict with other committees because the Capital Punishment Committee is sitting, and there is another one sitting on Wednesday afternoons. We have five members of our committee sitting on that committee this afternoon; and there is another committee also on some other day of the week and the only way we could arrange it would be to sit on Monday morning and Friday night and I do not intend to do so.

Mr. CRESTOHL: Has there been a meeting of the chairmen of the various committees to try to coordinate the committee meetings?

The CHAIRMAN: There was no meeting but there were phone calls and they could not agree. Each one had already decided that he should get such and such a date and decided that he would carry on with those dates.

Mr. CRESTOHL: Then might I suggest that it would be in the best interests of the committee if you take the initiative and try to convene the chairmen of all the committees and attempt to work out a schedule that would satisfy everyone.

The CHAIRMAN: I will take that as a motion.

Mr. HENRY: I second it.

The CHAIRMAN: I will surely do that tomorrow. I will send out notices tomorrow morning and try to get all the chairmen of committees now sitting to meet tomorrow afternoon in order to see if we could not please everybody.

Mr. MACINNIS: Might I draw your attention to this point: I do not think it is quite fair to say that in anything any member says here that he is aiming to be popular with the press. I think it is quite unfair for the chairman to suggest that any member is talking to the press.

The CHAIRMAN: Don't we all?

Mr. MACINNIS: The chairman may, but I am not. He suggests that we cannot meet here on Fridays and Mondays because some of the members do not find it convenient to do so. Suppose some members here do not find it convenient to do so. Suppose some members here do not find it convenient to be here on Wednesdays or Thursdays. Our convenience has just as much right to be considered as the convenience of those who cannot meet on Mondays and Fridays. I suggest that it may not meet my convenience to be here on Tuesdays, Wednesdays and Thursdays, and that we might never have a committee meeting for that reason. If the chairman cannot be here, we should have a deputy chairman, and why should the committee meetings be held up for the want of a chairman?

The CHAIRMAN: When I referred to speaking to the press I meant that Canadians are interested in what we are doing. Therefore the press is here to convey a report of what is going on in the committee. That is not an accusation with respect to any member that he is talking to the press. It means that all of us who speak in this committee are talking to the people of Canada through the press, therefore I do not think there is anything unfair in that.

Mr. MACINNIS: But that is not what you meant.

The CHAIRMAN: Well, that is what I intended to mean.

Mr. KNOWLES: You put the committee in this position by your official remarks which made it necessary for us to discuss the matter, otherwise what the members would have heard was that it was the general desire of the committee not to meet on Mondays and Fridays. It is my view that most of us are here on Mondays and Fridays. We do not want a wrong impression to go out, and I hope it has been corrected.

Mr. RICHARD: Does not this foolish question arise in every committee every year that some people may not want to meet on Mondays and Fridays? I grant you that, like any other committee, we should be able to meet on Mondays and Fridays but I do not agree with the position that we should always put ourselves at the service of other committees who meet on days other than Mondays and Fridays. I do not think there is any other question before us and I think the committees should alternate the Mondays and Fridays.

Mr. COLDWELL: It was suggested, I believe, that there should be a steering committee.

The CHAIRMAN: Yes, and it will be assembled. My intention was to assemble it next week in order to determine the next order of business of this committee and at the same time we could discuss this matter.

Mr. COLDWELL: If there were a steering committee it would relieve the chairman of having to come before us and tell us what his decision was. I think it would be better to broaden it through a steering committee.

The CHAIRMAN: It was only my decision. I said that I was willing to take the blame, and that it was the expressed view of quite a number of people.

Mr. COLDWELL: How many people?

The CHAIRMAN: I took it up with 12 or 15 people but I do not think I should be called upon to name them since some of them expressed the view that they would not like their names to be mentioned as not wanting to sit on Fridays. That is why I was willing to take the blame.

Mr. COLDWELL: None of my colleagues or myself were phoned.

The CHAIRMAN: No, because you live in Ottawa.

Mr. COLDWELL: That does not mean that we may not be away over the weekend. I, myself, sometimes go to Montreal, usually on Friday night but I come back on Monday. But it may be that I would like to be away and I do not think that this phoning should have been confined to other members or the people who were phoned. As I said at the outset I do not believe that it is the proper thing for Members of Parliament who come here to go home every Friday until Monday when we are supposed to be here during the session.

Mr. CRESTOHL: If Mr. Coldwell should go to Montreal for the weekend, I believe his absence would be in order.

Mr. COLDWELL: Thank you very much.

Mr. CRESTOHL: But I would not leave if I were a member of a committee which was going to hold a sitting.

The CHAIRMAN: I believe that Mr. Richard expressed the view that we should not be forced to take a back seat to any other committee. Do you agree?

Mr. COLDWELL: Yes, I agree.

The CHAIRMAN: That was the point. The point was that we should not be forced to take days which the other committees have agreed not to take. That is why I suggested a Wednesday. I asked the chairman of the banking committee, Mr. Croll—I am sorry he had to go although he told me that he would

stay here—that we would alternate one Thursday afternoon and one Friday morning of each week. That was my suggestion and it was not agreed to. He said: We have Tuesdays and Thursdays and we will keep them until the end of our work. That was the objection I think which was made to the rule, such as last year, when we sat only on Mondays and Fridays in order to oblige other committees.

Mr. COLDWELL: I agree with you, and I think it should apply to all the committees of the House and not just to this committee.

The CHAIRMAN: I am sorry if I have not expressed myself clearly, and I want to say to Mr. MacInnis that my reference to the press was in no way to be considered as being any reflection on any member. I mean that when we talk to the press we all talk so that our words may be interpreted to the people of Canada through the press.

Mr. HENRY: Is there not a motion?

The CHAIRMAN: The motion which I thought had been agreed to, was that Mr. Crestohl moved that I try to get together the chairmen of all the committees so that we could try to agree to see that the meetings will not overlap. Is that motion agreed to?

I will phone the gentlemen tomorrow. I had intended to get the steering committee of this committee together sometime in the afternoon tomorrow, but we will try to arrange and have both meetings next week before the next meeting of this committee.

Mr. HENRY: I have no objection to Monday or Friday and I think we should leave it in good hands. Who are the members of the steering committee?

The CHAIRMAN: The names will be given to the committee at the next meeting.

Mr. HENRY: You will be referring to them?

The CHAIRMAN: Yes, tomorrow afternoon. It was my intention to have them come together tomorrow afternoon or next week. Now, Dr. R. A. MacKay is with us, as I stated a moment ago.

Mr. COLDWELL: Perhaps this might be a convenient time for you to give us the names of the steering committee.

The CHAIRMAN: I have not got them before me just now but I will let you have them.

Mr. COLDWELL: Yes, so that we may know.

The CHAIRMAN: I intended to have a meeting at 3:30 tomorrow afternoon and you will be notified in the morning.

Mr. COLDWELL: Who will be on the steering committee?

The CHAIRMAN: Mr. Low—

Mr. COLDWELL: Was it not left to the chairman?

The CHAIRMAN: There were nine members and not five, as Mr. Low suggested. It is a matter of record.

Mr. Low: I think you are misinformed. There were five members.

The CHAIRMAN: The secretary of the committee cannot be wrong. I may be wrong, but the secretary of the committee in past years cannot have been wrong and it is in print in the reports of the last four years. There you will find the names of the nine members. I am willing to take a lot on my shoulders, but not that. Now, Dr. MacKay.

**Mr. R. A. MacKay, Acting Under-Secretary of State, called:**

The WITNESS: Mr. Chairman, with the permission of the committee I should like to follow the practice of previous years and make a statement

about some of the activities of the department. A convenient starting point is presented by the recommendations which were made by the committee in its final report to the House of Commons last year.

In the recommendations which it made at that time the committee touched on a number of broad questions of Canadian policy in international affairs. Thus the committee expressed support for the United Nations and for the North Atlantic Treaty Organization, and urged that the St. Lawrence Waterway be pressed to completion with every possible despatch. Statements which have been made by ministers at different times since then have made clear the prominence which the government gives to these objectives.

#### *Colombo Plan*

Other recommendations of the committee touched more directly the estimates and operations of the Department of External Affairs and I should like to refer to them individually. The first dealt with aid to the people of South and Southeast Asia, which accounts for a significant item in our estimates.

The committee noted last year that considerable progress was being made under the Colombo Plan and through United Nations agencies in giving aid, advice, and technical training to the people of South and Southeast Asia. The committee recommended that the needs of the under-developed countries of this area be kept under continuous review so that Canada might continue to give "every reasonable assistance to these deserving people".

I am happy to say that, since this committee last met, progress under the Colombo Plan has been well maintained. In this connection I should like to draw to the attention of the committee the Progress Report on the Colombo Plan drawn up by the consultative committee at its New Delhi meeting in October last. (This report was tabled in the House of Commons on December 15, 1953, and copies have been distributed to all members of parliament.)

The New Delhi Progress Report, and the communique issued at the end of the meeting, which was published in the January External Affairs Bulletin, described far better than anything I might say, the steady forward movement in the development of Colombo Plan countries, both individually and in aggregate. Without going into detail I might, however, mention that despite the fall in export earnings in most of these countries following the decline in raw material prices after the Korean boom, and despite the resultant fall in exchange reserves, national income, and revenue, it was generally true that more was spent for development purposes in 1952-53 than in the previous year. For most of the countries development has moved out of the planning stage, and their programs are now being vigorously prosecuted. Many of the benefits will not become immediately apparent, but already tangible results can be reported. As might be expected, the main emphasis in the individual country programs is generally on the increase of food production, and on the improvement of communications and the availability of power. These needs are, of course, basic to the further development of the Asian economies. Our capital assistance under the Colombo Plan has been very closely related to the requirements in these sectors.

Much of course remains to be done. Standards of living are still very low, and even to maintain these standards a progressive increase in total output would be required to keep up with the rapidly growing population of the area. Members of the committee will appreciate that external aid, however critical and important, is only a supplement to the efforts which the new countries of South and Southeast Asia are themselves making to improve their lot. Most of the countries of the area are themselves extending a degree

of assistance to their neighbours. Thus the Colombo Plan is a genuinely co-operative effort between the member countries, net recipients as well as net contributors.

The Colombo Plan is often thought of as a Commonwealth program. The initiative most certainly came from the Commonwealth, and it is an initiative of which I think we can all be proud. However, almost from the beginning it was recognized that the need for co-operative help was urgent throughout the area, and that the amount of external assistance likely to be required could not be found from the older Commonwealth countries alone. I am glad to report that in addition to the original Commonwealth countries, Indonesia, Burma, Nepal, and Cambodia, Laos and Viet Nam are now full members of the plan, as is the United States, which has been making a very substantial contribution in the form of economic and technical assistance.

Members of the committee will have noted that under Vote 101 provision is being sought for Colombo Plan capital and technical assistance in 1954-55 in the amount of \$25,400,000, which is the same as last year. This money is required to carry forward some of the projects which Canada has already undertaken to assist, and to finance further aid in response to requests for help from the different countries in South and Southeast Asia.

A summary of Canadian capital aid and technical assistance up to the middle of 1953 appears on pages 77 to 80 of the New Delhi progress report. There have been a number of developments since this report was prepared and these include agreement to provide India with 120 steam locomotives at an estimated cost of \$21 million and with industrial raw materials (aluminum and copper) to an amount of \$5 million. These raw materials will be fabricated in India for development purposes. The program of aid for Pakistan for 1953-54 has not yet been completed, but agreement has already been given for the use of a further \$3.5 million for the Warsak Irrigation and Hydro-Electric Project to cover the cost of providing consulting engineering services and certain additional equipment.

Last year it was not possible for Mr. Cavell, the Administrator of the Colombo Plan in Canada, to appear before the committee. It will be recalled that he was in Southeast Asia at the time working out with the different countries practical and useful projects for Canadian aid. This time Mr. Cavell is in Ottawa, and if it is the committee's wish, he is available to appear and answer any questions which members may wish to put about the projects we are assisting and the Colombo Plan in general.

#### *Technical Assistance*

On the technical assistance side, the level of activity has accelerated during the year. Requests for our help have risen, and we have been able to fulfill more of the needs. Expenditure for Colombo Plan technical assistance in 1953-54 is likely to reach a level of approximately \$400,000 as opposed to actual expenditure in 1952-53 of some \$206,000. Next year it would appear that rather more of the combined vote for the Colombo Plan will be required for technical assistance activities if the current level of our assistance is to be maintained, and if additional requirements are to be met.

Under the United Nations Expanded Technical Assistance Program, Canada last year contributed \$800,000. This was approximately \$50,000 less than the amount voted because the total of contributions failed to reach the target figure and our contribution was adjusted accordingly. As members will have noted from Vote 95, the amount included in the estimates for 1954-55 is \$850,000. However the committee will be aware that Canada has pledged

a maximum contribution of \$1.5 million (U.S.) for the 1954 program, provided that support from other contributors warrants such action, and provided the total of contributions would in our view be sufficient to keep the program at an economically sound level. In fact, contributions pledged for 1954 have exceeded \$24 million. This is a record total, made up of the pledges of 70 countries—the largest number of participants to date. My minister has already informed the House of Commons that since it seems clear that the conditions laid down with respect to the increased Canadian contribution would be fulfilled, it will be the intention of the government, when that is confirmed, to include a figure in the supplementary estimates that would bring our total contribution to the maximum amount pledged.

I am afraid I have taken up a good deal of time in this review of our Colombo Plan and technical assistance activities. Before, however, moving on to other questions, I should like to remind committee members that Mr. Sinclair, the Canadian delegate to the 1953 New Delhi meeting of the consultative committee, issued an invitation, on behalf of the Canadian Government, to hold the 1954 meeting in Canada. This meeting will take place here in Ottawa next autumn. Plans for the meeting are actively underway.

*Soviet Bloc Contributions to U.N.*

In considering the budget of the United Nations the committee last year, while noting that the contributions by the Soviet Union and most of its satellites had been somewhat increased, recommended that Canadian Delegations to the General Assembly of the United Nations should continue to urge that the scale of assessment of those countries be brought in line with their ability to pay.

The United Nations Committee on Contributions recommended to the eighth session of the general assembly held last autumn, a scale of assessments which included increases in the rates of contributions of the members of the Soviet bloc for the fourth year in a row. The recommended percentage of the total contributions payable by the U.S.S.R. was raised from 12.28 in 1953 to 14.15 for 1954. That of the Ukrainian S.S.R. was raised from 1.63 to 1.88, that of Poland from 1.58 to 1.73 and that of the Byelorussian S.S.R. from .43 to .50. This scale of assessments was adopted by the general assembly, against strong opposition from the Soviet bloc, by a vote of 50 in favour (including Canada) to 6 against with 2 abstentions.

#### *ICAO*

In recommending the continuance of current policies, the committee last year recommended continued assistance to the International Civil Aviation Organization in order to ensure that its headquarters were retained in Canada. This has been done and an item appears again in this year's estimates to help provide the organization with office accommodation.

#### *Passport*

Similarly it was recommended that there be kept under review the issuance of passports to persons who travel to countries behind the iron curtain and whose loyalty appears to be divided between communism and our democratic way of life. As in the past, this question has been kept under careful review.

#### *Charter Review*

Last year the committee referred to possible revision of the United Nations Charter, but as the minister has already discussed this question with the committee there is no need for me to cover this ground.

## CBS-IS

I should now like to turn for a moment to the relationship between the Department of External Affairs and the International Service of the Canadian Broadcasting Corporation. This was discussed at some length last year and the committee recommended that a close liaison continue to be maintained between the two agencies so that an appropriate and continuous policy will be followed in the broadcasting of messages to other lands. We think that considerable progress has been made in this direction. A separate section was set up in the department in March 1953 to give special attention to maintaining general liaison with the International Service and giving it guidance on Canadian policy in international affairs. This section has provided the International Service with guidance notes and with a wide variety of background material. Its officials and those of other divisions in the department have supplemented this documentary guidance by frequent informal consultations with officials of the International Service. This close liaison has produced both in the department and in the International Service a better understanding of the relation between our foreign broadcasting and our foreign policy. Continuity of policy in broadcasts has been ensured partly through the guidance and assistance which I have mentioned and partly through a careful examination by officials in the Department and in our posts abroad of selected scripts on political subjects already broadcast to various parts of the world.

*Property*

The remaining recommendation of last year's committee dealt with the important and at times complex question of property abroad. It was recommended that the costs of acquiring real estate for embassy or other purposes be kept under continuous review to ensure that proper value is received for moneys spent and to ascertain, in each instance, whether it is more economical to purchase or to lease property. We have been conscious of a need to strengthen the division in the Department which deals with properties, for with the expansion of Canadian representation abroad the number and complexity of property problems have inevitably increased. Operating as we do in countries with widely varying customs, climates and legal and political systems we find little uniformity in the conditions which we face when it comes to renting, buying or building accommodation. I am glad to say that arrangements are well advanced with the Civil Service Commission for the addition to departmental strength of staff to deal with property and furnishing problems and in particular for the services of a second architect based in Ottawa. He will be available to give technical advice and when the occasion arises to supervise construction and purchase programs in areas not easily served by the department's architect in Paris.

It might be helpful if I were to outline the considerations which influence the department in recommending purchase or construction abroad rather than rental. Experience has shown that purchase or construction is desirable or even essential when one or more of the following conditions apply:

—Where suitable accommodation is not available on a reasonable rental basis.

—Where rented accommodation will require costly renovations which a landlord will not undertake.

—Where rented premises lack the amenities considered essential for and by Canadians, and where the cost of placing such amenities in rented buildings cannot be justified (central heating is an example).

—Where security of tenure is uncertain.

—Where rental accommodation is not desirable because of high rent, necessary alterations, or the probability of costly claims upon termination of occupancy, or a combination of these factors.

—Where purchase may be the only way to avoid a move from a desirable or established location when a landlord, for some reason, decides to dispose of his property.

In this year's estimates a sum of \$700,000 for "Unallotted Capital Items" is requested in Canadian funds, under Vote No. 87, to permit the Department to acquire residence and office properties abroad where one or more of the previously mentioned conditions apply. During the past year some progress was made in the acquisition of properties at Posts in South and Southeast Asia where living conditions are difficult for Canadians and, as far as possible, the same area will be given priority during the fiscal year 1954-55.

The department has, during the past year, carefully reviewed all proposed construction projects of major importance. Such major projects are, at present, four in number: a new chancery in Paris; a new residence and chancery in Rome; chancery additions and staff residential accommodation in Tokyo; and a new chancery in The Hague.

A review of the The Hague chancery project resulted in a decision to reduce the size of the building originally proposed. The revised plans, with working details and specifications, are almost complete, and tenders for construction will be called for within a few weeks. The estimated requirement of \$200,000 in blocked funds for the fiscal year 1954-55 represents, roughly, two-thirds of the estimated cost of the building.

The department undertook, during the year, a further review of the Paris chancery project. The size of the proposed building has been reduced and the appropriate plans and specifications are now being prepared. It is hoped to begin construction early in the fiscal year, and \$300,000 in blocked funds provided in the estimates is approximately two-thirds of the total estimated cost of this project.

It is proposed to spend \$125,000 on capital development on the embassy site in Tokyo. This will include enlargement of the chancery at a cost of some \$70,000 or \$80,000, some outbuildings and possibly a modest residence for a married member of the Canadian staff.

The construction of a residence and chancery on the site owned by the Department in Rome was delayed because of difficulty in meeting local regulations relating to location of different classes of buildings on the one site. As a result, the Department is studying a number of possibilities. One is to sell the site and purchase existing buildings to serve as residence and chancery. Another is to make alterations and improvements in the house which stands on the site, if this can be done in such a way as to make a satisfactory residence. A sum of \$100,000 (which would be spent from blocked funds) is included in the estimates to permit a start on construction of a residence if other alternatives do not prove feasible. It is considered that the cost of such a residence would not exceed \$325,000.

#### *Inspection*

There is one further aspect of the department's operations in which the committee might be interested. During the past year we have taken the first steps towards instituting a regular system of inspection of our posts. In the past posts have been visited occasionally when opportunity offered, but it is our intention to place inspection on a more regular basis. We believe it to be both administratively sound and in the interests of good morale that our posts, and particularly those in remoter areas, should not go too long without a visit by officers from headquarters. The purpose of these surveys is to examine on the spot such administrative matters as financial administration, security, property questions and matters relating to establishment and personnel, and



to discuss with posts the general effectiveness of their work and the particular problems which they face. We believe that such surveys will improve both our administrative arrangements and the effectiveness of the work done by our posts. In addition, the department in Ottawa will have more first-hand knowledge of the problems faced by posts, which will contribute to the efficiency of the service, and something will be done to meet a feeling that is common to all foreign services and is perhaps somewhat pronounced in ours because of the absence hitherto of an inspectional system—a rather despairing feeling when abroad that no one at home understands or cares about your particular difficulties. Eventually we will probably want to develop a full-time inspectional service, as several older foreign services have found necessary. For the present, however, we plan to use senior officers from the department, assisted by junior officers with administrative experience, and to arrange perhaps twice a year for inspectional visits that would include seven or eight posts each. We believe that the time and money involved will be fully justified in improving the operations of the Foreign Service. The first of these visits was carried out last summer and proved most useful both to the department and to the posts concerned.

That brings me to the end, Mr. Chairman, of my introductory statement. We will of course hold ourselves ready to give you any further information that your Committee may request.

The CHAIRMAN: May I suggest that in the period of questioning we proceed by items. I think that we should first deal with the Colombo Plan and explore it until there are no more questions on that, and then pass to the next item, "Technical Assistance", and so on.

Mr. COLDWELL: I note that Mr. Cavell is now in the city and would be available. He gave us such valuable information before that if we could arrange to call him we could delay the discussion of the Colombo Plan perhaps until he is before us, and that would facilitate the business of the committee. I do not know how other members feel about that.

The CHAIRMAN: If any members have questions they would like to ask today, it is quite in order, but I think that it was agreed with Mr. Pearson that at a later date Mr. Cavell would come before the committee. Maybe when the steering committee meets we may decide to call him on the day when the estimates for the Colombo Plan are dealt with by the committee. That will be brought before the steering committee so as to plan the work of the committee for the next meetings.

Mr. NESBITT: There is another matter along those lines regarding the International Service of the Canadian Broadcasting Corporation.

The CHAIRMAN: I am sorry. Could we not deal with the brief by items?

Mr. NESBITT: I realize that, Mr. Chairman, but I think that the type of suggestion that was then made might very well apply to this particular item of the International Service of the Canadian Broadcasting Corporation. I think it would be of great assistance to the committee when we come to this item if we had available before us the type of programs that have been broadcast, because there is no indication of what these are or anything about them. I wonder if they could be made available for the next meeting of the committee?

The CHAIRMAN: If I may say so, that also will be submitted to the steering committee, but the idea was, when I spoke to the minister, that all these advisers from the department and the International Service people would be available to the committee when we want them. It is just a question of whether it should be at the next meeting or when we reach this particular item in the study of the estimates I think members will agree that we had probably better proceed, and when we take the estimates and we come to International Service,

that will be the time to bring in the officials of the International Service, and not necessarily at the next meeting. The types of programs and so on should be brought by those people themselves, so that they may answer questions on them when we deal with the particular item in the estimates, if I may be permitted to say so.

*By Mr. Green:*

Q. There is one question that I would like to ask Mr. MacKay in connection with the Colombo Plan. What is the view of the department on the feasibility of an increased amount being spent? I find that invariably people feel that this plan is so much worth while that a larger amount should be spent, and they keep asking me why Canada does not increase her payments. Could you give me the answer to that question? I think that it should come from the head of the department rather than from Mr. Cavell.—A. Mr. Chairman, the amount spent is a matter of high policy on the part of the government. I would not like to express any opinion as to the adequacy or inadequacy of the amount asked for in appropriations this year. I might say this, however, that in the earlier stages of the plan it was almost difficult to spend money wisely. The general idea, of course, behind the Colombo Plan is to encourage the economic development of Southeast Asian countries, and for that reason, as suggested here in this review, money has been spent primarily on such matters as water power development, irrigation, transportation, and so on. For a considerable time it was very difficult really to find appropriate projects on which we felt we could spend money properly. It is a good deal easier now.

Q. That is what I was wondering about. I can quite realize that when the plan was first set up it would be very difficult to spend large sums of money efficiently, but has the plan not now reached the stage where larger sums could be spent efficiently?—A. Of course, the Colombo Plan originally was based on a five-year estimate, and there has been, as far as I know, no consideration by the Colombo group of countries as to what next. We are now in the third year.

Mr. COLDWELL: Were all these countries contemplated as coming into the Colombo Plan when it was initially set up? Have we not extended the aid to other countries? As I remember, Cambodia, Burma, Ceylon, Pakistan and India were included. I do not remember Viet-Nam nor Indonesia.

The WITNESS: I am sorry to say that I cannot answer that question in detail. I am not sure.

Mr. COLDWELL: If so, would it not follow along Mr. Green's line that if more countries are included maybe the funds are not as adequate as they were originally?

*By Mr. Green:*

Q. Was it not the intention at the beginning that other countries should be associated with the plan? I think the publicity given at the time was to the effect that countries such as Indonesia might be included in the plan as soon as it was possible to arrange for their entry.—A. I am not sure what countries were invited originally.

Q. I take it from your answer that the plan still has two years to run and, therefore, that the annual amount spent by Canada is fairly well fixed at the figure of \$25 million for the plan for that period?—A. As I understand it, that \$25 million is our commitment per year. There is nothing to prevent parliament from raising the amount.

Q. Are there any administrative difficulties in spending more money officially under the plan?—A. I would hesitate to answer that question.

Mr. CROLL: Let me put it this way. Are there projects submitted by those countries which are at present not acceptable to the government because the funds are lacking?

The WITNESS: I have to speak in very general terms. I have not been dealing in detail with the Colombo Plan, but my understanding is that so far projects have been turned down because they were not thought to be sound rather than because funds were lacking.

*By Mr. Coldwell:*

Q. Mr. Cavell would be able to give us more information?—A. Yes.

Q. I was going to ask you this. The figure mentioned is \$25,400,000. Is the \$400,000 an additional amount for certain purposes?—A. Yes, for technical assistance. Originally there were two separate votes, but now they are combined under the one Colombo Plan vote.

Mr. RICHARD (*Ottawa East*): If we were to provide an additional amount, whatever it would be, it would be for something that is not provided for immediately or in the near future in our commitments for plans under way now. The money that is being supplied now would fulfil our commitments in the projects that have been undertaken?

The WITNESS: I think that we have been careful not to commit ourselves to continued projects which would entail over-expenditure of the figure on which the government originally agreed.

Mr. MACKENZIE: Was it not the basic principle behind all this plan to assist the countries to help themselves rather than to give them any great material benefit—just to assist them to reestablish themselves or develop their own resources?

The WITNESS: Perhaps I might interject here, Mr., Chairman, that I think there is often some misunderstanding about the Colombo scheme, just because we have from the beginning used the word "Plan". "Plan" implies a scheme that has been thought out in advance, whereas the Colombo scheme, after all, is rather a scheme to encourage these countries to come forward with projects of their own into which they will put very considerable amounts of funds and into which other countries will put some funds; but there is no general plan at all.

Mr. STICK: We have had a discussion in the House about increasing our \$25 million. As I understand this plan, we cannot vote another \$5 million or \$6 million without consulting the countries themselves as to what they need and as to whether they require this additional money and making arrangements with them. I think that some people have the idea that we should increase it without consultation with those countries. If we vote money here, we must know where the money goes. We must consult the Indian government or the Pakistan government as to what the projects are and how much is required, and so on. We must know that beforehand. I think myself that it is the opinion of the country and parliament that if there is a worth-while project the extra money will be voted. I think that is the basis of our voting.

Mr. COLDWELL: Is there not a list of projects from which we select the ones that we think will be economically feasible and which we will assist? Is that not the way it is done? There may be a dozen projects presented, of which we perhaps agree to help pay for six or eight or ten, as the case may be. Is that not the method?

The WITNESS: Yes, generally.

*By the Chairman:*

Q. Is there not a consultative committee of the Colombo Plan that looks over the many recommendations of the different governments concerned?—A. No, largely it is carried out by bilateral arrangements.

Q. There is no over-all committee ruling over such things?—A. There is an advisory committee that studies such questions and then it is a matter of arrangement between the two countries to decide whether the project will go ahead or not.

Mr. COLDWELL: I think there is some misunderstanding regarding our contribution of food to these countries. When we contribute food to them, do they not charge the amount to themselves, as it were, and use the proceeds for some other project?

The WITNESS: Yes, they use the proceeds for a project of which we approve.

Mr. CRESTOHL: Perhaps it would be helpful if Doctor MacKay could give us some qualification of the words "deserving people" in the last line of page 1 of his submission.

The WITNESS: That was the language of the committee last year, sir.

Mr. CRESTOHL: Yes, maybe, but I was just wondering what is meant by "every reasonable assistance to these deserving people".

The CHAIRMAN: I understand that it was the text of the recommendation of the External Affairs Committee of the Canadian parliament last year that Doctor MacKay has used here.

Mr. CROLL: Mr. Crestohl, being a member of that committee, undoubtedly knows what that means.

Mr. CRESTOHL: I did not have the privilege of sitting on the committee last year. If I had I probably would have known.

Mr. COLDWELL: It is rather patronizing language.

Mr. CRESTOHL: I asked for a qualification of those words; whether it was for construction, for helping the progress of the country, or deserving in the way that Mr. Coldwell has referred to—providing them with food—or providing them with the means of helping them to help themselves.

Mr. MacINNIS: Perhaps it means people on our side.

Mr. CRESTOHL: It could mean that, but that is why I asked for some qualification.

Mr. STARR: I would like to know who has the authority to say that these countries qualify under the plan.

Mr. CRESTOHL: You mean, what makes them deserving?

The CHAIRMAN: The witness may be the one to answer that.

The WITNESS: In general, as I understand it, they are admitted by the other members at the consultative committee meetings that occur, normally, once a year. At the recent meeting in Delhi, for instance—as I think I mentioned here—Indonesia, Burma, Nepal, Cambodia, Laos, and Viet-Nam were asked if they would send representatives, which they did and they were formally voted in.

The CHAIRMAN: It is the consultative committee that would study that question?

The WITNESS: Yes, as I understand it.

Mr. Low: Did I understand Doctor MacKay to say that new countries coming in were asked to send representatives to the consultative committee, or did they themselves make application for assistance under the Colombo Plan and then after that were they invited to attend the meetings in order to put forth their plans?

The WITNESS: I must admit that I am rather hazy about that, sir, but my understanding is that they did not ask for assistance; they were invited to attend the meeting.

Mr. STICK: By whom?

The WITNESS: All the members not only receive but they contribute what they can. They are expected to pitch in themselves and make some contribution, not only to their own development but to other countries of Southeast Asia. For instance, India is a very heavy contributor.

Mr. Low: What I was a little puzzled about was how these countries got started towards membership or participation in the plan. I think that was what my friend, Mr. Starr, had in mind; whether the countries made application to the consultative committee for participation or whether they were invited after some survey had been made and the invitations based on some sort of need.

The WITNESS: I wonder if I could ask that that question remain over, and we will look it up.

Mr. Low: Yes, fine.

Mr. STICK: I think that you had better give us a detailed report on this New Delhi committee of which you speak; how it was instituted and how it functions.

The WITNESS: I think that is dealt with in the progress report.

The CHAIRMAN: The progress report issued in October.

Mr. STICK: We got it only this afternoon and we have not had time to read it.

*By Mr. Henry:*

Q. Is this plan confined to the countries of the British Commonwealth only?—A. No, sir. One of the heaviest contributors is the United States.

Q. I mean, the beneficiaries under the plan?—A. No.

Mr. STARR: Can any country in the world ask for aid under this plan?

The WITNESS: As I understand it, the general qualification is that it is for South and Southeast Asia.

Mr. MACKENZIE: Do I understand that contributions made from Canada are all based on the U.S. dollar?

The WITNESS: We make our contributions in Canadian dollars.

Mr. MACKENZIE: I noticed in the report you read that the amount is based on the U.S. dollar.

Mr. MACINNIS: Am I correct in assuming that Burma was offered aid under the plan earlier and refused, and has since agreed to come in?

The WITNESS: That is my understanding, sir.

*By Mr. Knowles:*

Q. Mr. Chairman, now that Burma has been mentioned, I would like to ask Dr. MacKay a question which has its basis in a letter which I have before me from a friend of mine in Winnipeg in the medical profession. My friend has reminded me that Dr. M. R. MacCharles who was a member of a team of three professors who visited Burma in 1952 for the purpose of studying and reporting on medical education in that country, has made a certain recommendation to the Canadian government as to the way in which Canada might help Burma under the Colombo Plan. As I understand it, Dr. MacCharles' suggestion is that Canada might send to Burma a team of 10 of the best young medical graduates of fellowship degree in the Royal College of Physicians and Surgeons of Canada to stay there for two years to give practical instruction in

modern methods of surgery, radiology, and anaesthesiology; and then there was this further suggestion that Canada should donate to Burma a cobalt therapy unit from the Chalk River plant. I understand from my friend that Dr. MacCharles' suggestion has been approved by other medical men in the country and I should like to point out as well that Dr. MacCharles was greatly impressed with the native intelligence and keenness of the Burmese surgeons, but felt that they needed practical instruction; and that once they had received that instruction they could train their own students.

I know that the name of Dr. MacCharles stands very high with anyone who knows him or knows of his work. Perhaps I should say that two or three years ago he saved my life. Maybe that is to his credit or maybe it is to his discredit, but I ask that it be not held against him. May I now ask Dr. MacKay if he knows if consideration has yet been given to what strikes me as a very valuable suggestion as well as a very concrete and specific suggestion?—A. I am sorry but I cannot answer that question. That is the type of question which, might I suggest, might be more properly addressed to Mr. Cavell who is dealing with specific projects.

Q. It occurred to me that that might be the case, but that it might be well to have it on the record so he could deal with it the next time he is here.

Mr. Low: Inasmuch as Mr. Cavell is going to come before us at a later date perhaps we might postpone our discussion of the Colombo Plan until that time.

The CHAIRMAN: I am quite agreeable to any suggestion. Very well we will postpone "Technical assistance."

Mr. COLDWELL: Yes.

The CHAIRMAN: Then we come to "Soviet block contributions to U.N." We will delay our questions on the Colombo Plan until such time as Mr. Cavell is here which will be at a later date when we are considering the estimates and reach that item.

Mr. GREEN: Does Mr. Cavell also administer the Technical Assistance Plan?

The WITNESS: Yes.

The CHAIRMAN: Yes. Are there any questions on page 4, "Soviet block contributions to U.N.?"

*By Mr. Coldwell:*

Q. I think we ought to say that they have been increased somewhat. The three countries are now paying 16.53 of the budget which is a lot better than they were doing two years ago. Do you know if they have paid up? That is another thing.—A. I have not heard that they have not paid. They normally have been pretty good to pay up.

Q. Do you know if they made their contribution to the Technical Assistance Fund which is, of course, of interest to us because our contribution is related to the total?—A. I understand that the administrator, Dr. Keenleyside visited Moscow and discussed their contribution, and my understanding is that a satisfactory arrangement has been reached.

Q. You do not know the nature of it?—A. We had some confidential information about the nature of it but I do not think it would be appropriate for me to mention it here.

Mr. CRESTOHL: Do they make their payments in American dollars?

Mr. COLDWELL: Yes, they have to, I think.

The CHAIRMAN: Just a minute.

The WITNESS: I am told that their contribution to the Technical Assistance Fund was offered in rubles. That may have been straightened out, but I am not sure. I do know that their contribution to the U.N. budget is normally in dollars.

Mr. McMILLAN: To what sub-agencies of the United Nations does the U.S.S.R. contribute? I know that they do not contribute to W.H.O.

Mr. COLDWELL: They joined one yesterday, which I read about, the I.L.O.

The WITNESS: I wonder if you would mind letting that question stand over.

Mr. McMILLAN: All right.

*By Mr. Starr:*

Q. When the general assembly of the United Nations passes an assessment of contribution, does that mean that the assessment becomes mandatory on the country in question to fulfil that assessment or to contribute that amount?—

A. That is my understanding, but I would not like to get into a legal argument over it. My understanding is that once it is approved by the assembly, it is valid.

Q. Irrespective of whether they make progress payments against it or not?

Mr. Low: They might perhaps withhold their payments and agree to apply them against their vote. I think they have protested against their allotment, but still they paid.

The WITNESS: Yes.

Mr. Low: So it is reasonable to suppose that they would pay in the future.

The WITNESS: Yes, I think so.

Mr. Low: There is nothing to say, however, that they will.

The CHAIRMAN: Are there any further questions, gentlemen, on "Soviet Block Contributions to U.N."?

Mr. Low: I was going to ask Dr. MacKay about the statement at the top of page 5 where it says that the Soviet block was strongly opposed to the increased allotment and there was a vote of 50 in favour (including Canada) to six against with two abstentions. Which were the abstaining countries?

Mr. HEMSLEY: I am speaking from memory, but I think that it was Greece because they were asking for some relief from their contribution because of their great earthquake. I think their position was such that they probably abstained, and I think the other country was Burma who had a resolution before the Fifth Committee suggesting that before the nations were actually assessed they should be advised of the assessment. But the concensus of the Fifth Committee was that they did not like it. I was told that they thought it would involve a lot or a mass of negotiations with the nations; and I imagine that Burma was the other one.

Mr. HENRY: These contributions to the United Nations are based on the productive capacity of the member nations according to their assessment. Is that not correct?

The WITNESS: Perhaps I might ask Mr. Hemsley.

The CHAIRMAN: I think you could ask him and give an answer as some percentage which we could relate to the total and then let them be addressed to the witnesses.

The WITNESS: Possibly Mr. Hemsley might answer your question, Mr. Henry. Mr. Hemsley was the Canadian representative on the budget committee last year and I think perhaps he could answer that question better than I could.

Mr. HEMSLEY: The assessments are arrived at by the committee on contributions which represent about nine or ten countries. They are financial experts and statistical experts who call for statistical information and the economic position of the country; and the assessments are based on a combination of factors, one of which is the economic position of the country;

another factor is its capacity to pay and its access to foreign currency; and another important factor is the amount of reconstruction that it has to do in its own country. Britain and the Soviet group were damaged; it was residual war damage and those factors are taken into consideration in arriving at their percentage. The committee on contributions considers all those factors and then puts forward a recommendation as to what the different national percentages should be.

Mr. JUTRAS: Is Canada still represented on the committee?

Mr. HEMSLEY: No. Mitchell Sharpe was on the committee, but we are not on it now.

Mr. HENRY: What is the total percentage of contribution of the Soviet Union and her satellites in round figures?

Mr. HEMSLEY: About 17 per cent, I would imagine.

Mr. COLDWELL: 16·53 for the Soviet Union; 14·15 for the Ukraine; and 1·80 for Bylo Russia. Combined that gives you 16·53.

Mr. JUTRAS: You would not put them together?

Mr. COLDWELL: They are all one country.

Mr. HEMSLEY: It would be something like 17 per cent.

Mr. HENRY: What is the percentage of the United States of America?

Mr. HEMSLEY: 33½ per cent.

Mr. HENRY: And of Canada?

Mr. HEMSLEY: 3·3 per cent.

Mr. COLDWELL: And of the United Kingdom?

Mr. HEMSLEY: 9·80 per cent. The United Kingdom had a reduction last year and the general assembly resolution was to the effect that no member state should pay more than one-third, so this current year that is one-third of the total budget. So the budget for 1954 is based upon a one-third percentage for the first time. There was a rather heated debate because the United States are having a reduction and the United Kingdom are having a reduction while the others are going up.

Mr. COLDWELL: What is the percentage of France, which had a considerable deficit?

Mr. HEMSLEY: 5·75.

Mr. JUTRAS: What is our per capita as compared with the United States?

Mr. HEMSLEY: It is slightly higher on a per capita basis than the United States. And they have also agreed to the principle that no member state should, in normal times, contribute more per capita than the heaviest contributing country; but that gets them into difficulties because there are three of us now who are over the per capita, or over the United States per capita, ourselves, New Zealand, and Sweden. But until new members are interested we are not disposed to complicate the issue because we would have to shift the burden onto possibly somebody who was less able to pay than some of the other countries in there.

Mr. COLDWELL: Are we much over?

Mr. HEMSLEY: No.

Mr. HENRY: This slowness in contributing on the part of Russia and her satellites is merely a reflection of her economic inability to produce, and of the Russian way of life.

Mr. HEMSLEY: That inconsistency was pointed out quite definitely to them when they were bragging about their domestic economic development when on the other hand they were not prepared to accept the increased contributions.



Mr. JUTRAS: Is it not based mostly on the fact of our inability to get at their proper statistics?

Mr. HEMSLEY: That is one thing.

The CHAIRMAN: On page 5, "International Civil Aviation Organization". Are there any questions?

*By Mr. Green:*

Q. Would there be any increase in the amount paid by Canada through its membership in this organization?—A. No. It will be the same as last year.

Q. Is that in effect a permanent or annual commitment?—A. It is a moral commitment, I would say.

Q. It would be necessary to continue making the payments each year out of fear the organization might move its headquarters elsewhere?—A. I would say so, quite probably.

Mr. COLDWELL: Has there been any change in the membership of this organization during the past year or any withdrawals from it?

The WITNESS: No change, sir.

Mr. CRESTOHL: Has there been any talk about their moving headquarters from the Province of Quebec?

Mr. STICK: They are coming to Ottawa.

Mr. COLDWELL: I heard it said they were coming to Ottawa.

Mr. CRESTOHL: I would like to have an answer to the question.

The WITNESS: There have been rumours to the effect, but I do not think there has been any decision.

*By Mr. Crestohl:*

Q. There has been no discussion as far as our representatives are concerned?—A. I should not like to say. We have a representative down there. It is a fairly technical subject and is very much on the fringe of the department. I am not sure what is going to develop.

Q. Are we to consider your answer as saying that there are such rumours or discussions going on?—A. I think that is safe.

Mr. GREEN: Why do they want to move?

Mr. CROLL: They would not be taxed here.

Mr. COLDWELL: It might be.

*By Mr. Croll:*

Q. Do they enjoy any immunity from taxation by reason of their international aspects?—A. They do enjoy immunity from federal taxes just as diplomatic missions.

Q. Do they enjoy immunity?—A. From federal taxes?

Q. Well, as diplomatic representatives?—A. Yes, it is exactly the same status.

Q. Then wouldn't they normally enjoy the same immunity under provincial legislation?

Mr. COLDWELL: That depends on the province.

The WITNESS: That seems to be a disputed question at the moment.

*By Mr. Crestohl:*

Q. I have another question. If there was some contemplation about moving the headquarters from the Province of Quebec, would not our representative on the committee be consulted or sit in on a conference on the subject?—A. I would imagine so, yes.

Q. Has there been any return to the department on that, other than those rumours that you told us about?—A. Perhaps I might put it this way: There has been some confidential correspondence which I would not feel free to reveal.

Mr. NESBITT: May I ask: What is the value, or the approximate value of the present headquarters of this organization?

Mr. COLDWELL: Who owns the building, or what rent do they pay for it?

The WITNESS: We shall see if we can dig it up for you. I am not sure.

Mr. NESBITT: The answer to my next question perhaps might be tabled at the next meeting. Is this building owned by the organization or is it merely rented property?

The WITNESS: I think it is owned by the C.N.R. and rented.

*By Mr. Crestohl:*

Q. Would you know whether any representations were made, or whether any negotiations have taken place with the government in connection with the location of the headquarters in the province, or its removal?—A. I am afraid I could not answer that question.

Q. I would like to have an answer. Is there any special reason for hesitating to answer it?—A. You mean correspondence between I.C.A.O. and the province?

Q. Either correspondence or negotiations or any exchanges with the Province of Quebec?

Mr. MacINNIS: How would he have any knowledge of that?

Mr. CRESTOHL: We have a representative on the committee.

The CHAIRMAN: I think that is a question which the witness could hardly answer. That is a matter between two different bodies and they have nothing to do with our Department of External Affairs.

Mr. KNOWLES: But we are represented on I.C.A.O.

The WITNESS: The closest link is with the Department of Transport rather than with the Department of External Affairs.

The CHAIRMAN: May we say that such is the question and the witness will endeavour to have an answer brought to the committee in the same way that the minister usually does, when answers are brought at the next meeting for all questions which are not answered immediately.

Mr. JUTRAS: On the question of exemption from taxation, you said that they enjoy a diplomatic privilege. Does that apply all through to Canadians who are working for I.C.A.O.?

The WITNESS: No. My understanding is that they are in exactly the same position as Canadians working in embassies here. Those Canadian citizens are liable to taxation the same as any others.

Mr. CRESTOHL: Are we taking it for granted that we can anticipate having a reply to my question at the next sitting?

The CHAIRMAN: I understand that the witness has agreed that they will endeavour to have answers brought forward as early as possible, as the minister usually does on questions where he has to gather material.

The next item is "Passports", on page 5.

Mr. Low: In connection with this item, Doctor MacKay stated that this question has been kept under careful review during the year, referring to the question of issuance of passports to people who may want to visit countries behind the iron curtain. With what result has this whole thing been kept under review? When I ask that I mean: have any applications for passports for travel to other countries been refused?

The WITNESS: As far as I know, there have been no refusals but there is, of course, a general requirement that anyone going behind the iron curtain must report at Canadian missions.

*By Mr. Coldwell:*

Q. Is it difficult for Canadians to get visas into the Soviet Union—A. That is not our business; it is the business of their government.

Q. How many people have reported, say, in Moscow during the past year? You may not be able to give the answer today.—A. I would not be, but probably next time.

Mr. COLDWELL: Some other time.

Mr. STICK: As I understand it, Mr. Chairman, you cannot refuse a passport to a legitimate Canadian citizen. There is no policy about it, but when they go behind the iron curtain they are supposed to report to the nearest Canadian embassy. I think that was the situation when it was discussed in the House about a year ago.

The CHAIRMAN: I thought that the Prime Minister stated at the time that the issuance of a passport was a privilege and not necessarily a right that every citizen enjoyed—not that I entirely agree with the idea, but it was expressed as government policy at the time.

Mr. LOW: I recall that.

Mr. STICK: You do not have to have a passport to get behind the iron curtain.

The CHAIRMAN: The government maintained it as a policy that it was not the right of every Canadian to obtain a passport; it was a privilege.

*By Mr. Green:*

Q. May I ask Doctor MacKay if there has been any change whatever in the issuance of passports of this kind in the last year? I ask that because the committee made a definite recommendation on the subject last year as follows: The government keep under review the issuance of Canadian passports and their use by persons who travel behind the iron curtain and whose loyalty appears to be divided between communism and our democratic way of life. If I remember correctly, the members of the committee were very much concerned last year about some of these people who had been getting Canadian passports and then going to North Korea and coming back and making all kinds of statements about what had been done there by the troops who were fighting the communist armies. What I would like to know is whether as a result of this recommendation by the committee the department has made any change whatever in the regulations which cover the issuance of passports to people who leave for such purposes.—A. No, sir, I do not think that there has been any substantial change. The policy with respect to issuing passports is, after all, not really a matter of departmental regulation. The departmental regulation is subject to government policy, and the department has not been required to refuse passports.

Q. The department has made no change whatever as a result of this recommendation by the External Affairs Committee?—A. No substantial change, sir.

*By Mr. MacInnis:*

Q. I am not so sure that I would agree that the issue of a passport to a Canadian citizen should be something that would fall within the jurisdiction of the External Affairs Department. I have every confidence in the Minister of External Affairs and his staff, but I do not think that the question of whether a citizen gets a passport or not should be something to be determined by the External Affairs Department.—A. May I correct the impression I seem to have given? I did not mean to say—

Q. I did not find fault with your answer.—A. The department merely administers the policy.

Q. I am finding fault with the point that the department cannot change the policy.

Mr. COLDWELL: Was it not suggested in the House that it would be following the iron curtain countries' line if we refused to give passports to these people, but if they got into these countries and got into difficulties, it is not our obligation to get them out of trouble? Have any passports been lifted from persons who assisted those countries during the past year? That was one point made last year, that where you had people going into these countries and coming back and making utterances that might be regarded as seditious and undermining our efforts in Korea and so on, their passports could be lifted.

The WITNESS: So far as I know, there has been no failure to comply with the general regulation to register.

Mr. COLDWELL: I do not think that there should be any interference with the issuance of passports to Canadian citizens.

Mr. MACINNIS: It is useless to deny a passport to anyone, because a person does not need a passport to leave the country and they do not need a passport to enter a country behind the iron curtain.

Mr. CROLL: Did I understand the chairman or Doctor MacKay to say that the issuing of a passport was not a right but a privilege?

The CHAIRMAN: I personally said that last year during a discussion in the House the Prime Minister himself maintained that point, and I think that Mr. Low agreed that he remembered the Prime Minister having said that. I stand to be corrected, and we can look into it.

Mr. LOW: That was my understanding at the time.

The CHAIRMAN: I do not say that I agree with that. I say that I understand that that had been said.

Mr. CRESTOHL: I understood that the Prime Minister's statement was just the reverse.

The CHAIRMAN: Let us re-check with the report and bring it forward at the next meeting.

Mr. CROLL: That was the reason that I asked the question. It seems to me that that is a serious deviation from our usual standards.

The CHAIRMAN: We will have the clerk of the committee check the *Hansard* report of last year and we will bring this information forward at the next meeting.

Mr. LOW: At any rate, Mr. Chairman, that has not been made the policy to be administered by the External Affairs Department?

The WITNESS: No.

Mr. STICK: Have you refused any passports?

The WITNESS: I did not understand Mr. Low's question.

Mr. LOW: In any event, if the Prime Minister did say what the chairman suggested, it has not been translated into policy by the External Affairs Department?

The WITNESS: No.

Mr. CRESTOHL: How has the External Affairs Department been regarding this? Has it been regarding every Canadian citizen as having a right to receive a passport?

The CHAIRMAN: That is a matter of policy; perhaps the question should be asked of the minister himself.

*By Mr. Crestohl:*

Q. Doctor MacKay may know if the department has been conducting affairs on the basis that every Canadian citizen has a right to a passport, and there must be special reasons for that right to be denied him. That is my understanding of the Prime Minister's statement.—A. Perhaps that is a fair statement of the policy which the department has been required to follow. Of course, when you say that every citizen has a right to a passport, you must remember that there are certain regulations that he has to comply with, for example and he has to pay his \$5 or \$10, as the case may be.

Q. Shall we say that every citizen is entitled to receive a passport after complying with the formalities?—A. I think that that is perhaps going a little too far.

Q. Unless there are special reasons for denying him that?

Mr GREEN: What are examples of special reasons for denying a passport?

The WITNESS: I should think failure to comply with the regulations. If a man going behind the iron curtain fails to register, I think that is clearly an occasion when we could deny the reissue of a passport.

Mr. COLDWELL: You could pick up the passport?

The WITNESS: We would pick it up.

Mr. COLDWELL: That is the reason I asked just now if you had picked up any.

*By Mr. Green:*

Q. Is the issuance of a passport based on any legislation?—A. I do not think that there is any specific Canadian legislation. It is really one of the prerogative powers of the Crown, I should think.

Q. Then it must be a discretionary act?—A. I would not like to enter into a legal argument, not being a lawyer.

Q. But if it is a prerogative right of the Crown, then it must be perfectly clear that a person cannot come along and demand it.

The CHAIRMAN: We may be coming to the point I expressed a moment ago.

Mr. GREEN: I think that the department should be able to find out about that point.

The CHAIRMAN: We will ask the witness to take this as notice of a question, and the answer will be brought to the next meeting.

"Charter Review" was dealt with by the minister the other day.

"C.B.C.-I.S."

*By Mr. Starr:*

Q. I have a question regarding that. How many language groups are broadcast behind the iron curtain under the International Service of the C.B.C.?—A. Iron curtain languages?

Q. Yes?—A. Five, sir. Czech, Polish, Russian, Ukrainian and Slovak.

Q. Is the same policy followed out by all of these language groups in the broadcasts?—A. Yes, in general the same policy line is followed, but, of course, there would necessarily be adaptations according to local conditions. You would not necessarily give the same news story, for instance, to Czechs as to Russians.

Q. Is this policy set by the External Affairs Department?—A. I should say that in general it is carried out under broad policy directives of the External Affairs Department.

Q. Has the policy been changed since last year?—A. Well, that is a very difficult question to answer. You think of applying policy on particular news items rather than a broad line of policy covering a long period of time.

*By Mr. Coldwell:*

Q. Is there closer co-operation now between the External Affairs Department and the International Service than there was a year ago?—A. Yes. Perhaps I should say that this year we have institutionalized the relationship. Formerly it was perhaps more casual than now. We have a separate section of my department which prepares memoranda which go to the C.B.C.-I.S., under the authority of the under-secretary of the minister, as the case may be, and that is done regularly. There is much discussion by telephone and so on.

Q. Then the transmitter is beamed to these countries, in slightly different directions?—A. Generally.

Q. Do we beam anything into the fascist countries to give them an example of democracy; for example, Spain,—that is, in Spanish?—A. Yes, I am told that the Spanish service is beamed to South America.

Q. Not to Spain?—A. Not to Spain.

Q. I think it would do them good.—A. The time schedule is very difficult to work out with Spain, for one thing.

Mr. NESBITT: Could Mr. MacKay give us any idea of the cost of the International Service of the C.B.C. annually?

The WITNESS: That is part of the C.B.C. budget; we have not the figures on that.

Mr. NESBITT: I take it that there is some general co-ordination and supervision by the Department of External Affairs of the type of program that is beamed to these countries. Are they plays, newscasts, lectures, commentaries, or musical program? Are they of a propaganda nature or factual?

The CHAIRMAN: The under-secretary submits the view that these are questions which might more appropriately be answered by somebody from the International Service of the C.B.C. at a later date. They are technical questions, with which the deputy head of the department is not supposed to be acquainted personally. So at a later date when we touch on the estimates of the International Service, or at some occasion that the steering committee will arrange, we will have somebody before us to answer in detail, as we did last year.

Mr. NESBITT: I have just one further question, Mr. Chairman. Is the material—programs or commentaries, or whatever it might be—screened by the Department of External Affairs before it is broadcast?

The WITNESS: No, that is almost impossible to do, because a newscast has to be done quickly. Directives, or rather suggested lines, are given for them to go on.

Mr. NESBITT: I ask this question for a particular reason. If this material is supposed to be in conjunction with the policy of the Department of External Affairs, and if there is any of a propaganda nature to try to publicize our democratic way of life with these other countries, does Mr. MacKay not feel that there ought to be some kind of supervision in view of the fact that some of the programs coming over the C.B.C.—I recall two programs about two years ago, one a radio play called, "Who Killed Cock Robin?", and another—

The CHAIRMAN: On the International Service?

Mr. NESBITT: No, but it is relevant to this question. One play was called, "Who Killed Cock Robin?", which was what I might call a satirical parable, and afterwards there was a play which was a satire on the United States, but it was past the bounds of satire and extraordinarily vicious. This type of broadcast happened to coincide almost exactly with the "party line".

Mr. COLDWELL: Oh, now, Mr. Chairman, I heard one of these programs, and I think that to call that a "party line" program is absurd.

The CHAIRMAN: I do not think it is fair, when we ask some questions of a witness, to pass judgment on a program. When the committee gets together to consider its recommendations, if anybody has anything to say against programs that might have been broadcast, that would be the appropriate time to make suggestions or express opinions.

Mr. COLDWELL: This is a domestic program.

The CHAIRMAN: Yes, it is a domestic program and I do not think that has anything to do with the question we are discussing now. I do not think it is quite fair either to ask the present witness, who is the deputy head of the department, to express views on what may be a policy or on the details of administration of C.B.C. But when we get the people before us, it will be time to ask them pertinent questions as to the expression of views. It can be done when the committee is deciding on its report, but not at the moment.

Mr. GREEN: I think he should be allowed to deal with the question that was asked.

The CHAIRMAN: If he wants to do so, very well.

The WITNESS: Perhaps I should explain that it is almost impossible in advance to examine all programs that go out over the air over C.B.C. Our main business, after all, is to conduct foreign relations with governments and this is necessarily—I should not say a subordinate—but it is admittedly a small part of our activities and we cannot afford to put on this task a great number of people. We do, however, look carefully at the programs or the broadcasts after they have come out and in that way we can exercise—I should not say a check in advance—but to some extent a check afterwards to see that they are following the general line of policy which the government approves.

Mr. NESBITT: That answers my question.

The CHAIRMAN: Your question dealt with national programs but this item of the estimates applies to the international service. That is why I think it is out of order. Mr. Starr started the questioning a long time ago and he was interrupted.

Mr. CRESTOHL: I think Dr. MacKay is quite right because his position is substantiated in his brief where he says on page 5:

This close liaison has produced both in the department and in the international service a better understanding of the relations between our foreign broadcasting and our foreign policy.

Mr. STARR: You said we would have an opportunity to question the head of the international service. Is it possible to bring in the heads of the separate language groups which beam their programs behind the iron curtain?

The CHAIRMAN: I suppose they will be here to assist. I think that the head of the department is the witness and he can ask whomever he wants as advisers.

Mr. STARR: Last year we had before us Mr. Desy who was the head of the international service, for questioning, and there was no evidence from the foreign language groups presented at that time.

The CHAIRMAN: Might we leave it to the steering committee to decide whether we should depart from that practice or not, because all the committees of the House have made a rule to have before the committees the responsible head of the department, the minister or the deputy minister, and he may choose to bring any adviser he wants. I do not think we can go down to the lower levels and bring anybody before us to answer questions on such matters; whether or not this should be done, as a matter of policy. I think your remarks which will be in today's report will be reviewed by the steering committee and they will decide on the procedure to be followed.

Mr. STARR: On the other hand, Mr. Chairman, an opportunity to question the various heads of these language groups would give us an idea of whether or not the same policy on broadcasting was being followed in every language group.

The CHAIRMAN: The head of the department would be the one who would be able to say that.

Mr. COLDWELL: Last year Mr. Desy brought some advisers with him.

The CHAIRMAN: Surely, advisers to the witness.

Mr. COLDWELL: He had one, I know.

The CHAIRMAN: There were one or two people with the head of the service.

Mr. COLDWELL: That should be enough.

The CHAIRMAN: There was only one, as I am told by the secretary. Then that brings us to the last item of this brief.

Mr. GREEN: May I revert for a moment to the question of passports. I wonder if the witness could give the committee a report on what actually happened in the case of Dr. Otto Strasser? There was an article published in the Vancouver Herald of March 24, 1954 entitled "The Strange Case of Otto Strasser". As you know he was a German who apparently settled in Nova Scotia. A book was written about him by Douglas Reed entitled "The Prisoner of Ottawa"; and I think the article said he could not get a passport or a certificate of identity.

The CHAIRMAN: Your question is to ask whether he got, or was refused a passport.

Mr. GREEN: I wonder if the witness could tell us the actual circumstances of what happened in connection with it?

The CHAIRMAN: I think your question would be to ask whether he was not granted a passport. The action decided in that case would be a matter of policy probably.

Mr. GREEN: This article says:

Through the past nine years of peace, the Canadian government has refused to issue to Strasser either a passport or an international certificate of identity. Without such papers, he could not legally enter any other country; he therefore could not leave Canada...

I think we should know whether or not that is right, and the only department that can answer it is the Department of External Affairs.

The CHAIRMAN: Let the witness be the judge whether he shall answer or not.

Mr. COLDWELL: I think it is a good question.

The WITNESS: Otto Strasser came to Canada in 1941 not as a landed immigrant. He came here really as a political refugee.

*By Mr. Green:*

Q. Was he granted asylum here?—A. I really do not know what "asylum" means. We did not throw him out. He was permitted to live here.

Now, since the end of the war, on a number of occasions he did apply for a certificate of identity. That of course is not the same as a passport. Passports are only granted to Canadian citizens and he would have no grounds for getting one at all through us. Until quite recently the government took the view that it was undesirable to grant him a certificate of identity and that I may say the view was based on the opposition of the allied high commission which was in control of Germany.

Q. Was it based on any Canadian order in council or other authority?—A. I might say that in my judgment the issuance of a certificate of identity is



of course not a right at all; it is something which the government can give or withhold as it sees fit. But recently the government took the view that since a new government had been established in Germany and other changes had taken place, it was now not inappropriate to grant to Strasser a certificate of identity and this was done. The certificate of identity was granted, I think, in January of this year.

Mr. GREEN: When did he first apply for it?

The WITNESS: I am sorry, but I have not got all the details. But my recollection is that it was requested over a number of years.

*By Mr. Green:*

Q. Was there any order in council or other authority passed by the Canadian government which authorized them to refuse to grant a certificate?

—A. My understanding is that the issuance of a certificate of identity is a purely discretionary act. I should not think that an order in council or any other document would be required to prevent the issue.

Q. Do you know if there was any order in council?—A. No.

Mr. FLEMING: You could find out?

The WITNESS: I assume that I could. I will be glad to look into it.

Mr. JUTRAS: What is your requirement for a certificate of identity?

The WITNESS: Certificates of identity have been granted to a number of people who are political refugees. A number of displaced persons in Europe who were sent to Canada have come here under certificates of identity, or we have granted them certificates of identity.

Mr. MACINNIS: How many certificates of identity has the Department of External Affairs issued in the last two or three years?

The WITNESS: We could look into that. I could not answer offhand.

Mr. FLEMING: I suppose that there would not be so many as in the late war years and in the immediate postwar years, because you would not have much occasion now.

The WITNESS: There are a number of displaced persons living in Canada. If, for instance, a displaced person in Canada wants to travel to the United States and he can get in, he has to have some sort of document, and a certificate of identity is the normal document we would issue.

*By Mr. Green:*

Q. Has the government refused a certificate of identity to Strasser on the ground that the Allied High Commission in Bonn did not want him to get it?—A. That was one consideration. There were, of course, several other considerations.

Q. What were the other considerations?—A. I do not know that I could answer that question offhand.

Mr. COLDWELL: That one is very relevant.

*By Mr. Green:*

Q. Has Strasser left the country yet?—A. I cannot answer that.

Q. Are there any other people in Canada being refused a certificate of identity for the same reason, which in effect means that they are held in Canada?—A. No, sir, they are quite free to circulate in Canada.

Q. No, it means in effect that they cannot leave Canada?—A. It means in effect that no other country will probably let them in.

Q. Strasser is the only one who has been treated in this way, or have there been others?—A. I could not answer that, sir.

Mr. CROLL: There have been people, to my knowledge, who have been refused certificates of identity, and who are not in Strasser's category.

The CHAIRMAN: I know of some also.

Mr. COLDWELL: The next section is—

Mr. CRESTOHL: Before we go to the next question: On this question of certificates of identity, is it not a fact that they are issued to non-immigrants or to immigrants who have landed and have not yet become citizens? They have to wait a five-year period, and if they want to travel they obtain certificates of identity, provided they comply with all the regulations. Is it proper to say that the difference between a passport and a certificate of identity would be that in one case the person is entitled to a passport and in the other case it is purely a matter of grace?

The WITNESS: I would not like to answer that question.

Mr. JUTRAS: Do you issue a certificate of identity to an immigrant in Canada who came, for instance, from a country like France?

Mr. CROLL: He would not need one.

The CHAIRMAN: He might if his government refused to renew his passport.

Mr. CROLL: That is right. You are right, Mr. Chairman.

The CHAIRMAN: I know of cases in which the department has answered to applicants that, if their consulate or embassy refused to renew their passport and put that fact in writing, and the gentleman was in good standing in Canada and had been a good citizen, he might be given as a favour a certificate of identity, but some even in that case have been refused.

Mr. COLDWELL: Is there not a vital difference between a certificate of identity and a passport, in that in the case of a passport we definitely ask for certain considerations for that individual who goes abroad and assume some responsibility for him, but in the other case the man is given a certificate of identity and goes abroad on his own?

Mr. CRESTOHL: In one case he must be a citizen, and not necessarily in the other.

Mr. COLDWELL: That is right.

Mr. JUTRAS: I realize that they are undoubtedly different, but the point is that a certificate of identity is very important to a man, particularly to a man in Canada who wants to go to the United States; otherwise he cannot go across the border. You said that they were issued to displaced persons. Are they issued also to those who are not displaced persons?

The WITNESS: I was speaking more or less "off the cuff", and perhaps I might read this brief statement about policy:

When an application is received for a certificate of identity, it is first established that the applicant is an alien, a landed immigrant in Canada, and whether or not he is stateless. If the applicant is not stateless and there is an appropriate consular representative in Canada of the country of his nationality, normally, the applicant is directed to that representative for a travel document. If the applicant then states that he is unable to obtain a travel document, he is normally required to submit written evidence of the refusal by his consulate. If it appears that it is a bona fide application further consideration is given.

Mr. CROLL: Could we adjourn, Mr. Chairman?

I understand that Doctor MacKay will let us know whether or not there is an order in council and also the date.

The CHAIRMAN: The meeting stands adjourned, to meet at the call of the chair.

APPENDIX A

STATISTICAL SUMMARY

OF

TECHNICAL CO-OPERATION PROGRAM

(1950 — 31 MARCH 1954)

*Prepared by*

TECHNICAL CO-OPERATION SERVICE

INTERNATIONAL ECONOMIC AND TECHNICAL CO-OPERATION

DIVISION

DEPARTMENT OF TRADE AND COMMERCE

OTTAWA, CANADA

TABLE 1

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954, BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

Field of Study	Colombo Plan			United Nations			UNESCO			FAO		ICAO		ILO		FOA (MSA)		TOTAL
	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Total	Fellow	Total	Fellow	Total	Fellow	Total	
AGRICULTURE.....	9		9				1		1									10
Animal Husbandry.....	2		2															2
Biological Control.....		1	1															1
Chemistry.....		2	2															2
Engineering.....	7	6	13				1		1									14
Farm & Soil Mechanics.....	1		1							1	1							2
Fertilizer Manufacture.....				1		1												1
Meat Packing.....				1		1												1
Mycology.....	1		1															1
Plant Pathology.....	1	1	2							1	1							3
Veterinary Science.....	1		1	2		2												3
ACCOUNTING.....				6	1	7												40
AVIATION.....												3	3					7
BIOCHEMISTRY AND ENZYMOLOGY.....		1	1															3
BUSINESS ADMINISTRATION.....	1	1	2	1		1												1
CEMENT MANUFACTURE.....				1		1												3
CEMENT MANUFACTURE.....				1		1												1
CO-OPERATIVES AND MARKETING.....	7		7	8		8				2	2			1	1	2	2	20
ECONOMICS.....		1	1					1	1			1	1					3
CARRIED FORWARD.....	30	13	43	20	1	21	2	1	3	4	4	4	4	1	1	2	2	78

TABLE 1

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954, BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

Field of Study	Colombo Plan			United Nations			UNESCO			FAO		ICAO		ILO		FOA (MSA)		TOTAL
	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Total	Fellow	Total	Fellow	Total	Fellow	Total	
BROUGHT FORWARD.....	30	13	43	20	1	21	2	1	3	4	4	4	4	1	1	2	2	78
EDUCATION.....	4		4				16		16									20
Educational Psychology.....								2	2									2
ENGINEERING																		22
Chemical.....				1		1		1	1									2
Civil.....	11	1	12	8		8												20
Electrical.....	2	1	3	3	1	4												7
Hydro-Electric.....	13		13	2		2												15
Irrigation.....	1		1															1
Mechanical.....	1	4	5															5
Thermo Dynamics.....	1		1															1
Agricultural (see Agriculture)																		—
FILM PRODUCTION.....				1		1	2	1	3									4
FISHERIES.....	2		2	1		1				2	2							5
FORESTRY.....	6		6	1		1				2	2							9
GEOLOGY.....		3	3	2	1	3												6
HEALTH SERVICES																		
Anaesthesiology.....	1		1															1
Bacteriology.....	2		2															2
Dentistry.....	1		1															1
Genito-Urinary Surgery.....	1		1															1
CARRIED FORWARD.....	76	22	98	39	3	42	20	5	25	8	8	4	4	1	1	2	2	180

TABLE 1

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954, BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

Field of Study	Colombo Plan			United Nations			UNESCO			FAO		ICAO		ILO		FOA (MSA)		TOTAL
	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Total	Fellow	Total	Fellow	Total	Fellow	Total	
BROUGHT FORWARD.....	76	22	98	39	3	42	20	5	25	8	8	4	4	1	1	2	2	180
HEALTH SERVICES (Continued)																		
Hospital Administration.....	1		1															1
Neuro-Pathology.....	1		1															1
Nutrition and Dietetics.....	3		3															3
Nursing.....	3		3															3
Obstetrics and Gynaecology..	3		3															3
Pediatrics.....	1		1															1
Physiology.....	2		2															2
Psychiatry.....	1		1															1
Public Health.....	9		9	1		1												10
Radiology.....	1		1															1
Tuberculosis.....	1		1															1
HOUSING AND TOWN PLANNING.....				2	1	3												27
INDUSTRIAL DEVELOPMENT AND MANAGEMENT.....	2		2	5		5												3
IRON AND STEEL INDUSTRY.....				1		1												7
LIBRARY SCIENCE.....		1	1															1
METEOROLOGY.....				1		1						1	1					2
MINING.....				6		6												6
NUCLEAR PHYSICS.....		2	2															2
OPTICS.....	1		1															1
OIL AND GAS WELL CONSERVATION.....				1		1												1
CARRIED FORWARD.....	105	25	130	56	4	60	20	5	25	8	8	5	5	1	1	2	2	231

TABLE 1

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954, BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

Field of Study	Colombo Plan			United Nations			UNESCO			FAO		ICAO		ILO		FOA (MSA)		TOTAL
	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Scholar	Total	Fellow	Total	Fellow	Total	Fellow	Total	Fellow	Total	
BROUGHT FORWARD.....	105	25	130	56	4	60	20	5	25	8	8	5	5	1	1	2	2	231
OIL TECHNOLOGY.....		1	1															1
PALEONTOLOGY.....		1	1															1
PHOTO GEOLOGY.....	2		2	1		1												3
PHOTOGRAMMETRY.....	4		4															4
POLICE ADMINISTRATION.....	5		5															5
PSYCHOLOGY.....								2	2									2
Child Psychology.....		1	1															1
PUBLIC ADMINISTRATION.....	17		17	30		30												47
PUBLIC FINANCE.....				21		21												21
PULP AND PAPER MANUFACTURE.....	2		2															2
RADIO BROADCASTING.....	1		1	1		1	2		2									4
RAILWAYS.....	7		7	19		19												26
RIVER SURVEY AND CONSERVANCY.....	2		2	1		1												3
ROAD AND RIVER TRANSPORT.....	1		1	3		3												4
SOCIAL WELFARE.....				17	7	24	1		1									25
STATISTICS.....	2		2	17	2	19	1		1									22
TELECOMMUNICATIONS.....	1		1	2		2												3
TOTAL.....	149	28	177	168	13	181	24	7	31	8	8	5	5	1	1	2	2	405

TABLE 2

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954, BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

COUNTRY	Colombo Plan	United Nations	UNESCO	FAO	ICAO	ILO	FAO (MSA)	TOTAL
Alaska.....		1						1
Australia.....		2						2
Austria.....			1					1
Belgium.....		1						1
Bolivia.....		2						2
Brazil.....		7						7
British Guiana.....		4						4
British West Indies.....		6						6
Burma.....		3	1					4
Cambodia.....		1	1					2
Ceylon.....	13							13
Chile.....		2						2
Columbia.....		5						5
Cuba.....		1						1
Denmark.....		2						2
Ecuador.....		1	1					2
Egypt.....		9						9
Finland.....		11		2	2			15
France.....		2	3					5
French Togoland.....			1					1
Gold Coast.....		2						2
Greece.....		1	1					2
Guatemala.....		1						1
Haiti.....		6	4			1		11
Hong Kong.....		1						1
India.....	80	22	2	1				105
Indonesia.....		2	1		1			4
Iran.....		6	2	1				9
Iraq.....		2	1					3
Israel.....		8		2				10
Japan.....		1						1
Jordan.....		3	1					4
Korea.....		9						9
Lebanon.....		1						1
Malaya.....	1							1
Malta.....		1						1
Mexico.....		2						2
Nepal.....		1						1
Nicaragua.....					1			1
Nigeria.....		2						2
Norway.....		2						2
Pakistan.....	32	20	1					103
Philippines.....		5						5
South Africa.....			1					1
Sweden.....		1						1
Switzerland.....		2						2
Syria.....			4					4
Taiwan.....		7	1					8
Thailand.....	1	5	4	2	1		2	15
Uruguay.....		2						2
Venezuela.....		2						2
Virgin Islands.....		2						2
Yugoslavia.....		2						2
TOTAL.....	177	181	31	8	5	1	2	405



TABLE 3

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 31ST MARCH 1954,  
BY AGENCY FOR WHICH TRAINING WAS ARRANGED AND ARRIVALS AND DEPARTURES EACH YEAR

	ARRIVALS						DEPARTURES					Number in Canada as at 31st of March, 1954
	1950	1951	1952	1953	1954	TOTAL	1951	1952	1953	1954	TOTAL	
COLOMBO PLAN.....		59	41	61	16	177	30	45	32	8	115	62
UNITED NATIONS.....	6	31	80	57	7	181	28	59	71	6	164	17
UNESCO.....			15	14	2	31		6	15	2	23	8
FAO.....			2	6		8		2	6		8	
ICAO.....			3	2		5		1	4		5	
ILO.....				1		1			1		1	
FOA (MSA).....				2		2			2		2	
TOTAL.....	6	90	141	143	25	405	58	113	131	16	318	87

TABLE 4

NUMBER OF EXPERTS RETAINED FOR SERVICE ABROAD UNDER THE COLOMBO PLAN  
UP TO 31ST MARCH 1954, BY COUNTRY

COUNTRY	TECHNICAL EXPERTS			CONSULTANTS		TOTAL
	ASSIGN- MENTS COMPLETED	NOW ABROAD	PROCEED- ING ABROAD	ABROAD	COMPLETED	
Cambodia.....			1			1
Ceylon.....	3	11	3		2	19
Malaya.....		7	1			8
North Borneo.....		1				1
Pakistan.....	2	7			1	10
Two or more Countries.....	5				2	7
TOTAL.....	10	26	5		5	46

HOUSE OF COMMONS

First Session—Twenty-second Parliament

1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L.-PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

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WEDNESDAY, MAY 5, 1954.

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Main Estimates of the Department of External Affairs

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WITNESS:

Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954.



## MINUTES OF PROCEEDINGS

WEDNESDAY, May 5, 1954.

The Standing Committee on External Affairs met this day at 3.30 o'clock p.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Miss Aitken and Messrs. Balcer, Boisvert, Cannon, Cardin, Crestohl, Croll, Decore, Garland, Green, Henry, James, Kirk (*Shelburne-Yarmouth-Clare*), Knowles, Low, Lusby, MacDougall, MacKenzie, Paterson, Parkes, Picard, Pinard, Richard (*Ottawa East*), Starr and Stick (25).

*In attendance:* Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, Mr. R. M. Macdonnell, Assistant Under-Secretary and Mr. S. D. Hemsley, Head of Finance Division.

The Chairman gave the list of the Members he designated to compose with himself the Subcommittee on Agenda and Procedure, namely: Messrs. Balcer, Fleming, Henry, Low, MacDougall, MacInnis, MacKenzie and Pinard.

Mr. R. A. McKay was called. The Committee concluded his examination on the two remaining paragraphs of his memorandum to the Committee on properties abroad and inspections thereof particularly in Rome, The Hague, Paris and Tokyo.

The witness was assisted by Messrs. Macdonnell and Hemsley.

At 4.15 o'clock p.m., the division bells having rung, the Committee suspended its proceedings. It resumed at 4.35 o'clock.

The witness read into the record answers to questions asked at the previous meeting on:

1. Certificate of identity,
2. Notice to travellers going behind the Iron Curtain,
3. The International Civil Aviation Organization in Montreal and taxation of its personnel,
4. Membership of Soviet bloc in specialized agencies of the United Nations.

In conformity with the Subcommittee's recommendation, it was agreed to begin a detailed consideration of the estimates referred at the next meeting Thursday, May 6th.

At 5.45 o'clock p.m., the Committee adjourned until 11.00 o'clock, Thursday, May 6th.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*

of Mr. MacKay's statement. In other words, is it to be assumed that the property mentioned there is to cost, not \$700,000, but \$700,000 plus \$600,000 of blocked funds?

Mr. GREEN: Would it simplify the work of the committee if Mr. MacKay were to read these two sections. I do not believe that they were read at the last meeting.

The CHAIRMAN: The whole of the brief was read and afterwards we started the period of questions. These two items were read.

Mr. GREEN: Some of the members have not copies of the brief.

The CHAIRMAN: Those who were here got the brief and copies were mailed to the other members.

Shall we proceed with the question of Mr. Low.

Mr. MACDONNELL: Mr. Chairman, the \$700,000 is intended for possible purchases. We have a fairly long list of purchases that, for a variety of reasons, might be desirable. Those reasons were summarized in Mr. MacKay's statement. Indeed a case could be made for the expenditure of perhaps something over \$1½ million. We have felt that we would not encounter those circumstances, whether of high rent or the impossibility of renting quarters and so on, to that extent in one fiscal year, and we have submitted \$700,000 as a figure for purchases in a number of capitals where we think there will be urgent needs. Then over and above that are the funds in blocked currency for particular projects; in Paris, for example, and the Hague and Tokyo and so on.

Mr. Low: I was just a little uncertain from reading Mr. MacKay's statement whether the total cost of those particular projects named—the Chancellory in Paris, the Chancellory in Rome, the Chancellory additions in Tokyo and the Hague—were to cost merely the amount set out in blocked funds or that much plus the \$700,000 provided on page 167 of the estimates?

Mr. MACDONNELL: No, the blocked funds are intended for those particular items.

Mr. Low: I notice, however, that you say the first one—the Hague Chancellory—will require \$200,000 in blocked funds but this only represents about two-thirds of the cost which would mean that \$100,000 of other funds would have to be provided?

Mr. MACDONNELL: It might be that that would be required in the following fiscal year. We may not get ahead sufficiently far with construction in this fiscal year.

Mr. Low: And referring to the Tokyo project, it is not stated whether this will be in Canadian funds or blocked funds?

Mr. MACDONNELL: It will be in blocked funds.

Mr. Low: It will be in blocked funds?

Mr. MACDONNELL: Yes.

The CHAIRMAN: Gentlemen, have you any other questions?

Mr. GREEN: Could the Assistant Under-Secretary of State tell us why it is that the Department of Public Works is not put in charge of constructing these buildings abroad? That department is set up for the purpose of looking after government buildings and yet under this department we find from your statement that there is to be an expansion of your building staff. Additional architects are required in Ottawa, for example. Now, would it not be wiser to let the Department of Public Works look after this construction?

The CHAIRMAN: Are you so satisfied with the Department of Public Works buildings in Ottawa and elsewhere?

Mr. GREEN: No, but millions of dollars are being spent abroad and it appears to me that this could be done more efficiently by the department whose main job is to put up public buildings.

Mr. MACKEY: Well, sir, I think quite a good case could be made out for that in certain places abroad. I should think that a very good case, for instance, could be made for the construction of a building in London or Washington where there is a substantial amount of Canadian property or where the property may be increasing from time to time. I suggest, however, that the situation is quite different in our smaller missions where there is not a great deal of property involved and where you have to take advantage of the market when you are buying and so on. The Department of Public Works is not, at the moment at least, equipped to send people into the field quickly half way around the world to look at properties or to advise them on properties as the case may be. I think, however, that there is a good deal to be said for the Department of Public Works handling it in certain areas at least.

Mr. GREEN: All the big buildings that cost a large amount of money will be built in the main centres and they would not be built in the countries where we have small missions?

Mr. MACKEY: Sometimes we have to acquire properties and sometimes we have to build. In Tokyo, for instance, we are having to build at the present time.

Q. Why could not the Department of Public Works look after the construction of the building in Tokyo rather than the Department of External Affairs?—A. There is no reason in principle why they should not, but I do not think at the moment they are equipped to take that on.

Q. How are you equipped, then?—A. We have an architect who is in Europe all the time or most of the time and we are increasing our staff in that respect. Of course the work has to be done under contract and in any case we have to deal with local conditions; really we have to handle each project abroad pretty largely in accordance with the local building conditions.

Q. Why could not that architect be under the Department of Public Works? Is that not where he belongs?—A. I would say in principle that perhaps there is no ground of objection to having it that way.

Q. We are just at the beginning. You are just getting started in building up a construction branch in the Department of External Affairs. Several other departments have done that and in recent years there has been pretty severe criticism both in the Senate and in the House about this practice of each department building up its own Public Works branch. I suggest that now is the time for the Department of External Affairs to get out of the business of constructing buildings and allow that to be done by the Department of Public Works.—A. There has been some discussion and we have no desire to stay in the field of constructing buildings ourselves. But at the moment I do not think that Public Works is in a condition to handle it.

And I think there is another problem as well. Generally speaking there is the problem of maintenance and alterations to buildings and so on and I think at present perhaps we have a good deal more flexibility than might be the case if we had to centralize everything under Public Works. For instance, if you want to alter a building abroad where the cost is not very great—under the present situation in Canada it has to be done with the approval of Public Works.

The CHAIRMAN: Would it not be a fact as well that the Department of Public Works are building mostly office buildings such as post offices and other public buildings, while in the case of the Department of External Affairs,

at many points they have to build residences for ambassadors and so on, and that in one way or another they would have to keep a specialized staff for that?

Mr. GREEN: Well, Public Works built the Prime Minister's residence.

The CHAIRMAN: Yes, and were you satisfied with the cost? If I might interject, I am told that the State Department in Washington has not only a special staff for their buildings, but they also have decorators who are assigned to the department and who go from one capital to the other to look after that sort of work.

Mr. GREEN: Just what part does the Department of Public Works play now in the operation of your buildings abroad?

The WITNESS: Perhaps Mr. Macdonnell would answer that question.

Mr. MACDONNELL (*Assistant Under Secretary*): The Department of Public Works has the responsibility for the building in London, Canada House, which is owned by the government.

Mr. GREEN: That is, they maintain it?

Mr. MACDONNELL: They maintain it, and the cost of maintenance is paid from their estimates. I am not aware of any other centre in which they are currently maintaining buildings.

Mr. GREEN: You build your own buildings and you buy your own furniture?

Mr. MACDONNELL: Yes.

Mr. GREEN: The Department of Public Works has nothing to do with either of those?

Mr. MACDONNELL: That is right.

Mr. GREEN: What about the building that has just been completed in Washington?

Mr. MACDONNELL: That is not our responsibility. That is a building for the Department of National Defence.

Mr. GREEN: Who did that work?

Mr. MACDONNELL: I assume the Department of National Defence, but I am not aware of the details.

Mr. GREEN: Last year you people gave us the details about that building. You had all the figures and estimates and so on, and we got that in the committee.

The CHAIRMAN: About the embassy—is that the embassy or the new building for the Department of National Defence?

Mr. MACDONNELL: The big building in Washington is to house the joint staff.

The CHAIRMAN: That is for the Department of National Defence.

Mr. GREEN: We got all the information in this committee about that.

The CHAIRMAN: We can enquire from the Department of National Defence.

The WITNESS: I do not think that that came up in this committee last year, Mr. Chairman. We have no details.

Mr. GREEN: We got all the details last year from you people. Why cannot we get them this year?

The WITNESS: I do not think so.

Mr. GREEN: I asked the questions myself in this committee last year.

The CHAIRMAN: We will send for last year's report. If we might proceed with something else, the clerk will get the evidence of last year and check immediately whether that was brought up at this committee or not.



Mr. GREEN: We had a lengthy discussion in this committee about the cost of the building in Rome, and I hear that they are now talking of selling. It is in quite a swell district in Rome, I understand. Can we have details of what is going on? That is found on page 8 of your statement.

Mr. MACDONNELL: Mr. Chairman, we have been looking with a good deal of care at the Rome situation. A good deal of money is involved, and we want to be as sure as we can be that we are doing the wise thing. I should say first of all that, as far as actual purchase, construction or sale are concerned the situation is as it was last year, partly because of the many demands on that side of the department for perhaps more urgent problems; but, as I think members of the committee know, we own a site in Rome. The original intention was to construct an office building and a residence there. Some doubts have arisen as to whether the local regulations would permit the erection of an office building on that site. It may be that the site could be used only for residential property. Now, as we see it, there are several possibilities. I might add that the situation is further complicated by the fact that we have to find new office accommodation in Rome. We will have to leave our present rented property in the not too distant future, and that raises the question of whether we should seek new rented quarters or whether we should try to buy, if we can find something suitable. With regard to the site, we could, as mentioned in Dr. MacKay's statement, sell it and probably sell it at considerable profit.

Mr. GREEN: How much did it cost?

Mr. MACDONNELL: Originally \$186,000 in blocked funds. Another possibility is to convert the residence that came with the site, which would probably not make an ideal residence but might make quite a respectable residence for the embassy. We are looking into that. Another possibility is to proceed with the construction of a new residence.

Mr. GREEN: On that site?

Mr. MACDONNELL: On that site.

Mr. GREEN: Have you or have you not permission to build on that site?

Mr. MACDONNELL: There is no question about building on residential property.

Mr. GREEN: What about an office?

Mr. MACDONNELL: It appears that there may be restrictions that would prevent that. So I think that all we can say is that we are going into this with a good deal of care, and particularly now that the new factor has been introduced of having to acquire other office accommodation, either by rental or by purchase, to try to find something that will be both suitable and not extravagant.

Mr. GREEN: What will the cost of a residence be?

Mr. MACDONNELL: Estimated \$325,000. That, of course, is a very rough estimate, because we have no tenders on which to base it.

Mr. GREEN: Then there are furnishings?

Mr. MACDONNELL: Furnishings would be additional.

Mr. GREEN: What would they cost?

Mr. MACDONNELL: From \$75,000 to \$100,000.

Mr. GREEN: And in addition to that you have either to build or rent accommodation for an office. How much would it cost you to build an office?

Mr. MACDONNELL: I do not think that we have had a firm figure. Based on the estimate of what it is likely to cost in Paris for an office—and this would be of course, on a smaller scale—it might come to something like \$300,000.

Mr. GREEN: And what is it going to cost to get land on which to build the office?

Mr. MACDONNELL: I am not able to offer an opinion on that. At the moment we are looking more closely at the possibility of buying an existing office property.

Mr. GREEN: What would it cost?

Mr. MACDONNELL: We have had some figures, I think, starting below \$200,000 and going up.

Mr. GREEN: To buy an office?

Mr. MACDONNELL: To buy an office.

Mr. GREEN: And the furnishings would be needed on top of that.

Mr. MACDONNELL: Of course we have furnishings in Rome for our present office. That would not be a large amount.

Mr. GREEN: How large a staff have you there?

Mr. MACDONNELL: Our own staff is 24. To that would have to be added the staffs of Trade and Commerce, which, I suppose, would be about 10, and Department of National Defence, probably three or four.

The WITNESS: Plus Immigration.

Mr. MACDONNELL: Yes. The question would be whether the staffs of the Departments of Citizenship and Immigration and Health and Welfare would be in that office building or would be separate.

Mr. GREEN: The residence is for what people?

Mr. MACDONNELL: The residence would be for the ambassador.

Mr. GREEN: Alone? It would not include the whole of your staff?

Mr. MACDONNELL: No.

Mr. GREEN: And that would cost about \$600,000?

The CHAIRMAN: Furnished.

Mr. MACDONNELL: Not as high as that.

Mr. GREEN: \$186,000 for the property, \$325,000 for the building, \$75,000 for the furnishings.

Mr. MACDONNELL: Yes.

Mr. GREEN: That is for the ambassador only?

Mr. CROLL: That is an office building, is it not?

The WITNESS: It is from blocked funds.

Mr. GREEN: I realize that, but in addition to that there would still be the office?

The CHAIRMAN: Would you mind speaking a little louder, because the stenographer cannot get you.

Mr. GREEN: These other departments are in other offices, are they?

Mr. MACDONNELL: The present office houses, in addition to our own people, these from Trade and Commerce and from National Defence.

Mr. GREEN: Health and Welfare and Citizenship and Immigration are in other offices?

Mr. MACDONNELL: Yes, Citizenship and Immigration are in the same building.

Mr. MACDOUGALL: Along that line, is it right that we should consider that those structures now under consideration with respect to External Affairs are entirely a charge to the Department of External Affairs, or should they be a charge to be divided among External Affairs, National Defence, Citizenship and Immigration and Health and Welfare. Are we not possibly getting out of

focus in this matter, because we are considering that this total expenditure is chargeable to External Affairs, rather than having a portion of it allocated to various other departments? If we do that, are the other departments going to get these services gratis?

Mr. MACDONNELL: In the actual operation of these buildings so far where we have property that is owned by the government and administered by the Department of External Affairs, the space is in effect provided gratis to the representatives of other departments.

Mr. MACDOUGALL: It is hardly fair then to say that this is a colossal expenditure involving only the Department of External Affairs. External Affairs bears the brunt of the responsibility, but they also share it with other departments of government. So it is a total government expenditure for various departments, rather than a specific expenditure for External Affairs alone.

Mr. MACDONNELL: It is a total government expenditure.

Mr. GREEN: How many would there be on the staff of Citizenship and Immigration?

Mr. MACDONNELL: I would think not more than a dozen.

Mr. GREEN: Obviously you have a problem here in building. Now, who handles that in your department? Who is working out the answers to these questions that come up?

Mr. MACDONNELL: We have a division which is known as the Supplies and Properties Division, which does the fundamental work of planning as well as the maintenance and care of properties. They submit recommendations to the under-secretary, who in turn makes recommendations to the minister. When problems arise of purchasing or construction or rental, the approval of the Treasury Board must be obtained.

Mr. GREEN: But this branch that you have is in Ottawa.

Mr. MACDONNELL: Yes.

Mr. GREEN: In other words, you have a branch in your own department that is trying to work out these problems of building, renting and so on?

Mr. MACDONNELL: Yes.

Mr. GREEN: Is this not one case where it would be very beneficial to have the Department of Public Works take on that problem?

Mr. MACDONNELL: Well, I do not think that I can add to what Dr. MacKay said on that point. There certainly is a case to be made for it. I think that we all have the same objective, of wanting to do these things in the most efficient economical manner, and we have been having some discussions with the Department of Public Works and will undoubtedly be having more to see to what extent they can help us in these things. Some steps have already been taken. For example, they have been good enough to put their drafting room facilities at our disposal.

Mr. GREEN: You do your own drafting and use their room?

Mr. MACDONNELL: We have no draftsmen, and it is their draftsmen that Public Works have offered to put at our disposal.

Mr. GREEN: They are actually doing the drafting?

Mr. MACDONNELL: Yes. As another example, on a minor scale, we had thought—and they agreed with us—that a very useful device might be for them to provide a clerk of works or a foreman or someone of that kind to go to the site, if we were constructing in Tokyo or the Hague or elsewhere. They have people of that sort whom we think would be useful. I think that we can work out a fairly fruitful arrangement which would lessen the burden on our department.

Mr. GREEN: Is it a fact that what is going to be done in Rome will cost the country about a million dollars?

Mr. MACDONNELL: I do not think that we have reached the stage where we can say what it will cost. We are considering the various alternatives, and I would be reluctant to give a total figure.

Mr. GREEN: What is the situation in Tokyo?

Mr. KNOWLES: Would you mind, Mr. Green, if I asked another question about Rome, to deal with Rome while we are there? The witnesses have said, Mr. Chairman, that the residence was to cost about \$325,000. That would be for the ambassador alone and his family and immediate staff and a domestic staff, I suppose. What residential arrangements are made for the other members of the External Affairs staff in Rome?

Mr. MACDONNELL: In Rome, as in the majority of places where living conditions can be regarded as normal, we make no attempt to provide living accommodation to the members of our staff. They find their own accommodation and rent houses, flats or rooms or whatever may be suitable.

Mr. KNOWLES: They receive living allowances depending on the scale of costs in the various centres?

Mr. MACDONNELL: That is right.

Mr. KNOWLES: I have one other question with respect to the residence in Rome, and it might apply to the other buildings there. Does the tender system apply in these centres?

Mr. MACDONNELL: It varies from place to place. Of course, all construction must conform as closely as possible to the ordinary government regulations about the issuance of tenders and the various safeguards that are normal in these circumstances. We find that in some places tenders are not used in exactly the same way as they are here, but I think that in western Europe, certainly in Rome and Paris and The Hague, a system not unlike ours prevails. Plans are drawn up, they are given to would-be tenderers, and the tenders are received.

Mr. KNOWLES: Your building operations, then, are not covered by the tender section of the Public Works Act? Did you say that you are governed generally by the same provisions?

Mr. MACDONNELL: It is the government contract regulations that must be observed. In our foreign building operations we observe them as far as possible. We may have to go to Treasury Board and ask for a little additional flexibility if local customs do not permit us to operate in the way that we operate in Canada.

Mr. BALCER: Is this by-law that you are mentioning in connection with building on this property that you bought for \$186,000 a new by-law or was it in existence when the piece of land was bought?

Mr. MACDONNELL: I could not say as to its exact date.

Mr. MACDOUGALL: Is it not true that in all these foreign countries, as in Canada, it is necessary to conform with zoning regulations of the various countries?

The CHAIRMAN: Is it not a fact that in this case the district is archaeologically determined? It is a part of Rome, if I might say so, where there are restrictions on account of the archaeological value of the surrounding buildings.

Mr. GREEN: Why did they buy that site?

The CHAIRMAN: After the vote the committee will resume.

—(Recess for division in the House.)

The CHAIRMAN: We now have a quorum. Before we proceed I would like to say to Mr. Green that the clerk has found, in last year's reports, that there was one question asked at page 286, concerning a building in Washington and it is:

*By Mr. Cote:*

Q. Could you tell us approximately what is the capital investment in London?—A. \$1,400,000.

Q. And in Washington?—A. \$828,000.

Q. Do we envisage an enlargement of our establishment in Washington, an expansion?—A. The Department of External Affairs has no plans for enlargement in prospect, but the Department of National Defence, I understand, is putting up a new building there for their very considerable joint staff mission.

That is all that could be found, and all of last year's reports have been read.

Before we pass on, might I ask a question? When we adjourned for the vote, since there was emphasis put on the cost of the residence for the ambassador in Rome which is called an embassy in every city, I would like to ask Mr. Macdonnell, who has been posted abroad and who has had experience with missions abroad, what are the general conditions in the large capitals of Europe, in the different countries? I mean, not only the top nations and countries such as Great Britain and the United States and so on, but countries at large, in the way of buildings called embassies for the residence of their ambassadors, if that is considered to be a proper question.

Mr. MACDONNELL: Mr. Chairman, I think there can be no doubt that the standards of accommodation for the residences for heads of missions are fairly high. That of course is particularly true in the case of the great powers. It is also a fact that a number of middle or smaller nations see fit to spend quite a good deal on the accommodation which they provide for their heads of missions. I think it has been the general view of the department and of the government that we were not engaged in a competition to "keep up with the Joneses", but that in providing the dignity that you would want to achieve for Canada's representatives abroad you have to have some regard for the standards that already exist in those capitals.

The CHAIRMAN: Can we say in general that it is considered in the diplomatic world that the embassy of a nation might reflect the dignity, shall I say, of the nation, and that it is not for the glory of the one man who occupies it, but rather as a sign of the maturity of the country which builds the embassy?

Mr. MACDONNELL: Yes, Mr. Chairman, it should be an adequate reflection of the country's position.

Mr. PEARKES: Does that apply to the embassies of foreign countries in Ottawa?

The CHAIRMAN: To some extent.

Mr. GREEN: How many foreign embassies in Ottawa have a building which cost \$600,000?

Mr. MACDONNELL: I have no figures on that.

Mr. GREEN: After all, here we are to have an embassy in Rome which is to be built on one of the best sites in the city. The site cost \$186,000; the building is to cost \$325,000, and the furniture is to cost \$75,000, and that amounts practically to \$600,000. Last year we understood that the office was to be built on this land.

The CHAIRMAN: It would have meant a separate amount; it would have been a separate building, so it amounts to the same if we build it elsewhere.

Mr. GREEN: Now I understand that the land cannot be used for that purpose and it is only going to be used for the residence of the ambassador.

The CHAIRMAN: As an embassy.

Mr. GREEN: That means that the ambassador's residence is going to cost this country \$600,000, and that looks to me pretty much like "keeping up with the Joneses." How can the department justify an expenditure of that kind?

Mr. MACDONNELL: There is another possibility which I mentioned earlier and perhaps I might mention it again, and that is, using the existing house on the site with, of course, a much smaller expenditure to renovate it and put it into proper condition.

Mr. GREEN: What saving would that effect?

Mr. MACDONNELL: It would be the difference between building a completely new structure and making modifications and renovations in the existing house. It would be very considerably less.

Mr. GREEN: You would save at least \$300,000 by doing that?

Mr. MACDONNELL: It might be of that order.

Mr. GREEN: Is that residence not sufficiently good enough for the Canadian ambassador?

Mr. MACDONNELL: That is what we are looking into now. We have asked for pretty detailed reports from the local architects and engineers to see whether we cannot make it into a satisfactory residence.

The CHAIRMAN: If I might be permitted to violate a rule which I applied only once to some other member and to pass a comment and say that in all the countries to which I have been, Canada was far from having the top or nicest building. There were many South American republics and countries that have less of a future, or shall I say, lower standards of living than Canada in their country, and standards of business and advancement and so on which have larger and more elaborate buildings. This is not considered as a house for the ambassador but as a representation of the country at large.

Mr. GREEN: But in addition to this home for the ambassador, Canada is going to have an office building which, before it is through, will cost about \$500,000.

The CHAIRMAN: You have got to have a place for the staff to work besides the embassy but its cost will be much below that figure.

Mr. STICK: How many people will live in the embassy?

Mr. MACDONNELL: That would be just for the ambassador and his family, as a residence.

Mr. STICK: And what about the staff?

Mr. MACDONNELL: They find their own accommodation.

Mr. STICK: The ambassador will entertain there?

Mr. MACDONNELL: Yes.

Mr. CRESTOHL: I noticed this contingency about spending \$600,000 and that it is only a contingency because in the brief at the bottom of page 8 it is clearly stated that it is considered that the amount would be required provided there is no other alternative. Have you ruled out the alternatives?

Mr. MACDONNELL: No, sir, we have not.

Mr. CRESTOHL: There is a possibility of spending \$600,000, but for the time being it is a little remote?

Mr. MACDONNELL: Yes.

Mr. GREEN: I suggest that you give the taxpayers a break and use an alternative and save \$300,000.

Mr. CANNON: Is there not another alternative? It seems to me that I read about it somewhere in the brief, where it said that you cannot build an office building on this site. Could you not sell it and use the money you get from selling it to build elsewhere?

Mr. MACDONNELL: That is possible.

Mr. CANNON: Why not do that and build on another site and combine the two buildings?

The CHAIRMAN: I think it would be a grave mistake.

Mr. MACDONNELL: Perhaps you would first want to know something about the availability and cost of another site.

Mr. GREEN: Who makes the decisions as to what is to be done?

Mr. MACDONNELL: The minister.

Mr. GREEN: And what branch?

Mr. MACDONNELL: Our Supplies and Properties Division would come up with the initial recommendation and it would be submitted to the Under Secretary; if it were approved by the minister it would then go to the Treasury Board.

The CHAIRMAN: Shall we now pass on to "Inspections"?

Mr. PEARKES: May I ask a question about the Hague? I was there a couple of years ago and I would like to have some information as to the necessity for a new building there and what the building is to be used for, whether it is to be a residence or for offices.

Mr. MACDONNELL: We own our own residence there and the project which is under contemplation is for office accommodation. Our present tenure of office space there is somewhat insecure. We are renting and we may be forced to leave before very long, so the proposal is to build office accommodation.

Mr. PEARKES: And what is the estimated cost?

Mr. MACDONNELL: \$225,000 or perhaps \$300,000. I think that \$300,000 would be a more accurate estimate.

Mr. PEARKES: Does that include the purchase of the land or is it going to be built in the immediate vicinity of the ambassador's residence?

Mr. MACDONNELL: We own the land.

*By Mr. Pearkes:*

Q. We own the land; is it in the immediate vicinity of the ambassador's residence?—A. It is adjacent to the present chancery.

Q. But is it not some distance away?—A. It is right down town in the business section.

Q. Would that remove the necessity of retaining any officers in Rotterdam?

Mr. MACDONNELL: We do not have any officers from our department in Rotterdam.

Mr. PEARKES: There are officers of the Canadian government in Rotterdam, are there not?

Mr. MACDONNELL: There may be.

Mr. PEARKES: I think there are; and will that house these other departments, if there are any?

Mr. MACDONNELL: If there are other officers in Rotterdam it must be because there is work to be done there. But I do not think they would be affected by the provision of new accommodation at the Hague. The office space in the Hague would be taken up by the staff of the Department of Trade and Commerce, National Defence, and so on, who are currently in the rented offices

Mr. PEARKES: Rotterdam is very close to the Hague.

Mr. MACDONNELL: Comparatively, yes.

Mr. GREEN: What would be the cost of the land at the Hague?

Mr. MACDONNELL: \$41,000 in block funds.

Mr. GREEN: And the cost of the furnishings?

Mr. MACDONNELL: I have not got that figure. The furnishings of course are there now. They have been supplied over the years.

Mr. GREEN: There will not be new furnishings?

Mr. MACDONNELL: The quarters there will be a little larger than what we have now.

Mr. GREEN: And what did the embassy cost?

Mr. MACDONNELL: I have that figure here; \$194,000.

Mr. GREEN: Does that include the land and the furnishings?

Mr. MACDONNELL: It includes the land.

Mr. STICK: When was that land bought?

Mr. MACDONNELL: 1949.

Mr. PEARKES: And the land for the offices there was bought when?

Mr. MACDONNELL: In 1951.

The CHAIRMAN: All these purchases were made through blocked funds?

Mr. MACDONNELL: All the purchases in the Hague.

The CHAIRMAN: And in Rome?

Mr. MACDONNELL: And in Rome.

The CHAIRMAN: These blocked funds would not have been available to us. They were part of the debt of those countries to Canada which we could not have claimed to get in dollars or gold or in any other currency.

Mr. GREEN: Well, in the case of Italy they could be used for Canadian students.

The CHAIRMAN: I think there is still enough available for that. Would there be any hope of getting that money in other ways? Could they pay us in dollars or gold?

Mr. GREEN: We are going to build a building much more expensive than we need.

Mr. CROLL: That is not an excuse, but it is one way of using it.

Mr. GREEN: What is the situation in Paris? I see that you are going to be spending money in Paris.

Mr. MACDONNELL: Yes, Mr. Chairman. We are hoping that construction can begin during the present year on office accommodation in Paris. The final set of plans has been approved and tenders are being called. When those tenders are in they will, of course, be submitted to the Treasury Board. Without that we cannot have a firm estimate of cost. But the probability is that the total cost will be from \$500,000 to \$600,000.

Mr. GREEN: And does that include the land?

Mr. MACDONNELL: The land has already been bought.

Mr. GREEN: And what would it be?

Mr. MACDONNELL: \$298,000.

Mr. GREEN: What do you estimate will be the cost of the furnishings?

Mr. MACDONNELL: I do not believe we have a firm estimate. Of course we have some furnishings in Paris.

Mr. GREEN: Have you any idea what it would be?



Mr. MACDONNELL: It might be of the order of \$50,000. Some of the furnishings we have there are rented; they came with the present building.

Mr. GREEN: How large a staff do you have there?

Mr. MACDONNELL: External Affairs have 56. Trade and Commerce are there as well.

Mr. GREEN: How many for Trade and Commerce?

Mr. MACDONNELL: I could give only a rough guess. I would think, perhaps 15.

Mr. GREEN: How much did the embassy cost?

Mr. MACDONNELL: \$239,000.

Mr. GREEN: Does that include the land?

Mr. MACDONNELL: Yes.

Mr. GREEN: And furniture?

Mr. MACDONNELL: I am afraid that I have not the figures of furnishings.

Mr. GREEN: You said that plans and specifications are now being prepared. Who is making those plans at Tokyo?

Mr. MACDONNELL: The preparation of these plans has been the responsibility of our departmental architect, who is based in Paris.

Mr. GREEN: He drew up the proposed plans for Tokyo?

Mr. MACDONNELL: Yes.

Mr. GREEN: In Paris?

Mr. MACDONNELL: Yes. He went out to Tokyo, went over the matter on the spot with the ambassador and the staff, and had consultations with local architects. When those plans were in working form they were sent out to the embassy again for their comments, and we received a good many, and they are being worked on at the present time.

Mr. GREEN: How large a staff does your architect in Paris have?

Mr. MACDONNELL: He has a clerk of works, who spends a certain amount of time on the site at various projects, and he has a very small clerical staff.

Mr. GREEN: Public Works has no part in that work?

Mr. MACDONNELL: No.

Mr. PEARKES: Your offices will take care of the Trade and Commerce people who are now in a separate office in Paris?

Mr. MACDONNELL: Yes.

Mr. PEARKES: Are these tenders let only to French firms, or can Canadian firms tender for this construction work in Paris and the Hague?

Mr. MACDONNELL: The tenders will be advertised in Paris, and I would suppose that there is no reason why a Canadian contractor should not in theory tender on them, but I think that it would be most unlikely that any contractor placed in Canada would find it very economical to engage in building operations there.

Mr. STICK: It would be paid out of blocked funds?

Mr. MACDONNELL: Yes.

Mr. STICK: If it was a contractor in Canada, he would be paid out of blocked funds?

Mr. MACDONNELL: Yes.

Mr. STICK: That would not be of much use to him.

Mr. PEARKES: Who is doing the construction work for the armed services in France? Is that being done under the blocked fund system?

Dr. MACKAY: I think that I might answer this question, sir. It is being done by the French government.

Mr. STARR: Mr. Chairman, I would like to ask Mr. Macdonnell a question. What procedure is followed out in the purchase of sites for these embassies? Can the Department of External Affairs negotiate for the purchase itself, or do it through some local agency of the particular countries?

Mr. MACDONNELL: We have to be guided to some extent by local practices. We endeavour to get first of all an independent valuation by a qualified valuer, and the actual negotiations may be conducted directly with the owner of the property or through an agent. Agents are used in a good many parts of the world. It depends on local practices.

Mr. STARR: The reason why I asked this question is that in most cases you will find that the price is liable to soar sky-high where they know with whom they are negotiating. I think that the practice of negotiating through a real estate agency, without the owner knowing who the ultimate purchaser will be, has some bearing on the price.

Mr. MACDONNELL: I think that is so.

The CHAIRMAN: It is better to use an agency, because the owner might not know who is behind the agency?

Mr. STARR: Yes.

Mr. CRESTOHL: What will happen to the staffs at the office at 38 Avenue de l'Opéra, Paris, including the immigration staff? Will they all go into this new building?

Mr. MACDONNELL: The plans do not provide for the immigration offices being moved into the new building. I believe that they prefer it that way. But the Trade and Commerce staff, who are on the rue Scribe, will all go.

Mr. CRESTOHL: So apparently we will be maintaining four buildings in Paris: the residence of the ambassador, the Chancery, and the Department of Immigration—that will be three buildings?

Mr. MACDONNELL: And there is also office accommodation for the NATO delegation which is situated in Paris.

Mr. CRESTOHL: Would they be new facilities?

Mr. MACDONNELL: No, during the past year we acquired office space for them in a separate building.

Mr. CRESTOHL: Would it not be more economical and more efficient to house them under one roof?

Mr. MACDONNELL: One problem there is that there is uncertainty about where NATO headquarters are going to be finally established. They have been located in Paris, but there have been suggestions that they might be moved to Fontainebleau or Versailles or elsewhere, and it did not seem wise to us to plan to house the fairly large staff of that delegation in our main building in Paris if it might turn out in a period of time that they would be outside Paris.

Mr. GREEN: What about the building in Tokyo?

Mr. MACDONNELL: The plan there is to provide additional office accommodation. Suggestions have been made that we should have a completely new office built, but while there is a good deal to be said for that, we felt that it would be too expensive a proposition and that we could make adequate provision by adding either a floor or a wing to the existing building. Then we also contemplate some housing for staff. Tokyo is one of the places where living accommodation is extremely difficult to find, and we hope to make some progress on housing for our foreign service officers and our clerical employees.

Mr. GREEN: How much is it going to cost altogether?

Mr. MACDONNELL: We are thinking in terms of \$125,000 during the present fiscal year, which would include the addition of a third floor or a wing to the present office building, which might cost \$70,000 or \$80,000, and some minor outbuildings and a house for a married member of the Canadian staff. We think that that would consume the \$125,000 that we propose.

Mr. GREEN: You said that it is for this fiscal year. That is the total estimated cost?

Mr. MACDONNELL: Yes. I think that we cannot give a final figure, because we are still quite a distance from reaching a decision on how much housing accommodation should be built. The office accommodation is fairly firm and plans for one house, but beyond that I do not think I could go.

Mr. GREEN: What is the total cost to date, including the \$125,000, for the chancery?

Mr. MACDONNELL: This is one of our older buildings, in terms of the history of the department. It cost \$200,000 in the early thirties.

Mr. GREEN: In addition to that there is the embassy. Does the \$200,000 include the cost of the land?

Mr. MACDONNELL: Yes, the land, the office accommodation and the residence were bought in 1935 for \$200,000.

Mr. Low: Was that the land that Sir Herbert Marler turned back to the government?

Mr. MACDONNELL: I believe so.

Mr. Low: There is another question. There was an indication last year while we were dealing with these items that the department would scrutinize their findings carefully, and there is some evidence that there has been a revision. Would Mr. Macdonnell or Dr. MacKay be able to indicate to the committee the savings effected as a result of the revision of the plans?

Mr. MACDONNELL: I doubt if we can provide figures for savings. What we have been conscious of is the risks that we might be running if we went ahead too fast with any of this program of construction or purchase. You need to look carefully first of all at the argument for buying rather than renting, or building rather than doing either of the others, and to be cautious in making a final decision. I do not think that we can offer figures to show where we have saved money, but, for what it is worth, I am personally convinced that by adopting this rather cautious policy we are avoiding the danger of running into unnecessary expenses.

Mr. Low: You feel, Mr. Macdonnell, that we would not be straining ourselves in any respect to "keep up with the Joneses", particularly in the building of residences for ambassadors and our senior officials abroad?

Mr. MACDONNELL: That is certainly one of the considerations that guides the people in the department in making recommendations.

Mr. Low: There is a feeling among people generally when they see figures such as these that there might be some element of "keeping up with the Joneses." It would be a good thing, I believe, to have on the record some views with respect to it, that is, some assurance that we are not going all out to provide the most beautiful or the most palatial residences for our ambassadors abroad just because other countries have very lovely ones.

Mr. MACDONNELL: I am sure, Mr. Chairman, that everyone in the department who is connected with such matters shares the view that Mr. Low has just expressed, and I am sure that our minister shares it also, that we certainly want to avoid ostentation and extravagance. As the chairman remarked

earlier, we cannot set the standards ourselves entirely. It is a field that we have entered a good deal later than some other countries, and some regard must be had to what the prevailing practices of other countries are.

Mr. STICK: Your policy, in other words, is primarily based on need and not on show?

Mr. MACDONNELL: On need; yes.

Mr. STICK: With due regard to the position that Canada takes in the world?

Mr. MACDONNELL: Yes, and I think we would include in "need"—the need to have adequate accommodation for official representation activities abroad, which are part of the functions of our heads of posts.

Mr. STICK: Your basic policy is based on need, not on show?

Mr. MACDONNELL: Yes.

The CHAIRMAN: The question of residences abroad for any embassy is recognized by all nations in the world as of utmost importance. While not, as you say, "keeping up with the Joneses", it should be dignified enough for the country to be proud of, and for Canadians to be proud of when they go there.

Mr. STARR: I am slightly concerned at the property cost of \$160,000. I wonder if Mr. Macdonnell can tell us the approximate area or acreage that this amount buys and whether we looked for this site in valuable areas, such as business areas, or whether it is located in more or less residential areas. It seems to be a terrific amount of money to pay for a site. It must be of strategic or of great business value, or it must occupy a large area. Can you tell us the area of these lots and their location?

Mr. MACDONNELL: Might I make this comment first, that property values in a good many parts of the world are a great deal higher than they are in Canada. That applies whether you are renting office space or residential space, or whether you are buying. While undoubtedly these figures seem large, I think that it is only fair to bear in mind that they have to be considered in terms of going prices in Europe or Asia or wherever it may be. The selection of a site depends to a large extent on the customs of the city. There are places where embassies tend to be in a certain area, and if you went away from that area it would not be advantageous. Again, with office accommodation you usually want to be somewhere near the business centre of the city, and that also tends to make the cost higher than if you are located somewhere further away from the centre of the city.

The CHAIRMAN: When you submit the report to the Treasury Board on any proposal for a purchase of a site, do you include, as is usually done in purchases by other departments, a valuation by a local valuator as an idea of the value in that district or in that city, so as better to judge by comparison what you are doing as compared with costs of other such buildings or land in such cities?

Mr. MACDONNELL: Yes, Mr. Chairman, and we feel that we should devote particular attention to that. It is one of the sides of our property work which we feel does need attention, the obtaining of independent valuations and opinions, so that the whole story is known before any decision is taken on a purchase.

Mr. STARR: Is it possible for information purposes to give us the cost and dimensions of these sites in the case of Rome, Paris, Tokyo and the Hague?

The CHAIRMAN: Maybe those could be brought as an answer to the next meeting.

Mr. MACDONNELL: We have the figures, but I think it would save time.

The CHAIRMAN: Yes, it would save time.

Mr. MACDONNELL: You want the cost and the dimensions?

Mr. STARR: Yes, in Rome, Paris, Tokyo and the Hague.

Mr. MACDOUGALL: I think that all members of the committee are particularly interested in ascertaining the costs respecting the various buildings and possible locations. I was inclined to disagree with the honourable member for Quadra before we adjourned; but he was quite right. We spent approximately a full day, all told, I believe, last year, but all we have to do in order to review this material or refresh our memories on it is to look up the minutes of the committee for last year. I suggest we do that instead of taking up the time of the committee now. It is all there, and I do not think there are any new sites involved, more than what you have in there.

The CHAIRMAN: I wanted to leave as much liberty as possible to the committee to ask questions on the brief as submitted, and since the brief mentioned those projects I allowed the members to go much further than the brief itself which only mentions small additions. So I let the discussion go on. But the clerk has pointed out to me that this was all gone into very extensively last year.

Mr. GREEN: Might I ask Mr. Macdonnell about one other proposed building? Last October the Canadian consul general in New York, Mr. Ray Lawson, was quoted as saying that a \$500,000 Canada House should be built in New York to serve as headquarters for all Canadian enterprises there, business as well as governmental. Mr. Lawson is directly under your department and I would like to know if the department has in mind any such project for New York?

Mr. MACDONNELL: No, sir.

Mr. GREEN: Then this was just Mr. Lawson's own idea?

Mr. MACDONNELL: It was a suggestion, as I recall it, and part of it was that the project could be financed and built by business concerns such as railroads and Canadian companies with interests in New York without the expenditure of any government funds.

Mr. GREEN: But Canadian government offices were to be in this building?

Mr. MACDONNELL: Yes. Part of his suggestion was that if such a building were erected, it would be desirable for the Canadian government to rent their office space therein.

Mr. GREEN: Has the department in mind any new acquisitions other than those mentioned in the brief?

Mr. MACDONNELL: No, sir, except as I said earlier in the meeting, that there is the sum of \$700,000 in this year's estimates for possible projects. We have a list which totals something like \$1,600,000 of all possible or probable projects.

The CHAIRMAN: Since that is mentioned under item 87, I think the proper time to get the details of this, if you do not mind, would be when we come really to the estimates. Today we were supposed to discuss this brief which did not mention any such thing. Therefore I think we should confine ourselves to the brief itself and when we get to item 87 on page 13, and to the details on page 167, then would be the time to ask for details of such new projects which are not mentioned in the brief today. So maybe, for today, we could go ahead to the last part of the brief, and any questions which do not deal with the brief itself can be reserved until when we get to the estimates. The last item would be "Inspections" on page 8-a.

Mr. CRESTOHL: I would like to ask one or two questions on this section. First of all, I think it was a wise decision of the department to make these regular and periodic visits to our legations abroad. The observation in the brief is very clear and certainly makes these periodic visits highly desirable.

And I see in the reference that the department suggests that visits should be made by officers from headquarters and lower down, and that the department would use its senior officers assisted by junior officers. I would like to make the suggestion in view of the fact that you also indicate that our officials abroad have a feeling of despair that no one at home understands or cares about their particular difficulties because no one takes the trouble to visit them. I think this is a very useful observation which the department makes and I wonder whether these inspectional visits should be restricted or limited only to officials of the department.

I have had occasion during the past seven or eight years to visit a large number of embassies abroad and it is amazing how welcome someone from Canada is, even a member of the House; and I thought that if the department would consider, when making these inspectional tours—if the minister or the officials of the department might invite some of the members of the House—two, three, five, or whatever the delegation would be—to visit those embassies, we could get not only the reaction which the officials of the department have, but also the reactions which members of the House get. I am sure that the impressions are different. Officials in their line of duty might get one impression, and our men over there might be a little doubtful as to whether they should make certain statements to their seniors, which they might make to members of the House. In that way we might be able to bring back a full and comprehensive report, or vice versa.

The CHAIRMAN: That might fall under the suggestion made by Mr. Green, that our blocked funds should be used for educational purposes; and I might say in passing that our American friends are using such funds in that way to a large extent, to get members of Congress to visit abroad.

Mr. CRESTOHL: I am not thinking in terms of junkets for members of the House; but I do think we could bring back to Canada various viewpoints, not necessarily those limited or restricted by officials, or official duty; and I wonder whether departmental officials might have considered that when they prepared this memorandum or made their decision to make those regular inspectional tours?

The CHAIRMAN: I would not want to prevent the witness from answering, but since this matter would fall into the category of government policy, I doubt if an official would want to express a view as to the advisability of including members of the House on his staff when he sends visitors abroad. However, the witness is quite free to answer, if he cares to do so.

The WITNESS: I might say that I quite agree with the honourable gentleman's view that it is highly desirable from time to time for missions to be visited by other than just departmental people. I think it is always desirable for them to meet Canadians, whether members of parliament or people in business or in private life, and I think they all appreciate that.

One of the things which impressed me when I made an inspection tour last summer was how isolated our missions are; I do not mean those on the main travelled routes, perhaps, but they do feel isolated and they are delighted to see any Canadians. But from the standpoint of members of the House or other people going at some definite time I am not sure that it would work out.

I took a trip last summer in which it took from five days to a week to do each mission, and in order to do seven or eight missions, altogether, about nine weeks. A lot of time is involved and I do not know whether members of parliament have that much time to spend visiting.

Mr. PEARKES: As one who has visited embassies, I have always been made most welcome and I appreciate the hospitality which has been extended.

The CHAIRMAN: I can confirm that in saying that everywhere I have been around the world I have had the same experience at our missions.

Mr. CRESTOHL: I can appreciate Dr. MacKay's observation that when departmental officials go over they might require to sit down with the officials and examine their records and books and go into the organizational work and so on, and that it might take time. But I do not think we should minimize the value of inspectional tours being made by members of the House who could come back to this committee and report to us the facts obtained on their visits. And I agree that our people overseas are really delighted, almost overjoyed to receive people from home. It stimulates them considerably and I suggest it would serve a very useful purpose to this committee.

Mr. MACDOUGALL: Can it not be assumed that any Canadian who wishes to go abroad now and visit the various embassies is quite free to do so? The only variation that might arise with respect to members of parliament is that the government might decide—regardless of what government is in power—that this is possibly a good thing and that we might have a continual touring by members of parliament all over “hell's half acre” in order to visit various embassies? I think I am correct in saying that that privilege is open now to anyone who wants to go, and I think that the privilege is sufficiently broad in its scope without bringing in the question of members of parliament going over. They can go over now if they want to pay their own way; and I do not believe that the taxpayers of Canada should pay for travel abroad, even for inspectional visits to various embassies because, while Canadian people by and large are interested in our foreign policy, I suggest that they are not particularly interested in creating an opportunity for members of parliament to travel abroad under the guise of inspectional trips.

The CHAIRMAN: Are there any further questions, gentlemen?

Mr. PATTERSON: I wonder if I might ask Mr. MacDougall where he got the dimensions of that particular place which he mentioned?

The CHAIRMAN: Dr. MacKay has with him answers to a number of questions which were brought up at the last meeting. Perhaps we should now let Dr. MacKay place his answers on the record.

The WITNESS: In the first place, Mr. Chairman, I was asked a question about certificates of identity.

As in the case of passports, their issuance is regarded as one of the prerogatives of the Crown and orders in council are not required either for the granting or the withholding of certificates. The numbers issued in recent years are as follows:

1952 .....	5,074
1953 .....	6,031

I think I might enlarge on a statement which I made at the last meeting as to how certificates of identity are issued.

At a previous meeting I mentioned that an applicant for a certificate of identity if not stateless is normally required to submit written evidence that his consulate has refused to issue a travel document. I should like to add that this procedure does not apply in the case of an applicant who comes from an iron curtain country. If, for reasons which appear to be valid, such an applicant is reluctant to apply to his appropriate consular representative, a certificate of identity is issued without the necessity of submitting to the passport officer the consulate's letter of refusal which is normally required. Likewise, if the applicant has a valid passport from an iron curtain country which he does not wish to employ, he may be given a certificate of identity.

With regard to the certificate of identity issued to Otto Strasser I was asked the date on which the first application was submitted. This was in January 1950. For the reasons previously given to the committee, the government was not prepared to act favourably on this application until the beginning of the present year. The circumstances of this case are unusual, and I am not aware of any other case that could be regarded as similar.

*By Mr. Green:*

Q. You say there was no application by Dr. Strasser before 1950?—A. According to our records.

Q. And the only reason you gave at the last meeting for refusing to give him a certificate of identity was that the Allied High Commission had requested Canada not to do so?—A. That was one reason which I gave, but I suggested there were certain others. However, I did not elaborate on them.

Q. What are the others?—A. He was not the type of person we felt desirable to go around with a Canadian travel document.

Q. And for what reason?

The CHAIRMAN: Would that not be a matter of policy for the government, or is it something for an official of the department to decide?

Mr. GREEN: Well, here is a very unusual course of events.

The CHAIRMAN: I asked the question, and we can see what the answer is. Is that a matter of government policy in that case, or a matter of departmental decision by an official?

The WITNESS: It is certainly a matter of government policy.

The CHAIRMAN: This witness cannot be forced to answer. However, the minister may answer you when he comes back.

Mr. GREEN: That would mean that the government can decide, without being accountable to anybody, that a person is not going to get a certificate of identity, and no explanation has to be given.

The CHAIRMAN: You might ask that question of the minister when he is here and he may decide to answer.

Mr. CRESTOHL: Dr. MacKay said it was purely the prerogative of the government, and that no reason need be given.

The CHAIRMAN: When the man is not a Canadian citizen. You mean in the case of a man who is not a Canadian citizen?

*By Mr. Green:*

Q. On what date was a certificate of identity issued?—A. January 6 of this year.

Q. January 6 of this year; and can you tell me on what date the Allied High Council or occupation authorities lifted the ban upon Strasser's going back to Germany?—A. I am not sure whether they did. I cannot answer that question.

Q. Is he still in Canada?—A. I think so, but I am not certain.

The CHAIRMAN: Have you the answers to other questions, Dr. MacKay?

The WITNESS: Another question was asked about the notice to travellers going behind the iron curtain.

Following a discussion of the "Notices to Travellers" included in Canadian passports, questions were asked about the action taken as a result of this notice. It might be useful if I were first to read the text of the notice.

Owing to difficulties which may be encountered by Canadian travellers abroad, holders of Canadian passports who intend to visit Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Romania, the Soviet



zone of occupation in Germany, or the Union of Soviet Socialist Republics are required before undertaking such visits to notify the passport officer, 38 Bank Street, Ottawa, or the nearest Canadian diplomatic or consular officer abroad of their travel plans and of the length and purpose of their visits.

On arrival in any of the countries named, Canadian travellers are required to furnish to the nearest Canadian or United Kingdom diplomatic or consular officer particulars of their passports and home addresses together with details of their itineraries. They should keep in close touch with the appropriate Canadian or United Kingdom Officers and on leaving the country should notify the officer to whom they last reported.

Failure to comply with these requirements may result in withdrawal of passport facilities.

During the past year no passports facilities have been withdrawn for failure to comply with these requirements. As regards notifications of intention to travel to the named areas behind the iron curtain we have records of 205 different Canadians who notified the passport office during the period from January 1, 1953 to February 15, 1954. A good number of these persons made more than one such visit. Available information shows that during this period Canadian travellers notified the Passport Office of their intention to travel to individual Iron Curtain countries as follows:

USSR .....	56
Poland .....	61
Czechoslovakia .....	71
Bulgaria .....	27
Hungary .....	52
Romania .....	45
Albania .....	11
East Germany .....	15

It is more difficult to give an accurate answer regarding the number of such persons who actually report to our diplomatic offices abroad. As can be readily understood many people alter their travel plans and it is difficult to estimate how many persons who state their intention to travel do in fact visit the country concerned. Moreover our offices up to the present have not been required as a matter of routine to report back to us on all travellers who visit the countries in which they are stationed. We have asked them for reports only on travellers whose journeys are for one reason or another, because of their records in Canada, of particular interest. It is however safe to say that the great majority of Canadian citizens travelling in the areas named actually report to the Canadian mission concerned or to the United Kingdom mission in those countries where there is no Canadian office.

Mr. CRESTOHL: Before Mr. MacKay leaves that question, I understand that in the issue of passports to Canadian citizens who were not born in Canada a warning is also issued, I think, by the Department of External Affairs, that the passport will not have its full value in the country of birth of that traveller. Will you have that text with you?

The CHAIRMAN: If one more member goes, I will have no quorum.

The WITNESS: We have not, but I can get it for you if you wish.

Mr. CRESTOHL: Would you, please?

The WITNESS: I had a question on International Civil Aviation Organization.

Questions were asked at a previous meeting about the possibility that the International Civil Aviation Organization might decide to move its headquarters from Montreal.

While we have not learned of any specific proposals for removing the headquarters of ICAO to a city in another country, we are of course aware as doubtless are many members of the committee that there have in the past been discussions concerning the location of the organization's headquarters and the desirability of moving out of Montreal. Hitherto these discussions have not resulted in any decision to move the headquarters and, as the committee was informed last year, the Canadian government decided in 1952 to increase the amount of its rental subsidy in order to make ICAO's rental level more comparable to those prevailing for other specialized agencies of the United Nations in other countries. We understand that active discussions on the subject of a possible transfer of the headquarters have been held in the ICAO council within the past few months, though these discussions have not been made public by the organization. In view of this fact there is little that can be said about them at present. However, I think it can be reasonably assumed that the subject may also come up for consideration at the next ICAO assembly in June.

With regard to representations made by the organization on taxation questions, I understand that representations have been made to the provincial authorities but I am not aware of the details of these. The Secretary-General of ICAO has also approached the Department of External Affairs about this problem and has asked a number of questions concerning the implications to the organization of the new provincial tax law which are being considered by the Department of Justice.

I was also asked about the membership of the Soviet bloc in specialized agencies of the U.N.

#### MEMBERSHIP OF SOVIET BLOC IN SPECIALIZED AGENCIES

The U.S.S.R. is a member of the International Telecommunications Union, the Universal Postal Union and the World Meteorological Organization and has given notice of joining the United Nations Educational, Scientific and Cultural Organization and the International Labour Organization. It withdrew from the World Health Organization and does not belong to any other specialized agency. Following are the particulars of the Soviet bloc's position in the various agencies.

##### *United Nations Educational, Scientific and Cultural Organization*

The U.S.S.R. made no attempt to join UNESCO at its inception. Membership in the United Nations carries the right to membership in UNESCO. Early in April the U.S.S.R. notified the director-general of UNESCO of its intention to join and a Soviet delegation is attending the current meeting.

Hungary, Poland, Czechoslovakia and Roumania joined UNESCO but over the past three years they all gave notice of withdrawal. There was some doubt as to the legality of this as the constitution makes no provision for states' withdrawal, and now Czechoslovakia has sent a delegation to the UNESCO meeting.

##### *International Labour Organization*

The U.S.S.R. was a member of the ILO while it was in the League of Nations from 1935 to 1939. It did not declare its intention to retain membership after the war and its seat on the governing body was therefore declared vacant. The constitution of ILO provides that any member of the United Nations may join the ILO on accepting the obligations of membership. A few days ago the U.S.S.R. notified the director-general of ILO that it was accepting the obligations of membership.

Bulgaria, Czechoslovakia, Hungary and Poland are members of the ILO.

*World Health Organization*

The U.S.S.R. and eight other members of the Soviet bloc joined WHO when it became a permanent organization in 1948. By May of 1950 all had given notice of withdrawal. Again there is some doubt as to the constitutional position and they are still listed as inactive members. It would seem possible for them to resume membership at any time.

*Food and Agriculture Organization*

None of the Soviet bloc are members of FAO. They would have to apply for membership and have their applications voted on by the FAO Conference.

*International Civil Aviation Organization*

The U.S.S.R. has never made any attempt to join ICAO. It would have to apply for membership and have the application voted on by the ICAO assembly. Czechoslovakia and Poland are members.

*International Telecommunications Union, Universal Postal Union, World Meteorological Organization*

All members of the Soviet bloc are members of these three organizations.

*International Monetary Fund and International Bank for Reconstruction and Development*

The U.S.S.R. has never attempted to join these two organizations. Czechoslovakia joined before it was swallowed up in the Soviet bloc. It was suspended from the international bank on December 31, 1953 for failure to pay the balance of its subscription. Any Soviet countries which wish to join these two organizations would have to apply for membership and have their applications voted on by the existing members.

The WITNESS: There were a few other questions asked, notably with respect to the Colombo Plan. If it would suit the committee, I think that it would be better to leave that until Mr. Cavell is here.

The CHAIRMAN: That is right.

Mr. STARR: I had a question regarding the C.B.C. International service.

The CHAIRMAN: It was not to the witness. It was asking whether the committee will call the heads of the language groups.

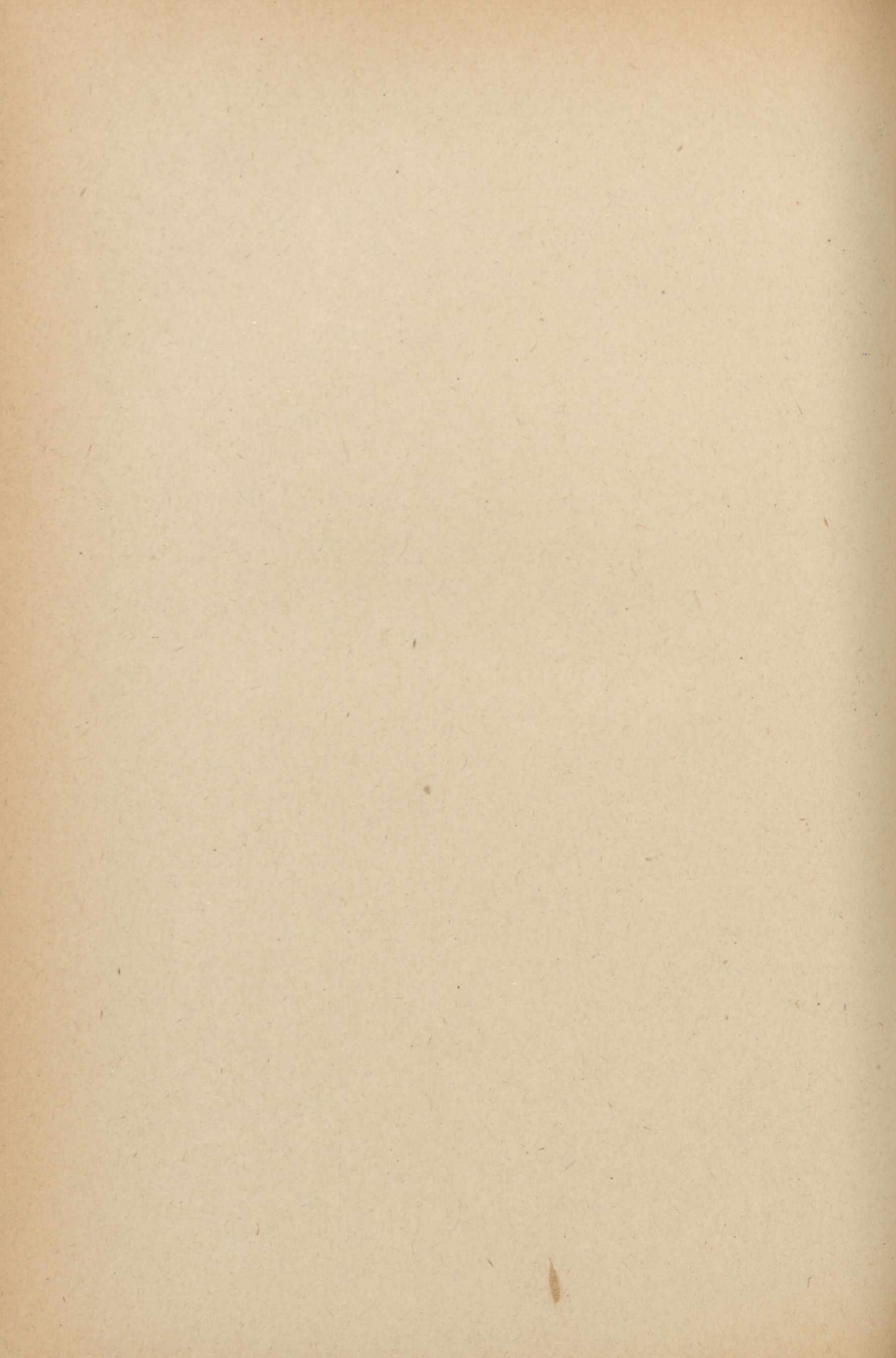
Mr. STARR: There were some questions too, Mr. Chairman, with respect to the policy of broadcasts as carried out by the five branches.

The CHAIRMAN: The deputy minister feels that such questions should be answered by the head of the C.B.C.-I.S. service. You can ask him when he comes to this committee later.

As it is nearly 6 o'clock we might adjourn. I understand that the witness will be available tomorrow morning at 11 o'clock. So the meeting stands adjourned until then, when we will take item 84 of the estimates.













HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

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THURSDAY, MAY 6, 1954.

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ITEM 84—DEPARTMENTAL ADMINISTRATION  
(Main Estimates of the Department of External Affairs)

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Mr. R. A. MacKay, Acting-Under Secretary of State for External Affairs.

HOUSE OF COMMONS

THE SECRETARY OF STATE

1911

STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

MINUTES OF EVIDENCE

MINUTES OF EVIDENCE AND EXHIBITS

IN

THE HOUSE OF COMMONS

THE SECRETARY OF STATE  
(The Department of External Affairs)

PRINTED BY THE GOVERNMENT PRINTER, 1911

THE SECRETARY OF STATE  
1911

## MINUTES OF PROCEEDINGS

THURSDAY, May 6, 1954.

The Standing Committee on External Affairs met this day at 11.00 o'clock a.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Coldwell, Crestohl, Fleming, Garland, Green, Henry, James, Knowles, MacDougall, Patterson, Pearkes, Picard, Pinard, Richard (*Ottawa East*), Starr. (15)

*In attendance:* Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, Mr. R. M. Macdonnell, Assistant Under-Secretary, Mr. S. D. Hemsley, Head of Finance Division.

The Committee commenced the detailed examination of the estimates referred to and the Chairman called Item 84 "Departmental Administration".

Mr. MacKay was called and examined. He was assisted by Messrs. Macdonnell and Hemsley.

Copies of a departmental statistical analysis of estimates for 1954-55 were tabled and distributed.

At the request of Mr. Henry, it was agreed to have the witness table copies of a booklet dealing with the requirements of the Department for candidates to positions for foreign service officers as well as specimen copies of examination.

At 12.50 o'clock p.m., the Committee adjourned until Wednesday, May 12, at 3.30 o'clock p.m., when General MacNaughton, Chairman of the International Joint Commission, will be heard.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*



## EVIDENCE

MAY 6, 1954.

The CHAIRMAN: Gentlemen, we have a quorum and, as agreed yesterday, we will start this morning with item No. 84. The department has supplied us with a memorandum which will be distributed now. I will call item No. 84, departmental administration, the details of which are found on page 157 of the book of estimates.

No. of Vote	Service	De- tails on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
	A—DEPARTMENT AND MISSIONS ABROAD					
84	Departmental Administration	157	3,333,583	2,853,958	479,625	

Mr. FLEMING: Mr. Chairman, I am referring to page 1 of the statistical statement which has just been circulated and which I presume is going to be incorporated in the proceedings of the Committee at this point. We are told that of all the increases in the appropriation this year some \$300,000 is attributable to the recent revisions in salary scales and a further large part (\$540,000) that results from a decision to open several new posts this coming year, and from the need to make a full year's provision for Seattle.

May we first of all have an explanation of the increase in the salary scales?

**Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, called:**

The WITNESS: There has been a general increase.

*By Mr. Fleming:*

Q. This is just the same increase that applies throughout the civil service?

—A. Yes.

Q. Nothing special in this respect?—A. No.

Q. Has there been any regrading at all with respect to any of the posts that existed in the previous year? I am thinking of any of the senior posts in the department.—A. I am not quite sure that I understand your question.

Q. I mean from legation to embassy, for instance?

*By Mr. Fleming:*

Q. I was not thinking of the status of any particular post abroad, but of the salary attached to the senior posts in the department.—A. I may say that formerly heads of posts were appointed at a salary fixed by order in council. Last year, after prolonged discussions with the Civil Service Commission and the Treasury Board, and finally by decision of the cabinet, all heads of posts

were offered the opportunity of coming under the civil service regulations and being classified in one of the civil service grades. We formerly had grades up to foreign service officers, grade 6, and they now have been increased to foreign service officers, grade 10. That is to say we put three classifications on the top and those will include the heads of missions. Under secretaires, assistant under-secretaries and so on, all diplomatic officers, now may be covered by these new classifications and in some cases that has meant revision in salaries—upwards.

Q. That F.S.O. 10 would include persons holding ambassadorial rank?—  
A. There are five F.S.O. 10 positions in the service—and the under-secretary covers off one of those positions. At the present time, for purposes of the establishment an F.S.O. 10 position is provided for the head of the mission in London, the head of the mission in Paris, the head of the NATO mission and the Washington mission. There is one other post, the deputy under-secretary, which is in the same category. Now, it does not necessarily follow that the heads of missions in those posts will have that classification but for the purposes of our establishment we are allowed that number of F.S.O. 10's. In some cases reclassification has meant an increase in salary—in fact in the majority of cases I would say it has meant some increase in salary for the present head of mission—but not in grade.

Q. I take it that for everybody in the Department of External Affairs regardless of whether he is located at Ottawa or abroad, there is now a civil service classification if the person chooses to come under it?—A. If he chooses to come under it, yes.

Q. Are there any who have not chosen to come in for whom places would be available under the new classifications?—A. Yes, some of the heads of mission who have been in the service some time, who have been appointed by order in council appointment, or I should say who have been heads of missions for some time and who have not been in the civil service have elected not to come in. They do not see any advantage to it because they are under the Diplomatic Pensions Act.

Q. It is just a question of where the advantage lies in each case. That might depend on age and status with respect to the Diplomatic Pensions Act.

Mr. KNOWLES: I wonder if Dr. MacKay would relate the one ambassador listed in the details under this item to the 19 heads of posts listed under the next item? I realize that these heads of posts could be discussed in the details of the next item—

The CHAIRMAN: You do not mean item No. 85?

Mr. KNOWLES: I meant item No. 86.

The CHAIRMAN: We will get to that later.

Mr. KNOWLES: Just a moment, Mr. Chairman. Under item 84 there is provision in the details for one ambassador. When you get to item 86 there is provision for nineteen heads of posts. I am asking for an explanation. We have more than one ambassador—

The WITNESS: That would come under the F.S.O. classification.

Mr. KNOWLES: Will you tell me who the one ambassador is?

The WITNESS: I would ask Mr. Macdonnell to answer that.

Mr. MACDONNELL: This one ambassador represents the post which Mr. Jean Desy was occupying when he was on loan to the international service of the C.B.C. He was director general and we continued to pay his salary in the estimates of the Department of External Affairs. However, that no longer applies. He is now ambassador to France and we have nobody seconded to the C.B.C.

Mr. KNOWLES: In other words, this item was brought under departmental administration because that person was not a representative abroad at that time?

Mr. MACDONNELL: Yes.

Mr. KNOWLES: So there is nobody drawing this item under general administration. I take it that gentleman will have to be paid under the other item.

Mr. MACDONNELL: That is right.

Mr. FLEMING: Is there any reason for continuing the item under general administration?

Mr. MACDONNELL: It is simply that when the estimates were made up last fall Mr. Desy was still with the C.B.C.

Mr. FLEMING: I can quite follow why it was put in at that time.

Mr. MACDONNELL: It would not appear for another year.

Mr. FLEMING: Is there any reason for voting it now?

Mr. MACDONNELL: I suppose technically not.

Mr. FLEMING: We had a situation last Thursday night, Mr. Chairman, in the House where at the time the estimates were made up it was thought that there was going to be a building program under the Department of Public Works at Gagetown. That had recently been abandoned and the minister said: I do not need that and you can take a quarter of a million dollars off the item. I should think this is a comparable basis and if the situation no longer exists and this \$16,000 is no longer required, we could strike it out of the item.

The CHAIRMAN: Where do you see \$16,000? I see \$10,000.

Mr. FLEMING: Whatever the figures are—I have not got the book in front of me.

The CHAIRMAN: For one ambassador on page 157 I see \$10,000.

Mr. FLEMING: There is no point in our proposing to vote the money if there is no need for it any more.

Mr. KNOWLES: I would always be glad to see \$10,000 cut out, although I would not like to see Mr. Desy go for a year without pay.

Mr. MACDONNELL: His pay is provided under representation abroad.

Mr. KNOWLES: Even though you have a reduction from 20 to 19.

Mr. MACDONNELL: Yes, because the estimates were drawn up on the basis of providing salaries for each post abroad and the fact that there has been a change in the incumbency of the post in Paris will not affect the total.

Mr. KNOWLES: Perhaps I might be permitted to ask this question since we are on the subject, although it comes more properly under item 86. How is it that there is a reduction in the number of heads of posts from 20 to 19? I was assuming that was because Mr. Desy was brought home but that is apparently not the explanation.

Mr. MACDONNELL: I think the answer is that your heads of posts which number 20 for 1953-54 and only 19 for 1954-55 means that one or more of the senior officers underneath this F.S.O. grade 9 or grade 8 may be actually filling a position of head of a post.

Mr. KNOWLES: A general movement upward along the line.

The CHAIRMAN: This won't be upward. It would be downward if you go from 20 to 19—there is one less.

Mr. MACDONNELL: Perhaps we might just look at this a little more carefully.

The CHAIRMAN: We won't take it out of the estimates just yet.

Mr. FLEMING: Perhaps the representatives of the department could consider that and see at the same time how it fits into the picture with the heads of post item and we will ask about it at the next meeting.

The CHAIRMAN: That is right.

Mr. GREEN: There is an item on page 158 of the estimates for telephone, telegram and other communication services, \$173,365. The amount for 1953-54 was only \$108,640—and that is an increase of about \$65,000.

The CHAIRMAN: Where are we?

Mr. GREEN: On page 158 of the estimates. Could Mr. MacKay explain that?

The WITNESS: May I ask Mr. Macdonnell to speak to that?

Mr. MACDONNELL: Mr. Chairman, on page 2 of the mimeographed statement that has been distributed you will find a note that this increase of \$65,000 represents the assumption of charges for new teletype circuits and some increase in telegrams in connection with new posts. There is \$17,000 due mainly to provision having been made for several new posts and installation of cypher machine equipment in several posts. The installation of machine equipment does result in a certain amount of traffic increase; and there has been a general increase in the volume of telegraphic correspondence.

Mr. GREEN: I see in several places in the explanatory notes that there are to be new posts and that is the reason for several of the increases. Can you tell us where those posts are to be and of what nature they will be?

The WITNESS: Well, sir, I can only mention one post at the moment for the reason that it is not public information and we would not feel it appropriate to release it here without the consent of the other governments. Normally, when arrangement is made to exchange diplomatic representatives the release is made by the two governments simultaneously. We do not feel it would be appropriate to mention all of the possibilities. There is one post on which information has been released to the public, namely Santo Domingo where we have considerable trade.

*By Mr. Green:*

Q. Santo Domingo?—A. The Dominican Republic—I gave the name by which it was called in the days when I went to school.

Q. What is that going to involve in the way of cost?—A. It will be a very small mission—a two-officer post.

Q. What would be the salary of the head of that post?—A. The head of the mission will be an ambassador at an existing post, but there will be a two-officer post there to carry on business.

Q. Why cannot that work be done by a trade commissioner or officer of the Department of Trade and Commerce? Why is it necessary for us to exchange ambassadors with the Dominican Republic?—A. Well, sir, the trade commissioner will be the charge d'affaires. That is the present arrangement that is being worked out with Trade and Commerce. An ambassador at another Latin-American post will be the ambassador to that country and will visit from time to time.

Q. In effect it is to be nothing more than a trade post?—A. No, sir. We will have to provide consular service there and we will be putting in a special officer for that.

Q. Surely it is not necessary to have an ambassador on commissions of that kind?—A. Well, sir, if you are wanting to do business with a government, as you have to do on occasion—even in trade matters—it is frequently of advantage to have a diplomatic representative even if he is not resident in that country.



Q. Is it policy that wherever we have trade with a country we are going to have an ambassador?—A. No, sir. In fact, our difficulty is that we are being pressed by many countries to appoint representatives and we do not want to do that. We are now extended as far as we would like to be.

The CHAIRMAN: Could there be any comments from the under-secretary or his officials as to why the Dominican Republic obtained preference over others who have applied to us to send representatives abroad—or is that a matter of policy?

The WITNESS: Well, we have a considerable commercial interest there, sir, and that I think is the main consideration.

*By Mr. Green:*

Q. But for many years the trade interests of Canada have been represented in those various countries by the officials of the Department of Trade and Commerce. Why cannot that be continued in the case of the Dominican Republic? Why do we have to establish their embassy?—A. I think all I can answer to that question is that it was a decision of government policy that it would be desirable to use diplomatic representatives with that country. Actually there will not be any substantial increase there in our costs as a result because, as I say, we are not appointing a separate head of post there.

Q. What is our trade with the Dominican Republic per year?—A. I am sorry I do not have that figure.

Q. Has your department not got any idea of that?—A. Oh, yes.

*By Mr. Knowles:*

Q. Will the establishment of this full staff involve a salary for another ambassador?—A. No.

Q. It will merely involve a salary for two foreign service officers?—A. It will involve the salary really of one additional foreign service officer.

Q. Because one of them will be a representative of Trade and Commerce who will have two positions but will draw just one salary?—A. Yes.

The CHAIRMAN: I had in mind that it might be of interest to the public to know why, at this point, it was decided that we should exchange representatives with the Dominican Republic rather than with another one of those who have been pressing us for our exchange. I ask that not only for my own information but the public might want to know why too.

Mr. GREEN: I think that was a very good question. It does seem very strange that we are exchanging diplomatic representatives with the Dominican Republic.

Mr. FLEMING: Yes, and with ambassadorial status.

The WITNESS: There are of course Canadian investments in that country as well as trade.

*By Mr. Green:*

Q. Is it the idea that embassy will look after Canadian investments in that country? Or who asked for representation there?—A. Well, I cannot answer that question, definitely sir. My recollection is that for some years there have been requests from the Dominican Republic. That is my recollection, but I will have to check it.

Q. What interests in Canada have asked for this embassy?—A. I would not like to answer that question.

Q. Can you find that out? There must be some record of it in the department?—A. We can look into it. I am not sure that we can answer that question—it may be confidential correspondence.

*By the Chairman:*

Q. Do you feel that is a question that should be asked of the minister when he comes back?—A. I think so.

Q. Well, we will take a note of it and have it answered then.—A. Yes.

*By Mr. Green:*

Q. What is the type of trade between Canada and the Dominican Republic?—A. Well, there is considerable in the way of sugar as I understand it. I really should not speak of this, of course, because I am not qualified and I would have to look into it.

Q. Well, your department is establishing an embassy and you surely should be able to explain why.—A. I am sorry, sir, I did not look up any details on it before this meeting and I find it difficult to carry statistical details in my mind.

Q. You will get us all the information?—A. We will get as much as we can.

*By Mr. Fleming:*

Q. I think you could come prepared to deal with the question the chairman has raised as well—relating to the priority among countries now seeking diplomatic exchange with Canada. Has this particular appointment of ambassador involved merely raising the level of diplomatic status of the mission or is it the appointment of a diplomatic mission for the first time?—A. Yes.

Q. It is brand new? Is it not quite unusual in opening up diplomatic relations to start off with ambassadorial status?—A. No.

Q. I think in most cases we started off with a minister, particularly with countries that are not exactly major powers in the world.—A. There is no regular procedure in that way. It depends on the circumstances with each particular country.

Q. Can you recall any other cases where we have initiated diplomatic representation in any other country abroad by the appointment in the first instance of a representative of ambassadorial status?—A. Yes, I think all our Latin American missions are embassies. There are no longer any ministers in this hemisphere.

Q. I understand that is the position now, but I was thinking rather about the time when diplomatic representations were initiated with those countries.—A. I am inclined to think that the first missions in Brazil, Argentine, Chile—I am inclined to think they began as legations but all missions established recently in Latin America—Colombia and Venezuela, have been established as embassies.

Q. Do I take it that present policy is to put all new diplomatic posts abroad on ambassadorial basis?—A. No, sir. I should not say there is a regular policy. It depends on the local circumstances in each case. As far as the department is concerned we really make no distinction between embassies and legations. That is to say that a man may be an ambassador now and then later be appointed as a minister. It depends upon the country to which he goes. As far as costs of running embassies overseas are concerned, there is no distinction between embassies and legations—that is as far as our administration is concerned.

*By Mr. Green:*

Q. On this point, how many new missions are being established during the present fiscal year?—A. I should say we have in mind five, sir, but this will not involve five new heads of posts. In practically all these cases there will be double accreditation.

Q. There will be new posts?—A. There will be new posts as far as exchange of diplomatic representatives is concerned.

Q. I notice on page 3 of the particulars you have given us that you say: "this year a request is made to provide for office furnishings for four new missions . . ."

The CHAIRMAN: You are going into another item? Can we not wait until we get to furnishings?

Mr. GREEN: I would just say that my question is in regard to new missions. Do these five new missions include the one to the Dominican Republic?

The WITNESS: Yes.

Mr. GREEN: Mr. Chairman, I suggest that we really should be given information as to where these posts are to be. If I remember correctly we have had information of that kind in other years. If we are not going to get it we are put in this position: The department establishes posts and it is not until that has been done that we can say anything about it—and then it is too late to do anything effective. I do suggest we really should have an opportunity to give some consideration to whether these new posts should be established and also to the question of priority which you yourself raised a few moments ago.

Mr. COLDWELL: I can understand why the witness is reluctant to give the information publicly; but would it not be possible to get information of this description off the record—so that we would know what we are talking about and yet we would not embarrass either our government or the government with which we are negotiating an exchange of diplomatic representation.

Mr. FLEMING: I do not remember information being given in private, but I do recall that the minister has given information of that nature in previous years. It may be that Mr. MacKay would prefer to have the minister give that information. I quite agree that we should be given enough information as to pass judgment on whether the proposed appropriations are justified.

The CHAIRMAN: I quite agree.

The WITNESS: It may be possible, sir, to give you this information before the committee has completed its work.

Mr. FLEMING: As a matter of fact I do remember in some years that members asked for information about individual countries—as to whether they were among those countries which were seeking diplomatic representation. We used to have that question asked about Spain and we have had it asked about the Vatican and other countries.

Mr. COLDWELL: Indonesia.

Mr. FLEMING: Yes, a number of other countries; and the minister did give the information in each case.

The CHAIRMAN: Perhaps we should take a note of this and when the minister comes before the committee, before we finish our work—and we assume he will be here because we do not expect the Geneva Conference to last to the end of June—we can ask him about it. These questions relating to policy can be asked of him. He will know in advance what the questions are and will be able to have the information available.

Mr. MACDOUGALL: May I ask a question for general information not relating to the angle we are on; but what is the total number of personnel both at home and abroad within the department?

The CHAIRMAN: May I ask every member of the committee and the witness to speak a little louder. The reporters have difficulty in hearing everything that is said at opposite ends of the room.

The WITNESS: The total number as at the end of 1953 was 1,522 at home and abroad. It might be useful if I were to give a little breakdown of that.

The figure included 295 officers, 774 employees—that is employees under the Civil Service Act; and 453 local employees.

Mr. MACDOUGALL: What does "local" mean?

The WITNESS: Employed in particular embassies—people from the immediate locality, non-Canadians.

Mr. MACDOUGALL: How were those officers recruited and what qualifications does the department look for in selecting new officers?

The WITNESS: With respect to officers and not employees—and I should say first that all our officers and employees under the Civil Service Act are employed under Civil Service regulations and procedures. We have a good deal of discretion in the case of local employees. With respect to officers, they are recruited through a competition which involves a written examination plus an oral Board for those who pass the written test. The minimum qualifications are that candidates must have a degree from a university; they must be Canadian citizens and have resided in Canada ten years previous to the examination. We make allowances, however, for those who have studied outside the country part of that time. A number of students, for instance, will have left Canadian universities to study in the United States, the United Kingdom, or France. That time for purposes of examinations is counted as Canadian residence if there is no evidence of intent on their part to leave the country. We then set an age limit for candidates. They must not be over 30 years of age. We find that after that age it is a little more difficult perhaps to break a man in to Civil Service procedure. In addition, he is somewhat beyond the age of people in his own group and, if he is recruited beyond the age of 30 it may well lead to dissatisfaction on his part. Broadly speaking we do not require any particular type of university qualification. We do perhaps give preference to people who have done political science, modern history, geography and law—

Mr. FLEMING: That is very commendable.

Mr. KNOWLES: And the proper place to put law—at the end of the list.

Mr. FLEMING: I was thinking of the whole list, political science, history—tremendously useful—

The WITNESS: Some of our officers have had quite different training. Some of our very good officers have done languages. We have two or three who have done sciences.

Mr. MACDOUGALL: May I carry on before you horn in again?

*By Mr. Fleming:*

Q. Is it not a requirement that all officers must have a fluent command of two languages?—A. No, we do not make that a requirement. We hope very much that they will have it but we have found that it really would restrict the number of eligible candidates. So far that has not been practical. We expect when they come into the Department they will master the other language as quickly as possible.

Q. I was under the impression that formerly you put the position a little higher than that, and that while it was not absolutely a requirement that a man should have a perfect command of English and French nevertheless it was expected of him that he should have complete command of one and a reasonable command of the other, such that it could be made fluent command within a very short time?—A. Well, we give preference to people who have more than one language. The consequence is that those who have two languages or more have a slight advantage in the examination and, in practice, I should

say that most of the people who do come into the department have at least a working knowledge of the other language and are in a position to pick it up quickly.

The CHAIRMAN: May I ask if the witness knows whether it is the practice in the British Foreign Office to make it compulsory to a certain extent that an applicant have a workable language other than English—mainly French?

The WITNESS: That used to be so, sir, but my understanding is that since the war they have found that is not a practical rule. In consequence they are taking in people who have not as good a training in languages as was formerly the case. They have provided a good deal more training for them after they come in.

The CHAIRMAN: If I might interject a personal experience: many years ago, in 1926, I was asked to interview the head of the British Consular Service—at that time I was special assistant to the Minister of Justice and he wanted all information concerning the consular service as we were at the time considering the advisability of establishing one—two minutes after we started the conversation the British Consular Service head realized that I was not of English descent and he switched to French. I asked him if he was a student of French and he said that in their service they expected everybody who came in to have a working knowledge of French. He added “not that we love the French that much” but he said that people who came into the department between the ages of 20 and 30 would be sent to 8 different countries perhaps during their career. They expected for them to be useful that they would have to master the local language to a certain extent. He said that they could not expect a man to learn ten languages before entering the service but that if they had mastered French that was a criterion that they could learn others. He said that if a man came to them and if they gave him six months notice of going to Rumania or any other place that man would start to study and six months after he was posted to the particular country he would be able to converse well in the language. The idea was that if the man had not mastered one language and French was considered the best criterion before he joined the department he would not be able to master another later.

*By Mr. Fleming:*

Q. My understanding is, and it would be in line with what Dr. MacKay said, there has been some departure in recent years. That may be in part due to American influence throughout the world and part of it may be due to the use of simultaneous translations at conferences, but it strikes me that having regard to the use of French as a diplomatic language throughout the world the man's usefulness in the post abroad would be restricted there if he knew only one language?—A. I quite agree with you. We encourage our officers to master other languages by giving them bonuses. If they get up the local language of the country we give them a bonus. We also provide classes in French in the department for incoming officers. We do use a good deal of moral pressure on new officers to master French if they have not already done so. We do not make it a requirement though for entry. We have found that to be really impractical in view of the number of people that we have wanted in the last few years—due to an expansion of the service.

The CHAIRMAN: I did not get the last sentence.

The WITNESS: I say that we have not made it a requirement for entrance. We do, however, use pressure on our new employees to mast French as quickly as possible.

The CHAIRMAN: In your last sentence you said something about people you have wanted in the last few years?

The WITNESS: I said that we have found it impractical to require two languages of incoming candidates in view of the numbers of people we have wanted in the past few years.

*By Mr. Fleming:*

Q. Your intake of new officer material has abated now, has it not Mr. MacKay?—A. No, sir. We have been taking in on an average I should say of 15 new officers each year over the past seven years.

Q. I thought you were taking them in today at a substantially lower rate than in the postwar years when you were expanding very rapidly.—A. There is considerable wastage. We lose people to other government departments, to business, to the professions and so on.

Mr. MACDOUGALL: What is the future then, Mr. Chairman, for non-officer personnel in the service?

The WITNESS: Well, at the present time I should say they have much the same type of career—that is to say they can look forward to a career as clerks, administrative officers, or if they are of clerical status they could look forward to similar advantages and opportunities as they would be in other government departments. However, that has not been entirely satisfactory from the department's standpoint. It has learnt that the administrative personnel in the department have had to some extent limited careers in comparison with the officer personnel. We have been endeavouring to work out a system whereby there would be a better opportunity for promotion for the foreign service employees—so they would have an opportunity of becoming administrative officers, to take administrative posts abroad, to do consular work abroad, and so on. Admittedly we have not worked that out fully yet, but we are making some progress and I think it has considerably improved the morale of our administrative staff—when they can look forward to more interesting careers than have hitherto been possible.

Mr. COLDWELL: Following that up, I think it is quite important that people entering the foreign service should be able to look forward to a career. The department has been appointing people to positions abroad who have had some administrative experience in the department and I think that is a good policy. Today, how many heads of missions abroad, ambassadors and so on, have come up through the department and how many have been appointed from outside? How many of the career men hold that type of position abroad? I think it is a good policy because it makes it attractive for them to enter the service.

Mr. MACDOUGALL: While on that—

The CHAIRMAN: Just a moment—until we get an answer to that question.

The WITNESS: I should say roughly about one-half.

*By Mr. Coldwell:*

Q. Recent appointments have been made mainly with career men?—A. Yes.

Q. How many exceptions?—A. Some exceptions—and it may be desirable to have a few exceptions. There are some posts where perhaps it is most desirable to have a man with a broad experience in business.

Q. Generally speaking the policy of the department would be to encourage the appointment of career men?—A. Yes—but I should not say the appointment of career men to every post.

Q. No, but as far as possible and if they are suitable, promotion would be made?—A. Yes, but I could not call it promotion to head of a post. The head of a post is appointed by the government.

Q. It is looked upon as possibly the crowning appointment of a career?—A. Yes.

Mr. MACDOUGALL: I have a supplementary question on that. I think it was two years ago a member of the committee from Manitoba, and I have forgotten who it was, made a similar point in regard to the second part of my question—how officers were recruited. It was stated that by and large you liked to get university graduates. The question was then raised by that member of the committee who said that in his opinion it was considered desirable in many instances to have non-university men who had extremely good qualifications, for instance in the field of agriculture. I wonder if there has been any lessening of that stringency with respect to university graduates—so that practical men and other scientists who may not be university graduates would have an opportunity of coming into the service?

Mr. FLEMING: I think that was the late Mr. Graydon's point.

Mr. MACDOUGALL: I guess perhaps it was.

The WITNESS: Well, if you are referring to coming in as a foreign service officer, we have made no change in that respect. I may say, however, that there is no requirement of a university degree for the head of a mission.

The CHAIRMAN: Along the same line may I ask Dr. MacKay or one of the witnesses how our requirements or qualifications for examinations compare with those of the British foreign service and, if you know, how they compare with the foreign service in France? Do our examinations and requirements of diplomatic officers compare as far as the examinations are concerned with those of the British foreign service or the French foreign service?

The WITNESS: That, sir, is a rather difficult question to answer.

Mr. FLEMING: Or the United States service?

The CHAIRMAN: Yes, let us include in the question the United States.

The WITNESS: I am inclined to think perhaps the British educational system is more of a pattern and perhaps examinations can be set with that in view. Here in Canada we have different educational systems. We have to set our examinations to take care of candidates who have come from quite different educational backgrounds—so that our examinations are, I should say, considerably different just for that reason. I think, despite what I said before about the United Kingdom have relaxed somewhat their qualifications for language, I still think they put more emphasis on language than we do.

The CHAIRMAN: I did not necessarily refer only to language. I referred also to the general qualifications required and standards required to enter the British service. Do you consider that ours are as high or as good as theirs? How do they compare with those of the United States—for the regular career men?

The WITNESS: I am sorry, sir, I know very little about the United States examinations. I think ours would compare quite favourably with the British.

Mr. COLDWELL: Is it not a fact that students in British universities specialize with respect to entering the foreign service—and it is more of a specialist's course—similar to our courses that run in universities throughout the country in other subjects. Would you not say there is more specialization by students looking forward to entering the British foreign service?

The WITNESS: I think it used to be. But I am not so sure now.

*By Mr. Crestohl:*

Q. In order to assist young officers in the service to advance does the department conduct any regular classes of any kind?—A. As I have said we do have classes in French for candidates who come in without adequate knowledge of French. We do also, in the case of incoming officers for the first year, put them through a sort of course of training. We send them to different divisions of the department for short periods. We provide courses of lectures. We

bring in people from other departments to lecture to them—as well as people from our own department. Other than that we do not provide special classes or facilities for junior officers to get ahead. We expect them really to learn on the job.

Q. Would it not be helpful if the department made arrangements with two or three of the leading universities in Canada to conduct classes such as Mr. Coldwell referred to for these students who may want to enter the diplomatic field—to allow them to major in those courses at universities?—A. Our experience is this, broadly speaking. While a student who has worked in the field of political science or history or economics can fit in a little more quickly in the department, broadly speaking what we want are people who have been trained to think; people who have a broad grasp of public affairs rather than highly specialized people. We can give them the specialist training when they are in the department.

Q. I asked the question as a result of some practical experience I have had myself—rather close to me, in my own family. If you will overlook the personal reference it is my own son. While he was at McGill he spoke to me about entering the diplomatic service of Canada but was a bit at a loss to know what course he should major in—political science, the constitution of Canada, things of that sort. I think it might be well if the universities had more indication from your department which students to keep an eye on if they hoped to enter the diplomatic service.—A. Whenever we hold our competitions, and indeed in advance of the competitions, we do advise the universities—almost all of the universities in Canada—as to the type of candidates we want. Perhaps they do not pay very much attention, I do not know.

Q. That should be done at the beginning of their careers in university and not at the end. It should be done when a student starts to plan for the third and fourth years of his Art's degree. It is then that he should know what to keep an eye on.

Mr. KNOWLES: Are you speaking from the viewpoint of your present position or from that of your former work in the universities in connection with what you said about not knowing whether the universities paid much attention?

The WITNESS: Perhaps I was speaking out of experience as a university professor.

Mr. FLEMING: I suppose all of us from time to time are asked about this matter. I have advised students that the best course to take is modern history if they are desirous of going into the diplomatic field. I appreciate the point that Dr. MacKay has made that you cannot create a mould in Canadian universities at any rate for diplomatic careers. You can teach those people to specialize afterwards. There are obvious advantages in these courses that Dr. MacKay has mentioned, but I would think it would be very difficult in Canadian universities to set up a specific course designed to qualify men for the diplomatic service. Suppose you had a hundred men qualify in one of those courses you might only take 15.

Mr. KNOWLES: And the other 85 would have to go into politics.

Mr. FLEMING: Speaking of this from the point of view of education, as well as the department's point of view, would you not say that the Canadian universities are doing a pretty good job of sending forth good candidates who are going into the diplomatic service?

The WITNESS: Yes, and our competitions attract quite a lot of people. We frequently have over 200 people writing and we do get a very good class of candidate. Of course, we have had to compete with other departments, with other vocations, and so on. Many of the best students, certainly in the



universities I know, go into law. Others go into business which has a great attraction for them. We try our best to get good quality people and I think we are succeeding very well.

*By Mr. Crestohl:*

Q. I am told that at the University of Toronto there is a school of international affairs. Do you know anything about it?—A. Yes.

Q. Is that of any help to the department—courses of that kind?—A. That is a rather difficult question to answer. I am not sure how many students have come through that course into our department.

*By the Chairman:*

Q. May we draw the conclusion that there is a departure from previous procedure in the foreign service in connection with the necessity for international law, private and public law, history of diplomacy and so on? Now you want more practical men with the ability to think, with a fair background in economics or law without specializing. Formerly in the older countries candidates were required to have a fair knowledge of international law and the history of diplomacy.—A. It is very hard to generalize. Some countries have specific requirements. I know one country which insists that people coming into the foreign service must have a law degree. Other countries set specific examinations or examinations on specific subjects. Our experience certainly is that we prefer people who are not too highly specialized but who are well trained—that is not highly specialized in the field of international relations or international law but who are highly trained in whatever field of intellectual interests they may have entered.

Q. We will leave the idea that in another year the department may have some information as to the qualifications required in other countries in order that the committee may receive the information and ponder over it, look at it, and see just what the comparison is between the qualifications in this country and other countries.

Mr. COLDWELL: Britain, France and the United States.

The CHAIRMAN: Yes, those are the major ones.

*By Mr. Pearkes:*

Q. Before you leave the question of education in connection with the further education of officers who have joined the service are you sending any officers to the Imperial Defence College or its Canadian counterpart?—A. Yes, sir. We normally have one student at the Imperial Defence College, and we normally have one or sometimes two at the National Defence College. We have had a student for one session at the NATO Defence College. We now have a student at the Middle East Institute, which is run jointly by the Foreign Office and the University of London. We are anticipating sending a young officer to Japan shortly to study Japanese. He will be attached to the mission, but as a student. We would like to provide for more language training, specialist training of that sort, but so far we have been really short of bodies. We have to make people work rather than go to school on the whole.

Q. So you really have a substantial educational program for post-entry into the service?—A. Yes.

*By Mr. Henry:*

Q. I wonder if Doctor MacKay would speak about the white pamphlet regarding qualifications for entry into the department—whether it is relied on by the authorities as a fair statement of qualifications, for instance?—A. I am not sure of what you are referring to.

Q. Well, I have seen it, Doctor, and I wonder if you still rely on it in the department. It outlines in a broad way the qualifications for entry into your department?—A. Yes, that is quite true. However, each competition is advertised separately—that is to say the Civil Service Commission, whenever we want a competition, provides for the advertising of that competition. There may be slight variations between the statement for one year and for the next. For example, this year we dropped the lower age limit. We formerly said we wanted people over 23. This year we dropped that. The idea was that we might get some very good young students whom we might otherwise lose. Except for minor differences of that sort, the statements in the white pamphlet to which you refer still apply.

Q. Might it be possible for that white paper to be given to the members so that we would have a broader knowledge of your needs?—A. I should think they are still in print.

Q. With regard to the written examinations, do you keep on a private and confidential basis the questions asked of the students?—A. No.

Q. Would it be possible to have specimen copies of examinations distributed?—A. That would be possible.

Q. I would like to see a sample of those over the past five years if they are available.—A. I am sorry, we perhaps could not give them for the past five years, but we might be able to give them for a specific year.

Q. Well, for the past two years—one or two years. This refers to a general examination for entry?—A. Yes.

Q. I think it would be very interesting to see copies of the papers for one or two or three years.

Mr. FLEMING: We might reverse the role and have the examinations passed by this committee.

The WITNESS: I am quite sure that I would not pass myself.

Mr. HENRY: I just want to ask about the heads of posts and the number of heads that do have post-graduate degrees from British universities. Are there are a greater number who have those qualifications or a lesser number?

The WITNESS: I cannot answer that without looking it up.

The CHAIRMAN: We will take that as notice.

*By Mr. Henry:*

Q. Speaking generally of heads of branches within the department, I would like the same information about the preponderance of reliance placed by the department on post-graduate degrees from British universities.—A. There is no policy on that at all.

Q. It may not be a policy, and I am speaking now of the question of fact.

The CHAIRMAN: That might also be taken as notice. The history of each member of the department must be well known, so that we could have a general answer.

Mr. HENRY: Just the senior ones—some kind of a survey along that line.

Mr. FLEMING: May I turn to some questions on page 2?

Mr. KNOWLES: Before you leave the question of personnel, I wonder if Doctor MacKay would say a word about his attitude toward women?

Mr. CRESTOHL: That is a personal question.

Mr. KNOWLES: I did not mean that in a personal way.

The CHAIRMAN: I am glad the question is not asked of the chairman.

*By Mr. Knowles:*

Q. I was not asking it of the chairman. I do not know of any women who are heads of missions anywhere in the Canadian service, or are there any? Are there any in high positions? I realize, of course, that heads of missions are appointed by the government and all others are by competition. How does it happen that of all these hundreds of people writing examinations there seem to be so few women in the department—except in positions as clerks, stenographers and so on?—A. I should say that as far as I can recollect there were no women admitted to the department as foreign service officers until after the war, and it is a little early to expect any of them to have arrived at heads of posts yet. As regards recruitment of women, we make no distinction on the ground of sex. We may sometime have to do so for the reason that quite obviously there are some posts to which you cannot send women and, for that reason, a woman's usefulness is perhaps somewhat limited in the department. We have so far made no discrimination on the ground of sex whatever.

Q. How high in this scale of administrative officers, foreign service officers and so on, have women reached so far?—A. I think F.S.O. 4. I think we have two at that level.

Q. Would those women who are F.S.O. 4's be pretty close to the head of a post in their respective missions, or can you be specific? Can you tell us what countries they are in?—A. There is one in the department and there is one in the United Kingdom of that level.

Q. How many F.S.O.'s are there altogether of all grades?—A. My recollection is about 10 or 12, although I cannot be certain of that.

Mr. FLEMING: There is no Canadian Mrs. Luce?

Mr. RICHARD (*Ottawa East*): I was wondering if Mr. Knowles was referring to having an ambassador such as the Americans have in Rome?

Mr. KNOWLES: I was not suggesting that we had to have anything in keeping with other countries. I think we have better women in Canada.

Mr. FLEMING: There would not be much use sending a woman to a Moslem country, for instance—that is what you have in mind?

The WITNESS: I should think that would be a little difficult.

Mr. JAMES: I was wondering whether in your opinion training in newspaper work would be considered to be an advantage?

Mr. GREEN: Another applicant for a post!

The WITNESS: Experience of that sort is certainly an advantage. We have a number of people who have come up from the newspaper field.

Mr. KNOWLES: What country do you think the member for Durham would do well in?

Mr. GREEN: We can send him to a Moslem country.

The WITNESS: I might say on the basis of specialist education we have more lawyers than members from any other field, probably.

Mr. MACDOUGALL: That is bad.

Mr. CRESTOHL: That is why we have such a satisfactory service.

The CHAIRMAN: We are on item 84.

*By Mr. Green:*

Q. On page 158 of the estimates book there is an item for courier service between Ottawa, Washington and other points in the United States, and it is increased in the present fiscal year by \$14,000. The explanation given to us in the particulars is this: "For the extension of courier service to Chicago, Seattle and San Francisco." Would you explain why it is necessary to have that courier service in the United States?—A. Broadly speaking, classified

information, that is information graded top secret, secret or confidential, cannot be sent through the mails and we are greatly restricted in our communications with those consultates if we do not have an occasional courier service.

Q. Does that mean you have to send an individual with the letter?—

A. Yes, it does. I am sorry, sir, it is not only letters but it is very often code books and that sort of thing with which you have to take special precautions.

Q. You also have an item of \$173,000 odd for the carriage of diplomatic mail. What is the difference between that and the courier service?—A. That is what we pay to the United Kingdom for carrying mail. They perform the service in many parts of the world for us.

Q. They perform the service?—A. At cost.

Q. Except in the United States?—A. Yes.

Mr. MACDONNELL: Perhaps I could amplify that. We pay for our own transmission across the Atlantic. It is carried under "Canadian safe hand" and the United Kingdom has been good enough to work out arrangements with us whereby their courier service based on London will carry our bags to most parts of the world.

Mr. GREEN: You have to provide that service for consulates in the United States such as at Chicago and Seattle?

The WITNESS: Yes, sir, but it is only an infrequent service—once a fortnight.

Mr. KNOWLES: When you refer to mail being carried to London by "Canadian safe hand" does that involve an extra person going along or is it placed in the hands of the T.C.A. pilot?

Mr. MACDONNELL: The T.C.A. captain.

Mr. KNOWLES: He is responsible for it?

Mr. MACDONNELL: Yes.

Mr. FLEMING: May I ask a question about the breakdown on page 2 of the memorandum with which we were provided this morning? Item No. 5 says, "to provide for the payment of fees for special postal services such as registration, special delivery, air mail or parcel post to any destination, or any other mail addressed for delivery outside of Canada or the United States, hitherto provided at no cost to this department." I take it this is a new item. What is the explanation of it? Is the department now going to pay for service which it has hitherto enjoyed and has not paid for—and, if so, at whose expense?

Mr. MACDONNELL: Under arrangements that have existed hitherto?

Mr. FLEMING: Yes?

Mr. MACDONNELL: —the Post Office department have placed a postage credit in the postage meters issued to government departments. Hitherto they have not required reimbursement from our department to the Post Office for the carriage of mail. That policy has been changed.

Mr. KNOWLES: The Tories have been kicking about it in the House of Commons.

The CHAIRMAN: The Public Accounts committee effected that. It came out of the recommendation of the Public Accounts Committee, advocated by Mr. Fleming and a few others in the committee, that the Post Office should be reimbursed for many of the services it was giving freely before.

Mr. FLEMING: That was with a view to disclosing the true cost of service.

The CHAIRMAN: That is right.

Mr. MACDONNELL: They require us now to pay from our vote for special services such as registration, special delivery, air mail or parcel post to any destination and for any other mail addressed for delivery outside of Canada or the United States.

Mr. FLEMING: This is not a flat sum that you are going to pay to the Post Office for the year, for the service—but you are going to pay a specific rate on each cover.

Mr. MACDONNELL: We will rely on our postage meters to compute the amount.

Mr. FLEMING: How does the rate which you are paying compare with the charge to the public for similar postal service?

Mr. MACDONNELL: Exactly the same rates.

Mr. GREEN: But they are still carrying your ordinary mail free in the United States?

Mr. MACDONNELL: Yes.

Mr. JAMES: Item No. 7 reads, "To provide for the purchase of cypher publications formerly provided at no cost to this department." How was that done formerly?

Mr. MACDONNELL: The question of cypher equipment, as I am sure members of the committee will agree, is a matter of some delicacy, but I think it will perhaps answer your question if I say that this equipment was previously provided and paid for by the National Research Council. They will continue to provide it but the payment now appears in our vote.

Mr. FLEMING: Coming back to No. 5, you have drawn attention to the fact that this is confined to mail addressed for delivery outside of Canada or the United States. What is the reason for drawing this line of distinction between mail going outside Canada and the United States on the one hand and mail for delivery within Canada and the United States on the other?

Mr. MACDONNELL: I think, Mr. Chairman, that only the postal administration can answer that question. We have simply accepted their view that this was necessary.

Mr. FLEMING: I take it this is all they asked you to pay for?

Mr. MACDONNELL: Yes.

Mr. FLEMING: Do you know whether they have asked other departments to pay for the same service they have asked you to pay for?

Mr. MACDONNELL: I believe so.

Mr. FLEMING: This is applicable to all government departments?

Mr. MACDONNELL: Yes.

Mr. FLEMING: Is it confined to delivery of mail outside of Canada or the United States?

Mr. MACDONNELL: Yes—and special services within Canada such as registration and special delivery.

Mr. FLEMING: Yes, and air mail and parcel post, but on ordinary mail you pay for service only when it goes outside of Canada or the United States?

Mr. MACDONNELL: Yes.

Mr. FLEMING: Well, I do not know why the postal department stopped there. If they are inaugurating a charge of postal charges to other departments I do not follow the reasoning for stopping there.

The CHAIRMAN: It is a first step, probably, in a whole change.

Mr. FLEMING: Do you meter mail going to Canada and the United States now?

Mr. MACDONNELL: Yes.

Mr. FLEMING: So it would be a very simple matter to calculate the proper postal charge for all mail of the Department of External Affairs if it were to pay the same postage as called for by public rates?

Mr. MACDONNELL: That would be no problem.

Mr. FLEMING: Have you any idea of what it would amount to?

Mr. MACDONNELL: Mr. Hemsley tells me that he made a rough calculation and the total postage bill, if we were called upon to pay for all mail delivered within Canada, would probably be of the order of \$75,000 or \$80,000.

Mr. FLEMING: Inclusive of this \$50,000 or in addition?

Mr. MACDONNELL: Inclusive.

Mr. PATTERSON: No. 8, "Repairs and equipment in connection with the resumption of maintenance charges for our teletype equipment hitherto provided at no cost to this department." I wonder where that cost was covered previously?

Mr. MACDONNELL: There again in the past we have had help from the National Research Council and I believe also from the Department of National Defence—through their signals operations.

Mr. PATTERSON: I wonder if there is any particular reason why these charges are being turned over to the Department of External Affairs?

Mr. MACDONNELL: I think it is simply to provide a more accurate accounting of the expenditure of money on services which are used by the Department of External Affairs and which should appear in our estimates rather than in someone else's.

The CHAIRMAN: I think it all came out of the Public Accounts committee's recommendations a few years ago—that we should have a better idea of the cost of the administration of each department for whatever service is rendered to that department by other departments—that the costs should be billed to the department spending or using the service.

Mr. KNOWLES: I notice in the details under departmental administration a new item, two security guards. My question could apply to another item but to save time I might point out that under the item for representation abroad there is a similar new item for twenty-five new security guards. The two security guards are at the very bottom line on page 157 and you will see they were not provided for last year—so they are new. On page 160, about two-thirds of the way down, there are twenty-five security guards. In all cases they are grade I—since they are new appointments can you explain?

Mr. MACDONNELL: Mr. Chairman, dealing first with the two security guard posts under departmental administration, we have had these guards for some years. They have previously been paid under professional services and we have reimbursed the Corps of Commissionaires—It was decided to establish these posts, the need for which will be, I think, fairly apparent. The other item in the administration abroad represents a decision that was taken in the department to recruit and to post security guards to a number of our offices abroad in the interests of security. That recruitment is under way. As in most cases that has been handled by the Civil Service Commission and we are reaching the point where the successful applicants will receive training and will be sent to a number of posts abroad.

The CHAIRMAN: Formerly did you have security officers from other countries—that is from Britain—Scotland Yard and so on?

Mr. MACDONNELL: We have made a number of special arrangements in particularly important places. In Paris, for example, security has been provided by employing pensioned ex-police officers from the United Kingdom. In

a few places we have had help from the R.C.M.P., but this is really an attempt to fill a gap in our requirements that we felt was rather important.

Mr. KNOWLES: In Moscow the Russians provide you with one.

Mr. MACDONNELL: Yes.

The CHAIRMAN: If I may say so, I think it is a very welcome change—without any offence to Scotland Yard. I know that on many delegations one has been received at the door by somebody who was obviously not from Canada and some people, Canadians, wondered why there would not be either an R.C.M.P. constable or other competent Canadian filling the job.

The WITNESS: Your reference to Moscow, I know, is not serious.

Mr. KNOWLES: Since it appears seriously on the record, you might comment.

The WITNESS: In Moscow, our residence and chancery are all in one building. The chancery is on the lower floor. We have people living right in the building, so that there is someone in the quarters all the time.

Mr. KNOWLES: I was referring to the fact that it is the policy of the Russian government to post a militiaman in front of every embassy door.

The WITNESS: I may say that applies in Poland and Czechoslovakia.

Mr. KNOWLES: Mr. Macdonnell indicated that the two security guards being provided for under departmental administration represent simply a case of paying it this way rather than paying for professional services to the Corps of Commissionaires. I notice that the item of payment for professional services, which I thought might be reduced accordingly, has gone up from \$15,000 to \$70,000.

Mr. MACDONNELL: Page 2 of the mimeographed sheet gives you the reason for the largest item in the increase there.

The CHAIRMAN: Do you mind reading it for the record?

Mr. MACDONNELL: Yes—fees which are anticipated in connection with the Gut Dam claims have been put down as \$55,000.

Mr. KNOWLES: That is the difference between the old figure and the new figure. I would have thought that the old figure of \$15,700 would have been reduced by the \$5,000 put in the other item to provide these security guards?

Mr. HEMSLEY: There are other items that will have affected the whole of that primary—for instance, the press news service—that will remain statutory. There is tuition in language—that is for officers being posted abroad. We have \$3,000 in this year and I think probably it was lower last year. There is the rental of Hollerith machines. We have an arrangement with Veterans' Affairs to use their machines and we reimburse some of their costs—\$4,000. Then, there is a completely new item of \$4,000 in connection with legal studies being made on Canadian territorial waters where the government has decided to have Professor Curtis make studies in connection with territorial waters—and that is a completely new item. There is another one to reimburse the cost of the man working on narcotics—which is a static item. So, apart from the legal fees of \$55,000, to which reference has been made, there is the amount for the study of Canadian territorial waters and probably an adjustment in the amount provided for tuition.

*By Mr. Green:*

Q. Can you tell us something more about the study of Canadian territorial waters?—A. It has been going on as a result of a decision of an inter-departmental committee—or a recommendation of an inter-departmental committee approved by the government. They have decided to have someone make a special study in view of the shortage of personnel in the department—and Dean Curtis of the British Columbia Law School is conducting a study for the government.

Q. What progress is being made on that study?—A. I understand it is nearly complete, sir.

Q. Will they deal with the question of whether Hecate strait between Queen Charlotte Islands and the mainland will be a Canadian territorial water?—A. I cannot say, I have not seen the study.

The CHAIRMAN: The gentlemen at both ends of the room complain that they do not hear either the questions or the answers.

Mr. GREEN: Can we have any further details about the nature of this study? For example, can we be given a copy of the instructions given to Dean Curtis—who, by the way, is an excellent man?

The WITNESS: I should think that can be done, but I will look into it and try to give an answer at the next meeting.

*By Mr. Pearkes:*

Q. Is there a representative from Canada on the international committee which is studying this same problem? I understand there is a committee from the United Nations which is studying the general question of territorial waters?—A. I do not think we have anyone on the committee, but we have received reports of what they have been doing.

Q. I wanted to ask one other question on departmental administration. A very irate gentleman came to me not very long ago and said he had been charged 50 cents for a letter of introduction when he was going to travel abroad. It was not quite so much the question of having to pay something for a letter of introduction, but he felt the amount was so small that it did not carry very much value. Can you give me any information as to whether letters of introduction are issued, or what this is all about? I understand it is covered in the regulations dealing with the department, but I am not very sure what it is?—A. I wonder if you could give us details of that? My impression is this—that it must be some sort of a consular document and not an ordinary letter.

Q. Is a consular letter sent out for people travelling abroad? I referred this question to the House on a question on the order paper a little while ago, but I got an explanation which was not very clear to me.

Mr. RICHARD (*Ottawa East*): What was the explanation?

Mr. FLEMING: The usual variety.

The WITNESS: If you will give us details, we will be glad to look into it.

Mr. PEARKES: I do not know what details I can give to you other than this chap applied. He was told that he should have a letter of introduction when travelling to a certain country in Europe—and it was not Russia. When he made the application, or when he said rather casually that he would be very pleased to have a letter of introduction if it would help him in his visit—and I think it was to Spain that he was going—he was handed a sort of form letter and was told that there would be a charge of 50 cents. He said that if the letter was worth anything at all he should have been asked for more.

The CHAIRMAN: Might I suggest that Mr. Pearkes get in touch with the deputy minister and give him full details and the deputy minister will give us an answer.

Mr. RICHARD (*Ottawa East*): Would that be perhaps a letter with a consular stamp on it or something like that?

The WITNESS: That is my guess.

Mr. PEARKES: Perhaps you would look into it?



The WITNESS: Yes.

Mr. GREEN: We have had some discussion on this item of \$55,000 for legal fees in connection with the Gut Dam claims. Is there anything in the estimates to cover the claims that may be paid?

The WITNESS: No, sir, we hope there will be no claims.

Mr. GREEN: But you are going to pay the lawyers \$55,000—nobody else gets anything?

Mr. CRESTOHL: That is very modest.

*By Mr. Green:*

Q. Have there been claims filed?—A. Yes, amounting to \$30 million.

Q. On what basis?—A. The land was flooded by reason of the erection of the Gut Dam.

Q. By reason of taking the dam out?—A. No.

Q. The damages are for what was done when the dam was put in?—  
A. Yes.

Q. How many years ago was it put in?—A. I think it was about 1903.

Q. 50 years ago?—A. Yes, sir. However, the high level in Lake Ontario occurred a couple of years ago.

Q. Are these claims by Canadians?—A. No, sir.

Q. All by Americans?—A. I am not sure if there are specific claims by Canadians, but the claims referred to here are those made by Americans.

*By Mr. Fleming:*

Q. What stage are these claims at as regards adjudication? Has there been any action commenced in the courts?—A. I am sorry, sir, I cannot give you the details, but claims have been brought in the United States District Court for the Northern District of New York.

Q. Why are we interested in defending litigation pending in an American court?—A. Because the dam was erected by Canada after an agreement with the United States.

Q. Are we to understand that Her Majesty in the right of Canada is being sued in an American court and the Canadian government is defending such an action in the American courts?—A. No, sir. We are trying to avoid the action. I am not a lawyer but my understanding is we have put before the State Department the ground that the government of Canada cannot be sued.

Q. Excuse me, Mr. MacKay, who is the defendant in any action now pending in this respect in the American courts?—A. Well, the suits are being brought against Canada. I have forgotten the form—whether it is Her Majesty in the right of Canada—

Q. The chairman will correct me if I am wrong, but it seems to me utterly fantastic that Canada, which means Her Majesty in the right of Canada, is to be impleaded in a foreign court.

The CHAIRMAN: Perhaps Mr. MacKay can look at that and report to us when he next appears before us.

Mr. RICHARD: Perhaps it might be by reason of the terms of the agreement—that either party could be sued in the country.

Mr. FLEMING: I think the suggestion by the chairman is good—that Mr. MacKay might bring a statement to the next meeting. I would also like to know in respect of the amounts here whether the solicitors have been retained, if they are solicitors here or in the United States, who they are, and what amount of costs have so far been incurred—and what this estimate is based on.

The CHAIRMAN: Gentlemen, the witness will be back again on May 18. On Wednesday afternoon of next week, that is May 12 we will have General McNaughton concerning item 101—the International Joint Commission and if we are not finished with him he will come again on Thursday morning and Friday morning. If he should finish Wednesday, on Thursday and Friday we will have Mr. Cavell on the Colombo Plan. For the week afterwards the present witnesses will be available.

Mr. GREEN: Mr. MacKay will get us all the information regarding the Dominican Republic.

The CHAIRMAN: Yes. We now stand adjourned until next Wednesday afternoon at 3.30 p.m.















HOUSE OF COMMONS

First Session—Twenty-second Parliament

1953-54

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STANDING COMMITTEE

ON

**EXTERNAL AFFAIRS**

*Chairman: L.-PHILIPPE PICARD, ESQ.*

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

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WEDNESDAY, MAY 12, 1954

THURSDAY, MAY 13, 1954

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Items 99 and 100—International Joint Commission—  
(Main Estimates of the Department of External Affairs)

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WITNESS:

General A. G. L. McNaughton, Chairman, International Joint Commission.



## MINUTES OF PROCEEDINGS

WEDNESDAY, May 12, 1954.

(7)

The Standing Committee on External Affairs met this day at 3.30 o'clock p.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Boisvert, Cannon, Cardin, Crestohl, Croll, Fleming, Garland, Green, Henry, James, Knowles, Lusby, MacInnis, MacKenzie, McMillan, Patterson, Picard, Pinard, Richard (*Ottawa East*), Starr, Stuart (*Charlotte*), Studer—(22).

*In attendance:* General A. G. L. McNaughton, Chairman, International Joint Commission, Mr. C. K. Hurst, Engineering Adviser, Miss E. M. Sutherland, Secretary and Mr. David Chance, Assistant Secretary;

Mr. R. M. Macdonnell, Assistant Under-Secretary of State for External Affairs, Mr. Arnold C. Smith, Special Assistant to the Minister;

Mr. C. H. Herbert, Economic Adviser, Department of Northern Affairs and National Resources.

Items 99 and 100—International Joint Commission were called.

The Chairman read a letter dated May 7 addressed to Members and Senators, being a notice of a meeting to be held Friday, May 14 at 11.00 o'clock a.m., called for the purpose of forming a Canadian NATO Parliamentary Association.

After discussion as to whether the Committee should sit next Friday, the question being put, it was resolved in the affirmative.

General McNaughton was called, made a statement, and was examined.

In the course of his examination on Columbia River Basin and International Waters he referred to

1. The Rules of Procedure and Text of Treaty (International Joint Commission U.S. and Canada) with amendments, signed at Washington January 11, 1909,

2. The Report on pollution of boundary waters particularly with respect to the Niagara River. He quoted from a note dated May 10, 1954 from the Secretary of State for External Affairs to Honourable John Foster Dulles, U.S. Secretary of State,

3. Red River study (Canada).

At 5.45 o'clock p.m., the examination of General McNaughton still continuing, the Committee adjourned until Thursday, May 13, at 11.00 o'clock a.m.

THURSDAY, May 13, 1954.

(8)

The Standing Committee on External Affairs met this day at 11.00 o'clock a.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Cannon, Coldwell, Crestohl, Croll, Garland, Gauthier (*Lac St-Jean*), Green, James, Knowles, Low, MacDougall, Nesbitt, Patterson, Picard, Pinard, Richard (*Ottawa East*), Starr.—(17).

*In attendance:* General A. G. L. McNaughton, Chairman, International Joint Commission, Miss E. M. Sutherland, Secretary and Mr. David Chance, Assistant Secretary;

Mr. R. M. Macdonnell, Assistant Under-Secretary of State for External Affairs, Mr. Arnold C. Smith, Special Assistant to the Minister;

Mr. C. H. Herbert, Economic Adviser, Department of Northern Affairs and National Resources.

The Chairman called Items 99 and 100—International Joint Commission.

General McNaughton was called and further examined on the Columbia River system. He was questioned on

1. Alberta and Montana territorial waters
2. Claims for damages with respect to the Gut Dam;
3. Limitations of shipping on the proposed St. Lawrence Seaway.

The witness circulated maps.

The following were tabled and ordered printed as appendices, namely:—

1. Text of the refernces of the Columbia River system,
2. Storage capacity of this system,
3. Extract of a report dated January 15, 1954 of Columbia Interstate Compact Commission Power Committee. (*See appendices B, C and D to this day's evidence*).

Mr. Pinard informed the members that his statement on the Chicago diversion would be ready for presentation on Friday, May 14.

The Committee concluded its examination of General McNaughton and retired.

Items 99 and 100 were adopted.

The Chairman expressed the Committee's appreciation to General McNaughton.

At 12.15 o'clock p.m., the Commtitee adjourned until Friday, May 14, at 11.00 o'clock a.m.

ANTONIO PLOUFFE,  
Clerk of the Committee

## EVIDENCE

MAY 12, 1954

3.30 P.M.

The CHAIRMAN: Gentlemen, we have a quorum and before we get to the orders of the day, it was requested by Senator Robertson that I bring to the attention of the members a letter which was circulated to all members concerning a meeting to be held Friday morning at 11.00 o'clock concerning the possibility of forming a Canadian NATO parliamentary association. They realized we are sitting at the same moment but they asked me to ascertain if it was agreeable to members of the committee not to sit at that time. They knew we were sitting at that time because I told them in advance. However, the meeting has been fixed for Friday morning. I think every member has received a copy of this letter but I will just read it:

OTTAWA, ONT.,

MAY 7, 1954 .

To—All Senators and Members of the House of Commons:

We the undersigned, on behalf of an informal committee of thirty members of both Houses, invite any member of parliament interested in forming a Canadian NATO parliamentary association to attend a meeting that will be held in room No. 262, the Senate "Banking and Commerce Committee" room at 11.00 a.m., on Friday, May 14.

The object of the meeting is to form such an association, to adopt a constitution and to elect officers.

I wanted to ask the opinion of the members of the committee on this.

Mr. CRESTOHL: Mr. Chairman, is the question of forming such an association a matter of consideration by the committee?

The CHAIRMAN: No, not at all. They want us to give them priority because most of our members are interested in international affairs.

Mr. CRESTOHL: I think you said "no" too quickly, perhaps you did not get my question. I think that NATO itself being a matter of external affairs perhaps it may be advisable if this committee did consider whether or not such a committee should be formed. I am not expressing an opinion one way or the other.

The CHAIRMAN: I doubt if it is within our powers to discuss the forming or not forming of an association dealing with such things. It is up to the members to decide whether they want to attend or not. I doubt if we are empowered by the House to discuss the question.

Mr. STICK: We are not empowered.

The CHAIRMAN: Not according to our terms of reference. My question was whether we should give way to them or not.

Mr. MACKENZIE: How long would the meeting last?

The CHAIRMAN: It is signed by six members and I think they all intend to speak and explain the idea of why this association should be formed and they thought that we should not sit at all on Friday but, of course, they cannot rule us if we decide to sit. It is for our members to decide, and I would like to have the opinion of the members of the committee.

Mr. STICK: We are an official body and they are not even formed yet. It is their business.

Mr. KNOWLES: Some of us may be the same persons.

Mr. PATTERSON: Mr. Chairman, the committee had planned to meet on Friday morning and I do not think this other meeting should take precedence over the Committee on External Affairs.

The CHAIRMAN: Well then, shall we sit on Friday morning at 11.00?

Mr. KNOWLES: Would the alternative be a Friday afternoon meeting?

The CHAIRMAN: No meeting that day.

Mr. GREEN: We went over this in the steering committee and decided that we would sit Wednesday, Thursday and Friday of this week and surely we do not have to give way to this association that is not formed.

The CHAIRMAN: Those in favour of sitting on Friday morning? I think it carries; we are sitting on Friday morning, then.

Carried.

We have with us this afternoon General McNaughton, Chairman of the International Joint Commission. He is here to answer any questions concerning the body over which he presides. The item concerning the joint commission is item 100 on page 15, details of which are on page 171.

Mr. GREEN: Mr. Chairman, General McNaughton appeared before the committee last year and gave a very comprehensive statement on the situation in the Columbia river basin. I think it would be very helpful if he could tell us today what has happened in the intervening year. I know in British Columbia there has been a great deal of newspaper comment about the development of the Columbia river, far more than there has been in the preceding twenty years. I think it would be very helpful if General McNaughton could give us the picture at the present time.

Mr. STICK: Has General McNaughton any prepared statement to give us?

The CHAIRMAN: No.

Mr. STICK: To follow up on what Mr. Green has said, we had a pretty full discussion on that subject last year and I do not know if there are fresh developments.

Mr. GREEN: There have been many of them.

The CHAIRMAN: We will hear from General McNaughton now.

**General A. G. L. McNaughton, Chairman of the International Joint Commission, called:**

The WITNESS: Mr. Chairman, I certainly welcome this opportunity to speak to you for a few minutes and to answer any questions that you may be inclined to put to me in regard to this particular matter of the Columbia basin. As Mr. Green has pointed out, this is probably one of the most important matters under discussion between Canada and the United States at the present time. It is an issue which is engaging the attention of the peoples of those parts, I was going to say, almost to the exclusion of everything else. It is without doubt the biggest issue in the west today and indeed, when it comes to be known about in the rest of Canada it will be regarded as a matter of first-class importance.

This matter of the Columbia river comes before the International Joint Commission, of which I have the privilege to be the chairman of the Canadian section, by reason of a reference from the two governments under date of 9th

of March, 1944, in which the commission was instructed to take up the study of the Columbia basin in all details and to advise the governments on what should be done in a comprehensive way to develop and meet the interests of the people in the United States and the people in Canada as well.

The Columbia is the third largest river in North America and it is only exceeded by the Mississippi and the St. Lawrence, in that order. Indeed, it is not very much exceeded by the St. Lawrence, which may be a surprise to people who are not familiar with that great river system. Perhaps I can give a sense of proportion by mentioning that the annual discharge of fresh water in an average year down the St. Lawrence into the Gulf of St. Lawrence and into the Atlantic amounts to about 220 million acre feet. The corresponding figure for the Columbia into the Pacific is 180 million acre feet so that on the point of volume the St. Lawrence is only slightly greater than the Columbia. When we are concerned with power, as indeed we are in both these great river systems, not exclusively, but importantly, it is not only the volume of flow with which we have to deal but also heights from which that water is brought. On that aspect of comparison I would like to mention that the elevation of Lake Superior, which is at the head of the St. Lawrence system, is 603 feet approximately, it is thereabouts as near as may be. We are very familiar with that in the commission because we have the responsibility of operating the control gates at Sault Ste. Marie. We are told by the governments that we should keep the lake as near as may be within a narrow bracket in the vicinity of 603 feet. The Columbia river rises in Columbia lake, and the elevation of Columbia lake above the sea is 2,652 feet. So in the Columbia, while we have substantially equivalent flows to the St. Lawrence flows, they drop through a very much greater head.

In the studies that have been made on the Columbia—I am speaking now of the system as a whole, that is both in Canada and the United States—estimates of what the installed capacity might eventually be have been put very reliably at 34 million kilowatts, not including pumping power. There are estimates that have been made by the United States Corps of Engineers that put that figure on installed capacity at somewhat more than 44 million, and more recently Mr. Len Jordan, who is the governor of Idaho and very interested in all matters of power, has come up with an estimate of 49 million. From that you can see in talking about 34 million, which is the Canadian figure, our estimate given by our own people after careful study is a moderate one of what might be done.

These figures are so vast that on occasion in order to give point to them, I have used the main stem of the St. Lawrence itself, not for the purpose of comparison but as a measure of what it is all about. If you will consider the powers on the St. Lawrence, at Sault Ste. Marie, and then at Niagara, and then at Barnhart island dam which the commission has approved under an application from the two governments, I believe, that is, on the main international section of the St. Lawrence and then below that the great power which has been developed at Beauharnois (and is in the process at this moment of being expanded), and below that the Lachine rapids which eventually will be developed by the Hydro Electric Commission of Quebec, if you total all those main stem powers on the St. Lawrence it comes to about 10 million horsepower, which is roughly equivalent to 7 million odd kilowatts.

Using the St. Lawrence main stream as a measure you see the powers that are under contemplation in the Columbia basin are about five-fold greater. As I say, I have used these figures of the St. Lawrence as a measure, not as a comparison because if you want to make a passing comparison you have to add to the St. Lawrence the St. Maurice, the St. Francis, the St. Ottawa, and a score of others that come from the Labrador plateau, and if you do that we have no precise figures on the matter. If you do that I think you will find the Columbia

basin and the St. Lawrence basin, taken as a whole, will be coming pretty close to equality and running up into figures, each of them approaching for the future possibly something close to 40 million kilowatts of installed capacity or better.

I would like to say here, the more you study figures of power requirements for peoples under modern systems and conditions of civilization, the more you are convinced that both as regards power and water we have looming over the horizon not a surplus to be disposed of casually, but we run up against water as a limiting factor. Mr. Green will be aware, from talking to the people in the west, how alert they are to that position. We now recognize the positions of people on both sides of the line, and there is a very intense rivalry developing between Canada and the United States, and the citizens of both countries, as to who is going to have the benefits. It is a matter on which we have treaties and which will have to be settled in accordance with those treaties. You will find that nobody is willing to concede anything or give anything away which by right belongs to him. This situation is going to be closely watched by citizens on both sides, by organizations, by provincial legislators, and I am sure will be increasingly a matter of concern to the parliament of Canada.

I am not suggesting for an instant that Canada will try to get or is entitled to get anything that is not right and equitable, but I am quite sure that all who are concerned, including the Canadian members of the International Joint Commission itself, will have to safeguard these vital interests of Canada in the future.

I mentioned earlier that power is a matter of head and flow. If you take the United States side, and you take the heads which belong to the United States in their territory and the flows which they can get by reason of the origin of tributaries and the reservoirs that they can create, you will find if you work it out that roughly three-fifths of the total amount of power I have mentioned is exclusively in the ownership of the United States. If you look at the same figures for Canada, we having the head waters of the river where the flows are smaller, you find that about one-fifth of that total is ours. Over four-fifths of the total of those 35 million kilowatts we have been speaking about are without doubt in the interest of the United States and one-fifth in the interest of Canada.

Mr. GREEN: Four-fifths or three-fifths?

The WITNESS: I beg your pardon, three-fifths; and there is another fifth that is not accounted for. That one-fifth represents the flows that can only be caught by creating great works in Canada, controlling the stream in such a way that it is fed down as it is wanted and used through the heads in the United States.

As I mentioned before, power is the product of head and flow, the factors come in equally on it and it does seem and has seemed to those of us who are studying the matter, and a lot of other people as well, that when this additional power which is derived without any cost in the generating plant, because generating plants are idle unless the required flow is provided to them, that power which is produced in that way should be divided between the two countries. That has been the very forceful contention made to us by the government of British Columbia and it is the crux of the discussion which is going on with the United States.

When I spoke to this committee last year this issue of what is called downstream benefits was not a very large issue because people were not very much aware of it. There was that picture in the minds of the general public that the scheme was so vast, there was so much water that nobody would ever use it and that no one needed to pay much attention to it; there was lots to go around. However, that situation is not only not true but the public are now well aware that it is not true, and so this question of downstream benefits has



come very much in the foreground of debate. It has come into the foreground of debate for another reason too, and that is the development that has taken place in the United States, south of the border.

Under the previous United States administration, you will recall that the two great interests promoting power development in the west were the Bureau of Reclamation of the Department of Interior, and the Corps of Engineers Department of the army; they were the organizations that controlled the great power developments out there, the whole development, and so at that time we were dealing or having to deal in protecting the interests of British Columbia with the United States as such. It was the United States government that had moved in and was doing this development in the Columbia basin; and it was that government we were dealing with then to work out whatever might be necessary for the equitable allocation of these benefits. That situation has changed very substantially because the policy of the present administration in the United States is to encourage private interests to do these developments, and to encourage the states to undertake their share as much as they possibly can of the sponsorship of these great developments.

On the Snake river, which is one of the rivers of the Columbia system, it comes into the south of Canadian territory. there is an indication that a private power company, the Idaho Power Company, will be given that enormous development to do by a Federal Power Commission licence.

The consequence of that is, since there are at least five states in the United States that are concerned with the Columbia basin, the problem of downstream benefits as between states has become a very live issue in the United States. As long as they were dealing with us, dealing solely with Canada in the matter, they could afford to say, "We will not recognize downstream benefits; once the water comes into our country it is our water and anything we get out of it will be our power and we will not even consider your representations." But when you have four or five states of the union, some of which are upper states and others lower states, the upper states have been telling the lower ones, "Well, if you will not give us the downstream benefits, we are sorry, but you won't have any storage." The consequence of that business in the United States is that their whole plan for the development of storage has been thrown completely out of gear. They figure on a middle phase of the development, I think it is called Phase C on the United States army plan, which would provide about 10 million kilowatts of capacity in the main plants. They wanted about 20 million acres of storage and they were going to get it through storage dams.

The places they wanted to develop were at Grand Coulee with about 5,120,000, which had been in existence for some time; they had Albeni falls, which was a small development worth about 1,140,000, and there were two or three more of that sort. They were proposing to get 4,250,000 out of the Libby project, which I will come to in a few minutes. Libby is a dam on the great loop of the Kootenay, as it swings through Idaho and Montana, before it swings back to Canada into Kootenay lake. This dam was a project which would have flooded back some 42 miles into Canada. The Canadian section of the Commission was not able to see its way clear to agree to the dam. The people in Glacier National Park were not willing to give leave for a big dam. The United States require some 20 million acre feet for their present program. At present they have roughly half of this requirement and as a result the moment that there is any falling off of flow in the Columbia river their plants are shut down right and left; they are in a very perilous position as regards continuity of power for their great industries in that country.

We have now, as I see it, to a considerable extent state *versus* state. They have a number of interests in the United States that are checking the equity of downstream benefits, just the same as we are in Canada, and that, I think, is a very fortunate thing for us. You cannot compel people to build dams, or you

cannot compel states or compel Canada to let you build dams, but developments might be carried out as a result of equitable arrangements arrived at between the parties concerned. With the present United States administration and policies we are in a very favourable position to have our representations dealt with.

I would like to give you a few figures of what this one-fifth means. Again I had better turn back to the St. Lawrence in order to get a comparison, because we have talked a lot about this big dam we are to build at Barnhart island in the international section, which is going to have an installed capacity of 2,200,000 horsepower, half of which will go to the United States, and half of which will go to the province of Ontario. The estimated output of that great power plant on both sides of the river is 12·6 billion kilowatt hours per year.

We figure the downstream benefits that would come under conditions of full development are the upper flows of the Columbia in Canada at dam sites and reservoirs which we have already marked out, would amount to about 40 billion kilowatt hours. That is somewhat more than three times in downstream benefits alone—it is something more than three times the total power that would come from the Barnhart island plant, for the benefit of both countries. These figures are so immense that I think the committee will share the anxiety of my colleagues, Mr. Spence, Mr. Dansereau, and myself that we see to it that in all equity—we are not asking for anything we are not entitled to—we see to it that the proper share of these downstream benefits goes to the province of British Columbia.

I want to say in that connection, when this reference comes to us from the two governments that the provincial authorities have full access to the commission to make their representations. I am happy to be able to say to you that ever since that reference was sent to us, there has in fact been the closest association between the commission's officers, and our board of engineers with the provincial authorities, without regard to the administration in power. There are no changes; the views put before us by British Columbia have been gone over by each succeeding government in detail and they have been reaffirmed in all their particulars. In dealing with British Columbia we feel we are dealing with views that are the consensus of views of all the people in that province, and I think when you have views with that sanction behind them that they are views to which we must all pay the greatest attention; they have to be given every weight in the considerations that come forward in the international field.

We are moving forward with our engineering investigations. In the engineering investigation on the Columbia the actual field work, or most of it, is being done for us by the Department of Northern Affairs and National Resources. This means all the work that we have in hand is regularized now and that department has taken over from the Department of External Affairs the presentation of the required estimates to parliament. I believe the item in question is still before the committee of the House and I know that the minister either did or was going to make a statement on it.

Mr. GREEN: It will be up tomorrow.

Mr. PINARD: He has not made his statement yet, probably tomorrow.

Mr. MACKENZIE: That item has not come up.

Mr. GREEN: It came up and was stood over.

The WITNESS: It may seem we have been a long time with the surveys but it has been an enormous undertaking. When we started off we did not even have a topographical map on which to make a measure, that is, a map of the valley systems. The surveys had to be done, the geological work carried on for the dam sites and it has taken longer than anyone thought it would. I have been over the reports very recently and I think probably the same figures will

be given by the minister because I know he has also gone into it; but I think that if we are lucky we should have about two more years of field work, and after that we have to increase our office staffs for compilation of the report, and that may take from a year and a half to two years. It will be that long before we have a comprehensive report on the Canadian section of the basin which is comparable to what is known as the United States army engineers 308 revised report, which is a very comprehensive document. These reports are very voluminous; we have them in our office if anyone wishes to come in and see them. The Canadian report will be very comprehensive, and it must be so because we are dealing with investments that are literally astronomic; and if they are done properly they will have a benefit to our people down through the years. If mistakes are made they may well be impossible to correct, and even if you do correct them it will be very expensive and it may be disastrous. We must do these things properly.

The fact that these surveys have had to run on does not mean we are necessarily unable to proceed with individual developments. Once we are satisfied that these individual developments fit correctly into the general scheme of planning to get the best out of the basin as a whole, we will get on with it.

One of the projects in that category, in the view of the United States, was this proposal to build a dam at Libby, Montana. This work would have had the result of raising the water at the boundary by 150 feet, which is a matter which the treaty of 1909 forbids unless it has first been sanctioned by the International Joint Commission. The stored waters would flood back into Canada some 42 miles. The estimated cost of this project, as it was originally put to us, was just under \$300 million and there would have been about a million at-site power installed of which possibly \$300,000 would have been firm power. The storage capacity in the reservoir is 4,250,000 acre feet.

There is an interesting figure that comes from that storage capacity which I am sure will interest members of the committee. That 4,250,000 acre feet released and allowed to flow through the plants in the United States, would have represented an output of 6 billion kilowatt hours; merely the one emptying of the dam through their plants would have added 6 billion kilowatt hours to their power output in the United States. That is, of course, assuming that the plants under construction were finished.

That little bit of downstream benefit is pretty well equivalent to Ontario's share for one year in the Barnhart island dam in the St. Lawrence. These are matters of enormous moment that are being dealt with.

We held a series of public hearings both in Canada and the United States, with the purpose of obtaining the views of not only the people but of the authorities of the two countries. As I have indicated, these views proved to be in pretty sharp conflict. We are trying to solve the problems before us. There are questions of compensation for flooding of the agricultural lands, and the forests and the minerals which are in the reservoir area and, as British Columbia members will tell you, we have not too much agricultural valley land there that we can allow to go for other uses. There is the difficult social question of the rehabilitation of the residents, families who will be displaced, although I am happy to say in this reservoir area there are not too many individuals who would be affected.

There is the relocation and rebuilding of roads and railways and all the communication facilities, and the schools and the churches which would need to be replaced, and all those matters and others of like sort. They are difficult but they are not, I think, insoluble because in these cases it appears that the damage and its repair or replacement of the facility that we need, like roads to be replaced, can be expressed in terms of money; and if there is agreement between the parties then a sum of money can be paid out in settlement.

I must say that that is not the view which is taken by the provincial authorities and maintained to this day by the provincial authorities of British Columbia. They feel that these matters should not be written off in quite that way but that there should be continuing benefit in terms of power given in consideration, but they have indicated that that is a matter they are prepared to talk about if the matter is opened up again.

Those are things that we believe we can find an answer for, but so far we have not found the answer for the much more difficult question of the recompense for the natural resources represented by the regulation of the flows of the river and the advantages that come from the use of this regulated flow downstream. In our hearings it early became evident that the downstream interests would settle only in terms of money for actual damage done; while those upstream would only permit the flooding for the storage of water by due recompense in power for rehabilitation, and for added head in the regulated flow, and here the matter stands. I think progress will only be possible with this project, which has been selected to give the best over-all engineering result without any regard to the boundary, if somehow or other we can bring about agreement as to how the benefits are to be distributed between the countries on either side.

As I indicated earlier, now we have states wanting benefits one as against another and I think that we will have a considerably easier time in reaping the benefits that Canada will want out of all this.

We have put ourselves, in the Canadian section, in a position to discuss this very intimately. I have met the British Columbia government several times and I was thoroughly apprised of their views. I went to Washington a year ago for a meeting of the International Joint Commission, to come to grips with this problem, and shortly after we arrived we were given a letter from the Secretary of State for the United States withdrawing the Libby application. The reason given for the withdrawal, and I have no reason to doubt it is not a bona fide reason among others, is that Libby as it was planned and put before the commission, represented an undue interference with the main line of railway and of the United States and had a very disastrous effect on great forest interests in the Columbia basin. In looking at the application we had wondered, when our engineers and experts came to look at it, how they could justify putting out that application. It was withdrawn on those grounds, but it was withdrawn before we had a full opportunity to present the Canadian position on the question of downstream benefits and the agreement we might arrive at.

We have notice, not formal, but we have information that the Secretary of the Army and the Secretary of the Interior have joined in a report to the Secretary of State of the United States to resubmit a Libby application. They have moved the site some few miles upstream and they have redesigned it completely in order to get away from its former disadvantages to the United States. They have given, in the engineering press, certain information about re-design of the dam which shows that they are sacrificing the at-site power and concentrating on using the project for storage purposes, which means that the thing which is at issue in the United States is not new turbines and generators, but regulated flow to put through the ones that they have.

We have been led to believe in some centres that we will shortly have this application before us again. On the other hand, I noted in the *Engineering News* that they will only let the contract for the foundation studies at this new site on the 17th of this month, so perhaps we will not have it before us quite as soon as we might expect. However, sooner or later the Libby dam with its flooding of 150 feet at the boundary and its immersion of 42 miles of Canadian territory will come before the commission and we have to face up to it.

While these studies have been going on in the Kootenay our engineers have been pressing forward with the studies on the main stem of the Columbia and they have found and located and proved the feasibility of a dam which might be built at a place called Mica creek, which is just below the Big Bend of the Columbia. The factual studies are complete and satisfactory, the studies to find the raw materials to build the dam have shown that we have the materials on hand to do it, if the decision is to go ahead with it. The dam itself, if built, will impound at the levels that it is worked out at now, just under 15 million acre feet of water flooding up to but not across the C.P.R. tracks at Beavermouth and of that 15 million acre feet that will be in that dam, a little over 10 million is figured to be used in an average year. That 10 million acre feet is at a height about sea level of nearly 2,500 feet and it may be of interest to the committee that an acre foot of water dropped down from one foot represents about 1.02 kilowatt hours and there you have got 10 million acre feet and a head of 2,500 feet. I will leave it to your imagination to do the arithmetic and get the astronomic figure. You will not get it all, you have to multiply by about 85 per cent, which is the average efficiency of the turbines but you can see the enormous magnitude of it to British Columbia. The head at the boundary which will be developed from the boundary down, the consumption of all the heads under average conditions is 1,175 feet. So about half the energy will be produced coming from potential energy into electrical energy in the United States plants. We have to come to some arrangement with them about it. The cost of that dam to that elevation—and these studies are going on and there may be some adjustment as the engineering studies get a little further forward—the cost is put at about \$425 million. If you take interest at the ordinary rates and carrying charges and so on, and translate that into charges of cost per kilowatt hour, you are down to around 2 mills. For the information of the committee, steam power in that region, and it is much the same in the St. Lawrence, the kilowatt hour costs about 7½ mills, so that you can see that this is less than one-third of the cost of the alternative sources of power. The benefit cost ratio is of the order of three or four to one. I am quite sure that there is such a large benefit available to be divided between the two countries that surely we can arrive at some sort of agreement. We will try to arrive at something we can propose to the governments as reasonable, and we bear that responsibility. There is another thing that has come out of these studies as additional information has become available to us; that is, as we come to know the upper Columbia from Columbia lake through Windermere down to Revelstoke, the 1,400 feet of head from Columbia lake to Revelstoke has become, with knowledge, more and more attractive for its power potentialities. There are a series of dam sites right along there, by which without great expense, comparatively, we can impound these waters and concentrate the heads which are needed in order to turn the flow of this great river into power for our people. There is another thing that has been shown up, and that is that it is entirely practical by building a dam that we have contemplated at Bull river on the Kootenay, to raise the level of the Kootenay not quite 200 feet, which would mean that the Canal Flats, which lie between Columbia lake and the Kootenay, almost on the same level, would be 60 feet under water. So the whole flow of the upper waters of the Kootenay, which average large amount of water, will in fact flow north into our Mica creek reservoir, adding to the potentialities there, or we can store it between Columbia lake and Luxor, where we can use it for the regulation of the plants on the upper Columbia before we pass it further downstream. This water will flow that way unless we build some other dams to stop it.

I remember that in the discussion that took place last November in Spokane, there was quite an amount of anxiety among our American friends, but I want to draw to the attention of this committee that, while it is in the

territory of a nation a river belongs to that nation, and it is specifically provided by Article II of the treaty of 1909 that if we on our side or the United States on their side wish to develop water, that nation had the complete right so to do. We will hear more of this Article II of the treaty before we are through. It is not quite as simple as A-B-C as I have stated it, because Article II goes on to recognize what is an inherent part of the water law of the west, namely, the doctrine of prior appropriation, and that is, if anybody is taking water there—and this is law in British Columbia as it is in the state of Washington—if you take water and put it to beneficial use and you continue to do so, you have a right to that water, so that when you come to divert streams that flow into the other person's country, you have always to consider before you do it how much water you will divert. You have to give careful consideration to the regulations and rights of the other people, because by the treaty of 1909 the United States could go into the Exchequer Court of Canada and enforce those rights, as we could go into the Supreme Court in the United States and enforce a right against them in the event of diversion. These are all very delicate matters that may have to go to the courts some day, but to which I hope, through the mechanism of the International Joint Commission, we may find some way of arriving at an equitable and agreed solution.

Now, Mr. Chairman, I have just hit a few of the highlights of the Columbia basin for you, and have taken up a good deal of time on it. There are other aspects, if members are particularly interested. Okanagan lake, where we have flood control works under construction, under arrangements which we had the privilege of recommending under the Columbia Reference. In the case of a river flowing across the border, we have to be careful of the rights and interests of the people south of the line, and these interests have been recognized in this case. We have the project of the Similkameen, where we have tried to find ways and means of storing water for irrigation. We have this very awkward question of the Skagit river. All these matters are under constant discussion and we are working forward. Sometimes we think we are working fast, but at other times we do not appear to make much progress. You have to proceed with great fairness in these matters, and that is what we are trying to do in the commission.

There is another thing I would like to say, that we had felt in Canada particularly that the commissioners had a very serious responsibility on their shoulders, to use every opportunity in speaking to acquaint the people of Canada, and particularly the peoples of the regions affected, with the tremendous value of the resources that are coming to our attention as we carry on these great investigations. That is the reason why some of us never fail to accept an offer to speak on these matters if we are asked to do so.

The CHAIRMAN: Mr. Cannon.

*By Mr. Cannon:*

Q. I want to ask one or two questions. Before starting, while we have General McNaughton here, I would like to tell him how pleased we are to have him with us and to thank him for the very interesting talk he has given us. I was most interested in the comparisons made between the St. Lawrence and the Columbia. In regard to the potential hydro-electric development, I want to ask him whether he can give any figures of the respective populations that would be served by the developments in the two river systems. Would there be more people served in the Columbia system than in the St. Lawrence system?—  
A. Taking the Columbia as a whole—I have not the figures under my hand—but we will have many more people in that region than we have in the province of Quebec, but I would not lay too much stress on the numbers of people who are there, because the population, under modern conditions, will flow in immediately power is available to be turned to account.

Q. At the present time, I suppose, most of the people served by the Columbia basin are on the United States side?—A. Yes.

Q. I was much interested to hear you say that those who live downstream contended that Canadians in the upstream part should allow our valleys to be flooded, our property to be expropriated, and that we should receive in compensation only the value of the damage caused?—A. That is right.

Q. Without getting any benefit whatever from the development of the system? I cannot see any logical basis for a contention like that. I was wondering whether there were any arguments advanced to support that?—A. Of course in the case of the Kootenay, it makes a great loop through Montana and Idaho, crosses into British Columbia again and flows into Kootenay lake. Then the river flows out of Kootenay lake into the North West Army, and then through a series of five power plants, representing altogether a head of about 320 feet. The Kootenay itself then enters the Columbia, turns down and crosses the boundary. The United States people who appeared before the commission claimed that if they regulate the Kootenay we will get certain benefits in Canada. So we will, but these are very small benefits. They are minuscule compared with the benefits that would be obtained by the regulation to the United States plant. Anyway, they are Canadian heads and it is Canadian water. Remember that under this treaty (1909) there has been no significant beneficial use of water on the Kootenay system. There is no established prior claim to the water of the Kootenay river in the United States. Under Article II we have every right to do so, and in that case we would appropriate to ourselves, as being first in time, the whole value of those heads. It represents about 500 feet of head from one crossing of the boundary to the other.

Q. The question that came to my mind was the question of interest. What interest would we have in allowing our lands to be flooded if we did not get any benefit from the power developed? If I understand you correctly, you say that we would get some benefit from some flooding that would take place on their side, but the benefit we would get would be very small compared to what they would get?—A. That is right.

The CHAIRMAN: Mr. Green.

*By Mr. Green:*

Q. I take it that the great problem is the question as to whether or not the Americans will give Canada power in return for this flooding?—A. That is right.

Q. And hitherto they have been willing only to pay cash?—A. Only to pay cash for damage done.

Q. No cash whatever for the future, that is for the loss of the use of this water in the future? Are they now offering to give some power?—A. They are moving in that direction. I would like to quote you, if I can put my hand on it, the draft charter for the Washington-Idaho-Montana-Oregon State Compact. Utah comes into that too. They have reached the point where they have a committee at work drawing up the draft charter. In that draft charter they make provision, as against one another, for recognizing all these downstream benefits. Now, it is a great thing, I think, from our point of view, that the principle is coming to be recognized. A year ago we had only to mention downstream benefits when for all practical purposes our American colleagues would get up and leave the room. They were determined that this question was not going to be raised, because it seemed to be all on one side, and they would not have it. In fact, I think that they had been instructed that they were not even to talk to us about it. With changed conditions and altered circumstances in their own country, at least the principle is being talked about and recognized. We have a long way to go with the arithmetic.

Q. As between states, are these downstream benefits to be compensated for in power?—A. Yes, sir, recognized right in the draft compact.

Q. That would seem to open the door for Canada to receive the same kind of treatment.—A. They recognized, too, that it is only wishful thinking, impractical, to maintain this, because they cannot in fact obtain the regulated water from Canada without Canada's consent.

Q. Can we take it that it is a definite policy of the International Joint Commission that it will not make the bargain unless these downstream rights are compensated for in power?—A. With proper arithmetic.

Q. Then you mentioned Mica creek and various other potential developments. By what authority would those have to be built? Would they be the responsibility of the dominion, the provincial government or private enterprise, or just how would they be built?—A. No, sir, the commission's responsibility under the reference is an over-all plan to develop the particulars and details right down to and including the designs of the particular works needed. We are doing that. As regards Mica creek, we have had the additional survey information, that we so badly needed, made available to us, within the past few months. We feel now that within a matter of maybe, I would think, about a year we could easily finalize the studies on the Mica creek project. Further, there is no doubt in the minds of our engineers and in the minds of the Canadian section of the commission and also, I might say, our American colleagues recognize this, that Mica, to approximately the elevation that we planned, is the proper thing to build. So from the commission point of view, that project could be cleared for construction at any time within a year. The people to build it, the responsibility of building that dam, lies with the provincial government. They must say whether they are going to build it themselves through the B.C. Power Commission or whether they are going to bring in a group of private interests to build it. All these things are very definite possibilities, but the decision will lie with the provincial government.

Q. The dominion government would take no part in the construction of these developments?—A. The federal government of Canada has the over-all responsibility of negotiations with the United States. It is very essential that the negotiations in regard to the benefits that come from the regulated water and controlled flow, and so on, should be settled and will have to be settled before it would be wise for the provincial government to authorize someone to go ahead and build it.

Q. I suppose there would have to be a dominion statute, something like the one we passed in connection with the power on the St. Lawrence?—A. I would defer to the lawyers here, but I think that there might have to be an application for a specific order by the commission.

Q. I think that in the case of the St. Lawrence the dominion passed a statute and the government passed one also.—A. That is right.

The CHAIRMAN: I do not think that it is up to us to decide that this afternoon.

*By Mr. Green:*

Q. I have seen a newspaper report to the effect that the Kaiser Company of the United States is planning to dam the Arrow lakes at some point. What are the actual facts about that proposal?—A. I cannot give you a great deal of information on that subject. A report came out in the newspaper under date of the 22nd February (1954). I had been the previous day in British Columbia for consultation with the British Columbia committee on the Columbia. I had a very bad cold and I went up north to try to shake it. I did not know about these conversations until I got back to Ottawa. Whatever announcement has been made, has been made by authority of the British Columbia government. I would say this, however, that the Arrow lakes are



under study under the Columbia reference by our engineering board. We have gone quite a way and spent a good deal of money in investigating the possibilities of dam sites below Castlegar. It was only when the urgency of this Upper Columbia site at Mica became apparent that we—and I was responsible for it—took the drilling crews off there and moved them to the north to finish the investigation of the Mica site. We are hoping to go back to Castlegar as soon as we have drilling personnel available. We will be going on with these investigations, as far as I know. It may well be that we might, if the British Columbia government come to some agreement with Kaiser (if they have chosen them as an entity to do certain work subject to certain conditions and certain privileges) the B.C. Government have a perfect right to do it if they wish.

Q. The work cannot be gone on with until the International Joint Commission approves?—A. They could go on with an investigation. This is the reference under which we work. The text was agreed by the federal government, with the government of British Columbia. It has almost the sanctity of a treaty. This provides that we should conduct the investigations and make a report. I believe that if British Columbia wanted the Kaiser firm to do this study we might be able to share the task in some way or other, and let them do some of it. If they have drilling rigs to move in there and advance our studies, we would not be averse to some help in the matter. We have a good deal to do.

Q. The actual construction could not be done until you people have approved?—A. No, sir. There is another thing. Those waters of the Arrow lakes, as you know, are in a sense under dual administration. They come under the Navigable Waters Protection Act, because they are navigable. Any development in the Arrow lakes must of primary necessity be a matter for agreement between British Columbia and the federal government here. Quite apart from the reference, it is necessary to have a meeting of minds.

Q. Arrow lakes are a widening out of the Columbia river?—A. That is right. There are other matters of timing, for example, too. The flow that comes down through the outlet of Arrow lakes is of the order in an average year of 50 million acre feet most of it in three months. It is a terrific flood of water. On occasion it has gone above 90 million. It is just astronomical. We have felt in our studies that until we could do something to check these great flows by having a reservoir, like the Mica creek reservoir, to draw off some of this it is an engineering impossibility to build coffer dams out there as at Castlegar, and all these questions of timing come into it. Actually the chief engineer of Kaiser's called me by telephone last week from California, indicating he would like to have a talk with me about the possibilities of division of the labour. I indicated to him that we were always glad to talk to anybody who would help us make the investigations. I told him also that the matter of what privileges he would get for this work was a matter we should first settle with the British Columbia government, and not with me. That is the way it stands.

The CHAIRMAN: Mr. Knowles.

*By Mr. Knowles:*

Q. Mr. Chairman, most of my questions have been answered by General McNaughton in his opening statement and by his answers to questions asked him, but there are still two that occur to me. With respect to the question of downstream benefits, I take it that the arrangement being made among the states, if it is made, is such that the upstream states are seeking from the downstream states the same rights that Canada would be seeking in relation to the United States?—A. That is right.

Q. On the basis of that, I ask this question: If the five states had reached an agreement, does it follow automatically that the same principle would be extended to Canada, or is it just that your argument is that much better?—A. I would not say there is any question of “automatic,” because the two sets of affairs are not linked together. We are, by the grace of God, under different sovereignty. It will be very difficult for the American authorities to resist it once the principle has been accepted in their own territory.

Q. Have you some evidence of that in your relations with the other members of the commission as a whole?—A. Not with the members of the commission who are playing their cards tight against their chests, as I am. They are anxious to get out of it all they can. I had an opportunity not so long ago to talk with a very senior official in the United States Administration who said that it was very necessary if anything was to be done that downstream benefits should be recognized and should be looked at and equitably divided, and I told this senior gentleman—whom I should not name because it might embarrass him—that we were not playing any game of piracy but were looking for equity, and if we could get people to talk to us in terms of real equity we would be very glad to go into discussions on the matter so that we could work out proposals for our governments.

Q. Can the five states reach that agreement amongst themselves without any reference to the commission or Canada?—A. This compact business in the United States is a very interesting aspect of their Constitution. As you know, there is an article in the Constitution that forbids any state to have dealings with another state unless sanctioned by Congress. That was to help their unity. If the states have common interests like New Jersey and New York for example, in the port of New York, who made a state compact which was approved by Congress and the government of the United States appointed one of the members to the governing board. In the west these five states have come together in these preliminary conferences and Congress has been notified that they propose to do it. There is a motion on the books of Congress authorizing the states to come together and work out the details of their proposals, saying that if they will work out something satisfactory which is accepted by Congress, they will get the blessing of Congress in due course. That procedure is going on now and it will have to go to Congress—I do not know when.

Q. Does the fact that the compact has to go to Congress for its blessing bring in the International Joint Commission in any way?—A. No. That is under the Sovereign Law of the United States. They have held that they would like to invite us to join in the compact.

Q. The five states?—A. Yes.

Q. That would involve a constitutional amendment?—A. No. I do not think that any of the constitutional lawyers here would accept that as a method of procedure, but they are very friendly to us, and there is no doubt that if they do get a state compact organized for the lower part of the Columbia Basin, we will do what we so often do, think little of convention, work with them, and work things out on a practical basis so that we can get these resources for the proper benefit of the people to whom we are responsible.

Q. What you are counting on is consistency and fair play.—A. Equity.

The CHAIRMAN: Mr. Stick.

Mr. STICK: If those five states establish a principle in their own country and we wanted to establish that same principle, they would not be able to refuse us very well.

The WITNESS: That is right. Mr. Green asked me for the development for the last year, and the development is a matter of going around and talking about the importance of downstream benefits. I am no longer talking about a

theory, or a pious hope, or something beyond the horizon. They themselves are talking about it in their own affairs in language which is beginning to be understood by the people in both countries.

The CHAIRMAN: Mr. McMillan:

*By Mr. McMillan:*

Q. I wish to ask General McNaughton about the pollution of our international waters, particularly that part of the Niagara River at Lake Ontario. I believe you made a recommendation in connection with the pollution of the waterways in the Niagara River?—A. Particularly of the Niagara River?

Q. Yes.—A. Mr. Chairman, the question is a question in relation to the pollution of boundary waters with particular respect to the Niagara River. This matter is before the commission in a reference of the 1st April, 1946, which started in a fairly narrow way but which was eventually extended to include all the connecting channels between the Great Lakes system. That is what we are working on. The first business that the commission undertook was to organize a series of technical boards to carry out a comprehensive investigation of all those waters in which pollution would be likely to have a transboundary effect. Remember that the commission has no jurisdiction over pollution as such. Our only jurisdiction is under the Treaty of 1909 which says that that pollution originating in one country must not cross into the waters of the other country. Now, we had a very careful study carried out by experts. We had tremendous help from them. The results of that investigation are given in a report which we presented to the governments in 1951. We reported that there was, in fact, pollution of these various connecting channels of the Great Lakes and reported that it was a very grave menace to the health of the people on both sides of the line, and that it should be cleared up. We went further. We had our technical advisers draw up a list of what we called objectives for boundary water control, and those objectives define very precisely, as experts could, the amount—for example, phenol in parts per million that would be tolerable in the water; or that which might come from the waste of refineries; cyanide that perhaps you are thinking about today which was reported to have killed some fish earlier this year in the Niagara River. All those things were laid down as objectives. We recommended to the two governments, not that these objectives should be made part of a law under which people who did not live up to it could be punished by us internationally, but that we might set up technical advisory boards to keep various parts of the river under supervision, with the right and the duty to report to us, and to the local authorities, anybody who was not living up to those objectives.

Now, we had a pretty bitter experience many years ago over the same matter. The commission had been asked to investigate pollution and had come up with a report. The commissioners of that day thought that the only way to cure it was to try to vest the International Joint Commission with the powers of police. That recommendation was made to the two governments, and when the two governments came to consider that recommendation and its implications, as a consequence, the report of the commission was put in a pigeon hole and there has remained to this date. I think that those of us who are on the commission now when we look at it more objectively are devoutly thankful that is what happened to that earlier report, because I think that you will agree that if you are going to have police powers you not only have to have a police system but a court or tribunal or something that can give the punishments in the first instance. On top of that if justice is to be done you must have some safety valve in the form of a court of appeal, and the first thing you would have would be an international zone with no sovereignty laying down punishments and punishing people, and I think that would result in chaos.

So, knowing the result of the earlier report of the commission, we kept away from it and asked for no powers of compulsion. We asked for powers of supervision and the right to draw these matters to the attention of the people causing trouble, and also to the attention of the local authorities who have, in some instances, very considerable power to prevent pollution in their own jurisdiction. If they give punishment, you have the whole system of appeal courts that runs right up to Her Majesty, for people who might be punished unduly.

This thing again is a business of patience. It is going extraordinarily well. As far as the industrial pollution is concerned we have had the greatest measure of cooperation. The companies that have been polluting the river, in the majority of cases, once they learned that we really meant business about our objectives have been willing to accept them and live up to them and to spend very large sums of money in order that they should not be in disrepute. I would say that we started off with, I think, about \$140 million of work to be done. There was the case of a distillery which sent its public relations man down to see me when these objectives were published and the only question asked was: "what do you mean by this? Do you mean business?" I said: "It has the approval of the two governments, surely that means business." He said: "That is all I want to know. Will you write a note to the Steel Controller that he has to give us the steel to do the work?" I wrote the note to the Steel Controller—we were rationed for steel at the time—to explain the matter. About a year later I read the report of our people of what had been done and I found that these people had obtained half a million dollars worth of steel, built their works and were no longer in disrepute in regard to pollution.

One of the big oil companies opened up at Sarnia and because of new processes and plant and one thing and another, they had not known about how careful we are of phenol pollution of drinking water, and we pounced on them before they started to open up their refinery and drew their attention politely to the fact that they must not exceed the allowable limits for phenol. In a very short time the general manager of that plant was down in my office in Ottawa and we had a talk. He understood what we were driving at, that it was in the public interest, and that his company in fact could not afford to be in public disrepute and he went back and made it right. They said that irrespective of money they would make it right. We have received wonderful cooperation. We can see in the not too distant future these connecting channels of the Great Lakes system being cleared up, which will be a great satisfaction to everybody I am sure. This danger of pollution will be over.

The municipalities are our real problem. I am corresponding with a number of municipalities now trying to get them to live up to their responsibilities, and they claim that they have not any money; they put up bylaws which get defeated and they say that gives them an excuse for not going ahead. We are going after them. We have no power to compel, but I think by keeping up the public pressure we are going to get that aspect straight too with patience.

The CHAIRMAN: Have you any further question, Mr. McMillan?

*By Mr. McMillan:*

Q. You mentioned about the channles. How about the Great Lakes themselves?—A. As I mentioned, our jurisdiction comes from one clause of the treaty: that neither country may pollute or cause pollution that goes across the channels into the other man's territory. When you get out into the Great Lakes, it would be pretty difficult to suggest that pollution originating in Ontario went over to New York. Our jurisdiction would not be any good. This is article four of the treaty. "It is further agreed that the waters herein defined as boundary waters and waters flowing across the boundary shall not

be polluted on either side to the injury of health or property on the other." That is the jurisdiction we have. We have no jurisdiction on pollution *per se*.

That answers the reference to North Battleford. Do not think that I am not interested in North Battleford. I am a native of Saskatchewan. We have no jurisdiction.

Mr. KNOWLES: Because it is not international.

The WITNESS: That is right.

Mr. PINARD: As far as the lakes are concerned, you have jurisdiction?

The WITNESS: But would not have proof.

*By Mr. Stick:*

Q. You would have jurisdiction if that river flooded into international waters?—A. Yes.

Q. There has been some talk lately about this flow of water going from the Great Lakes system into Chicago, and I understand that that comes under your jurisdiction, any extra flows which would naturally affect the St. Lawrence Seaway to some extent. Would you like to comment on that, as to whether there is anything in the report that they are pressing for more water? I understand that they have been pressing for that for some time. What is the present situation regarding that?—A. I can give it to you briefly. It is not, of course under our jurisdiction at the moment. The question of diversion at Chicago could only come under the jurisdiction of the International Joint Commission if the two governments saw fit to make a reference to us on the subject. They have not done so and it would have to be what we call an article nine reference, to study and report.

Q. They cannot get any more water without your permission?—A. No, sir. They can in fact use more water without our permission. We have only jurisdiction in very particular cases. That is, we have jurisdiction in cases where there is restriction placed on the boundary waters, like the St. Lawrence, for raising the levels on the other side. The government of the day saw fit to give us jurisdiction which confers on us some of the power of the government itself. It is the most extraordinary power we have. That is why in the St. Lawrence, the governments—it is so hard for people to understand—addressed an application to the International Joint Commission asking for permission to build a dam at Barnhart.

So far the governments have not seen fit to make use of the powers under the article referred to because up to date these matters have been very reasonably resolved. They have been resolved in the Supreme Court of the United States which applied police powers to the diversion Chicago had. Ten years ago they were diverting down 13,000 or 14,000 cubic feet per second, and it has been cut down a fraction of that now, by order of their own Supreme Court. In those older court appearances down there, Canada was represented by counsel, and when we were asked to say how Canada was affected, our counsel, made representations on what our views were. But, it has been felt wise and it has proven effective, that we should leave that particular problem to the United States to solve. There is a predominant interest on the part of riparian states which have similar views to Canada.

Q. I am speaking of the long term view of going into the St. Lawrence seaway project. There will be a tremendous amount of money spent on it and it struck me that we should have some say in the regulating of this water if at some future time it is going to affect our flow of water down there.—A. I cannot speak with authority at the moment on it, but I think that you will find that the Department of External Affairs have it in hand or have made representations, or undoubtedly will, along the lines I have indicated. This matter is before the Congress of the United States on a resolution of somebody from

Chicago asking that the army engineers be given authority to increase the diversion by another 1,000 cubic feet per second. That bill, to my knowledge, is being opposed by the riparian states along the Great Lakes. I think we have made representation of our views.

Q. This may be outside of our jurisdiction, and if you do not feel like answering it I am not pressing it.

Mr. GREEN: I think, that Canada protested on March 15. I have a copy of the note.

*By Mr. Stick:*

Q. Before the St. Lawrence seaway is finalized between the two governments will that other matter probably be dealt with in an article of a treaty or some regulation?—A. I think the more likely way is that Congress, in the light of all the representations—and having all the representations which we know will be made, it is altogether likely that this bill will not pass.

Q. My own feeling is that we are going to spend a large amount of money on this seaway and power development and that Canada should have some say, in making representation at least, regarding this flow?—A. Mr. Green has a note actually signed.

Q. Actually we have no power, no jurisdiction?—A. Could I read this note?

Q. Yes.—A. This went to the Secretary of State, the Honourable John Foster Dulles.

The CHAIRMAN: Do you not think that we are entering into a matter which is strictly a Department of External Affairs matter, and that the full details concerning this could be brought up at the next meeting. Tomorrow, the parliamentary assistant, or some official from the Department of External Affairs, might bring whatever information the department has, which would come from the proper authority because it has to be issued by them.

Mr. GREEN: The last paragraph of that note refers to the International Joint Commission and it is a copy which was tabled by the Secretary of State.

The CHAIRMAN: Yes, but I do not think that we have the proper witness to take it up with.

Mr. PINARD: The matter is being looked after by our embassy in Washington.

The WITNESS: With reference to the last paragraph it says: “. . . It would be in the best interest of Canada and the United States to allow the commission to complete its study of this and related matters before any change in arrangements affecting the levels of the Great Lakes is authorized.” That has reference to what we know as the Lake Ontario levels reference, and in that reference the commission was instructed to study all the causes which affect the levels of Lake Ontario which would include the Chicago diversion along with Ogoki and Long Lac and certain other matters. That is one of the things the physical effect of which we are studying at the moment and will report on in due course.

*By Mr. Stick:*

Q. This is a matter of interest. You may not be able to answer it, but when the legal technicalities are cleared away regarding the St. Lawrence seaway, would you like to express an opinion as to how long it would be before actual construction would begin—a rough estimate?—A. I can only speak with respect to the power works.

Q. What about the seaway?—A. No. The International Joint Commission is only concerned indirectly with the seaway. The application from the two governments to us which resulted in the issue of the commission's order of the 29th October, 1952, provides for the construction of the Barnhart Island Dam and deepening of channels in the interest of power. Our only connection

with the seaway at the moment is that we have been enjoined in the application to us to ensure that what we do for power will not act in any way as a detriment to the seaway features of the work, and in fact will wherever possible facilitate it. As matters stand, in putting forward that application to the commission for authority to build the power works, the government of Canada made a unilateral declaration that they would in fact build the seaway. What has happened in the last few days has been that Congress has passed the Wiley Bill, giving authority to the United States government to set up a corporation to build certain locks on the United States side and they would like to do that. This is not a matter which can be dealt with by me, because it is not before the commission. It is a matter for the government of Canada, and a matter on which I understand the Prime Minister has already expressed himself. It would not be proper for me to say anything about it.

Q. We had quite a discussion last year in which you told us about the proposed seaway and the depth of the canal and all that.—A. I can give you all that information. We have had to get that to do our other work.

Q. We had that last year. I was wondering as a matter of public interest when the legal technicalities are finished how long it will be before we go on with construction?—A. This particular legislation as you know will be held up for 90 days, a waiting period, which is characteristic of legislation in the United States.

Q. For the right of appeal?—A. Yes. Until the 19th of this month. Certain people have a right to carry appeals which they had prosecuted in the appeal courts to the Supreme Court of the United States. If that happens, we have to wait until the Supreme Court deals with it. The earliest time we might expect that might be sometime in July, if everything was in the clear. Supposing there was an affirmative opinion given in July, we would have half a year to get to work on the river on our power works. The estimated elapsed time, from the time of starting to finishing, is now put by our engineers at  $5\frac{1}{2}$  years. We need  $5\frac{1}{2}$  years to complete the work. As regards the seaway, we do know from the studies that the work on the seaway will go ahead simultaneously with the power, and there is no reason why the completion of the two projects should not be simultaneous.

Mr. STICK: Thank you.

Mr. KNOWLES: May I ask General McNaughon whether there is anything before the commission now with respect to the Red River? The one in Manitoba and not the one in French Indo-China.

The WITNESS: We have a few more Red rivers around.

The CHAIRMAN: If we are entering on a new matter, a few of the members have indicated to me that we have been sitting for more than two hours, and if you do not feel that item 100 is accepted or adopted yet, we might adjourn till tomorrow morning at eleven. You are entering a new subject which might take some time.

Mr. KNOWLES: It all depends on the answer to the question, whether there is something more.

The WITNESS: I can do it in two minutes. The commission still has the reference on the Red river, the general study on the Red river. As I explained, I think, last year, the flood protection was found by our investigation to be essentially national in character. The consequence of that was that we passed the investigation from the commission's auspices to the auspices of the (then) Department of Resources and Development. A very comprehensive report on the Red river has been completed. Under the present arrangements the study of that report is a matter for the province of Manitoba and, I understand, the Department of Public Works here. It is not a matter with which the

commission is directly concerned. Our studies are going on from another point of view, and that is in the hope that we can somehow increase the minimum flow of the Red river.

Mr. KNOWLES: Increase the minimum flow?

The CHAIRMAN: Have we dealt with item 100, the International Joint Commission?

Mr. GREEN: I have another subject.

The CHAIRMAN: Are you available General McNaughton for tomorrow morning?

The WITNESS: Whenever you say.

The CHAIRMAN: The committee stands adjourned until tomorrow morning at 11 a.m.



## EVIDENCE

MAY 13, 1954  
11.00 a.m.

The CHAIRMAN: Gentlemen, we had with us yesterday General McNaughton who is chairman of the International Joint Commission and he is at our disposal again this morning. We are on items 99 and 100 of the estimates of the Department of External Affairs.

**General A. G. L. McNaughton, Chairman, International Joint Commission, called:**

The WITNESS: Mr. Chairman, growing out of yesterday's discussion I would like to offer you for what use you would care to make of it the full text of the Columbia river reference which your secretary may wish to have. (see Appendix B). I was also asked in the course of the discussion for the various United States projects that make up the 20 million acre feet that the United States plans to provide in the way of storage in the Columbia basin. I did not have the figures under my hand and I got them as soon as I got back to the office and I have brought this statement of the storage situation showing the various reservoirs that are built and those that are actually being built. I will turn that over to the secretary also. (see Appendix C)

There was another matter on which members of your committee asked for information and that was the terms of the draft article in the north western state compact which deals with the question of downstream benefits. I extracted that this morning from the original papers and I think it would be of interest to some members of the committee to have the full text and I make that available to you.

(see Appendix D)

Mr. Low: Does that include the Kootenay river projects?

The WITNESS: It is a question of general principle, the Kootenay would come into it amongst others. Would you like an extra copy of it?

Mr. Low: If you do not mind.

Mr. KNOWLES: This will be included in the record?

The CHAIRMAN: Yes, as an appendix.

The WITNESS: I think Mr. Green was particularly interested in that one. In going through our notes I thought they were the only extra documents that you might want but if there is anything else, if your secretary would let me know, we would be very happy to provide it.

Mr. PINARD: I suggested yesterday that I would give today the ideas of the commission as to the Chicago diversion. I have all the information now and I would rather like to make that statement when Mr. Stick is here, as he brought the matter up himself. I will probably make that statement tomorrow.

The CHAIRMAN: We had General McNaughton with us yesterday and he spoke at length on the question of the Columbia river and then we passed to another subject. If there is any member who has some special question on the Columbia river project I do not want to rule it out, but we had a full day on that. However, before we proceed to another subject I would like to know if anybody has anything on his mind about that.

Mr. COLDWELL: Mr. Chairman, I was not here yesterday; I was in the House on the Japanese treaty; and I was wondering if General McNaughton covered the extent and the manner of the cooperation between the Canadian authorities and American authorities in this very important area.

The CHAIRMAN: Yes, it was gone into fully; I think the expose of the situation was very well covered. I think when we adjourned Mr. Green said he had another question he wanted to bring forward and I told him it was getting late in the meeting. I will give him the lead now.

Mr. GREEN: Mr. Chairman, I wonder if General McNaughton could explain the situation with regard to the use of head waters of the Yukon river for the development of power?

The WITNESS: Yes, certainly. Some years ago the Aluminum Company of America made proposals for building a dam across the Yukon river raising the levels in the Atlin lakes and the diversion of the water from a lake called Lindeman lake, which is one of the chain across into the vicinity of Skagway. That expression of interest on the part of an American concern of taking the waters from the head waters of one of the Canadian rivers and turning it across into Alaska and dropping it through some thousands of feet of head and generating perhaps 5 million horsepower was brought, of course, to the attention of the International Joint Commission. While no reference has ever been made by the two governments to the commission to study it, this intimation of the possibility caused us to commence our studies, to put ourselves in a position to handle anything which came up. There never has been a reference to the International Joint Commission so the matter of the diversion of the Yukon river is not a subject on which we have any jurisdiction whatsoever. It would have to come to us if the government were contemplating a project of that nature. However, it is not a subject which is before us officially but we naturally, on all these matters, keep ourselves very comprehensively informed of the nature of the project and the nature of the alternative. The alternative, of course, is that in place of the water being turned out through this lake into the north and going across into Alaskan territory, the panhandle, where the water would be dropped and where the heads and power plants would be, is to take the water out of the lower end of the lake through a series of tunnels and eventually to drop it into Taku Inlet which also, of course, crosses the Alaska boundary. In this case the heads are entirely within Canadian territory so that the water of the Yukon, if dammed, would be used in a Canadian project. It is fortunate for us that the topography is such that on the information available to us, the Canadian possibility seems to represent an even more favourable solution than the one to the north, which would put the power plants in the United States.

As I say, this matter is not before the commission, and in consequence all I can give you is this incidental information if you are interested. I have here the general topographic elevation maps which we have of these areas, which illustrate the matter, I think, about as well as it can be illustrated. Unfortunately I do not have the map that comes down to Whitehorse which is about here (indicating) on the map where the dam of some 200 feet in height would be built which would obstruct the flow of the Yukon river and raise it so as to raise the levels of the Atlin lakes. It is well to know that in the Canadian proposal the dam is above Whitehorse and so the possibility that was presented in the form of the proposal of putting Whitehorse under 100 feet of water is now removed. It is a thriving Canadian community and will remain where it is. Whitehorse is a very nice town and we would not like to lose that development.

Mr. COLDWELL: The American proposal involved that?

The WITNESS: The original proposal did but it is quite possible that the original proposal may have been modified in the meantime.

Mr. COLDWELL: The proposal you are discussing would be used for power in Canada?

The WITNESS: In Canada, and the smelters would be on the Taku, on Canadian territory.

Mr. GREEN: If the Canadian plan was followed, would the International Joint Commission have any jurisdiction?

The WITNESS: No, there is no occasion for us to have jurisdiction because if the plan is followed it is not an international matter at all, it is purely a matter of the damming of a Canadian river, the Yukon, and the diversion of that water from flowing into the Arctic to flowing into the Pacific within Canadian territory. It is a matter which our studies show has no international complications whatsoever about it; it is purely a matter for the two Canadian governments which are concerned, where the power plants would be within the territory which is administered by the province of British Columbia and the dam on the Yukon river where these diversions are made and the tributaries which would be diverted are in the Yukon territory. What we have here would be the responsibility of two Canadian governments with no question of the United States whatsoever and, in consequence, the matter would not go to the International Joint Commission.

On the other hand, if there was an agreement between the governments to go ahead with the northern proposal, that is a matter over which the International Joint Commission has jurisdiction and we would have to have, not a reference in this case, we would have to have an application which we would deal with under one of the earlier articles of the treaty.

Mr. GREEN: The fact that they are diverting waters from the Yukon river and taking them into the Taku Inlet would not bring your commission into the picture even though the Yukon river flows out of the Yukon and into Alaska?

The WITNESS: No, because the whole matter is dealt with expressly in article II of the treaty and if I might crave the indulgence of the chairman, I think the matter is of importance to the members and I should read article II into the record of this meeting. Article II of the treaty of 1909 reads as follows:

Each of the high contracting parties reserves to itself or to the several state governments on the one side and the dominion or provincial governments on the other as the case may be, subject to any treaty provisions now existing with respect thereto, the exclusive jurisdiction and control over the use and diversion, whether temporary or permanent, of all waters on its own side of the line which in their natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs; but this provision shall not apply to cases already existing or to cases expressly covered by special agreement between the parties hereto.

It is understood, however, that neither of the high contracting parties intends by the foregoing provision to surrender any right, which it may have to object to any interference with or diversions of waters on the other side of the boundary the effect of which would be productive of material injury to the navigation interests on its own side of the boundary.

The possibilities of that have been very carefully looked into and the diversion of the waters in question would certainly not affect any navigation interests or facilities in the Yukon river north of the boundary in Alaska.

It would be fantastic to make any assertion to the contrary. After the Yukon river passes the boundary it is perfectly clear that there is no consumptive use for the water, there is nothing like irrigation in the region to the north which is something we would have to consider if there were. The slight diminution of flow does not represent any effect on the sanitation or other conditions of the river. It is a flat river with no real possibilities of power development, most of the head is gone by the time it gets to the boundary and there is no place where head could be concentrated. It is our information, as the result of the studies we made, that there is no possible disadvantage to the United States that could be asserted and which, if they were real, they would have the right to take to the Exchequer Court of Canada.

Mr. GREEN: If the plan goes through the Americans will not be involved at all?

The WITNESS: They will be interested and very much concerned about it as we are, but our assertions are that they have no rights, that it is entirely a matter for Canada and, in consequence, it will not be a matter which finds itself before the International Joint Commission for jurisdiction.

We in the commission have taken note of the statements of government policy which have been made on the matter. As I recall it, they were made in the House by Mr. Winters on the 17th of December, 1952, and I recall that the Prime Minister himself made a statement on the subject on the 8th of December, 1953. As far as the responsibility of the Canadian section is concerned in the study of these matters, it seems to me those two statements set our responsibility at rest and we are doing nothing more on the subject.

If you care to you may see the topography on these rather interesting maps I have which shows the elevations as well as the plan.

The CHAIRMAN: You may have one on each side of the table. Any other questions?

Mr. Low: I was not here yesterday, I had to be in the House for the Japanese treaty, and I wondered if General McNaughton would deal with the St. Mary and Milk rivers in southern Alberta. Was that covered?

The WITNESS: No, it was not.

Mr. Low: I was wondering if you could give us a report on the studies there as to whether or not you have made progress towards agreement with the United States.

The CHAIRMAN: Are we finished with the subject that Mr. Green has brought forward? Thank you, I just wanted to make sure of that.

The WITNESS: This question that I have been asked to speak on goes back for very many years. On the border in the foothills of the mountains between the state of Montana on the south, and the province of Alberta on the north, there are four small rivers but very important rivers, that rise in the United States and flow across the boundary into Canada. The first river, moving from the east to west, that is included, is the Milk. The Milk rises in Montana, flows across into Alberta, flows in Canada for 100 miles or so, turns south again into Montana and flows on through the Fresno reservoir into the Missouri system. The next river to the west is the St. Mary, which also rises in the foothills of the Rocky mountains, Glacier National Park, flows north through Cardston and Magrath and further on joins the Old Man river and down into the south Saskatchewan system.

Further west again you have the Belly river, the Waterton and Belly rivers in the vicinity of Waterton park and flowing north. The St. Mary and the Milk rivers were matters of very acute controversy in the early part of the century and they were one of the reasons why the treaty of 1909 was negotiated. That treaty includes a special article dealing with the solution of this St. Mary and Milk rivers matter. The clause in question is article VI

of the treaty by which the high contracting parties agreed to split the flow of these two rivers between them and Canada agreed to allow the United States to make use of the channel of the Milk river in Canada in order to carry the American share of the combined waters to what was known as the Milk river irrigation project in the vicinity of Havre, Montana.

The administration of that agreement was passed over to the International Joint Commission to look after and the commission and the accredited officers were appointed to measure the flow and have been administering it ever since. I think to the mutual satisfaction of both countries. I would like to point out that the agreement for the St. Mary and the Milk rivers was a special agreement, it was specially related to that watershed and did not constitute a principle of the treaty. The general principles are laid down in other articles of the treaty and this was a special case, specially legislated for, and it is very important for us to remember that distinction because in all the discussions that went on between the two governments leading to the drafting of the treaty and leading to the extensions which were made in parliament here and in congress of the United States, in the proceedings to ratification, these general principles were emphasized with the greatest of precision, particularly in our own parliament. The people who took part in the debate, Sir Wilfrid Laurier, who was then Prime Minister, Sir Robert Borden, Mr. Pugsley, Minister of Public Works, and the Minister of Justice, Mr. Aylesworth, all emphasized that the only reason Canada was prepared to accept this treaty was that it laid down a code of general rules, generally applicable, the idea being if we could have general rules which were generally applicable then we would be on a position of equality with the United States on water problems.

As the members of the committee know, when you get involved in a water problem you get into a pretty passionate dispute and it was only because we had general rules to be applied generally that the Canadian government of the day were prepared to accept this treaty at all. That was made a condition, and we, ourselves feel, those of us who have to look after the interests of Canada in this administration of this treaty, that we have been consistent supporters of this principle that every case has got to be dealt with in accordance with the general rules laid down in the treaty and there must be no exception whatsoever to those rules.

That is why we have a dispute with the United States over the waters of the Waterton and Belly rivers.\* In article II of the treaty which I read to you a moment ago, it lays down the principle that waters while they are in a country are administered and at the complete disposal of that country, and when they pass to the other country they become the property and completely at the disposition of the other country, subject only to the fact that you cannot make diversions or, rather, you can make diversions but if you do and you affect adversely any private rights or any rights that may have come to be established in the other country, the interests affected have the right to go into the courts of the country causing injury and sue for damages.

In the case of the Waterton and Belly rivers, these are rivers that rise in the United States, they are in very deep valleys and it has been shown by the engineers who have appeared before us on the commission, and in all the evidence that has been given, that it would cost the United States absolutely fantastic amounts of money to interfere with or to capture the flow of these rivers. Right from the very beginning of the conception of our St. Mary's irrigation project, the Canadian authorities have assumed that these rivers would continue to flow into Canada and our plans for that tremendous irrigation work involve the irrigation of close to half a million acres of land. We have already built a considerable amount of the works which are required and the people are on the land, and prosperous settlements are growing up. We have gone ahead in perfect confidence that we would have the use of those rivers.

The people in Montana have been trying to and have been asserting that because these waters originate in Montana, that Montana has a right to them whether they can capture them and turn them to use or not. It is a contention which, in the view of counsel for Canada—and we have had the most eminent counsel dealing with this matter both for Alberta and the dominion—is not right. Mr. Harold W. Pope of Moose Jaw has been counsel for Canada in the matter and he has been able to show, certainly to the satisfaction of the Canadian section, that these waters cannot advantageously be captured and turned to use by the United States authorities whether they be federal or state. They flow into Canada and that means they become the property of Canada and it is our right to make use of them.

As far as the Canadian section of the commission is concerned, over two years ago we told our colleagues that we were satisfied we had all the evidence that was necessary in this case; that we were convinced that we had the rights, we were convinced this was a case that came clearly under the provisions of article II of the treaty of 1909 and that after these waters crossed the boundary they became Canadian waters to be disposed of and used as Canada saw fit. We said that with the authority of the governments of Alberta and of the dominion given to the three commissioners that, while we were not prepared to concede that they had any rights in the matter, nevertheless there were certain waters that could, by building certain extra works in Canada, that we could conserve, running to a flow of perhaps 30,000 or 40,000 acre feet of water. This would otherwise be wasted and we were perfectly prepared to give consideration to the construction of these additional works in our irrigation system, and the additional canals by which we would seek to conserve this water which would otherwise be wasted. It would then be turned back to the United States across the boundary, near Coutts, so it could be taken down into the irrigation section near Shelby, Montana. This is referred to as the Upper Marias project. We pointed out that in their own reports they had stated that some 70,000 acre feet of the flow of the St. Mary river to which they were entitled under the treaty of 1909, article VI, were not being used and that it was continuing to flow into Canada although they had a perfect right to use it. We knew they could not use it; they had no practical physical scheme by which they could divert that water and carry it to this Upper Marias project, or carry it down to the Milk river project. We told them that as an act of good neighbourliness we were authorized to offer the physical uses of our irrigation system to help them, and to benefit them by the transmission of this water to the places where they would need it. It was understood, of course, that any additional cost for facilities would be incident on the United States. We offered, as good neighbours, the physical resources that topography and divine providence have given to Canada in this matter, and they are very important.

We have been met with a very curt rejection of that proposal and a re-insistence from our American colleagues, and more particularly from Montana, in what is known as the Montana proposal the basis of its thesis being that article II of the treaty of 1909 should be ignored in this dispute and that we in the commission should develop a special provision analogous to article VI of the treaty of 1909 by which the ownership—I use the word advisedly—of the water on the United States side would be recognized as vested in Montana. That is a contention which neither the Canadian members of the commission, the government of Alberta nor the government of Canada, speaking through their counsel, are prepared to accept. The result of that was that when this matter for the third time was put before the commission at our meeting in April (1954) in Washington, and after a very heated discussion, we indicated that we were prepared to close the reference on the basis of what we had found, and what our legal advisers are convinced is right.

The United States section brought up the position that they were without a chairman and they asked us to stay our hand until they were again completely organized, when they would take up the matter. The meeting in Washington ended with myself speaking on behalf of the Canadian section, and telling our American colleagues that we could not accept the validity of their thesis and we suggested that they might care to again consider their position in the light of the valid legal arguments on our position that had been presented. If they came up with some sort of a basis for further discussion we would be able to take the matter up again.

That, gentlemen, is the way that acrimonious dispute presently lies.

I would like to mention what is involved if the United States were to capture their share of these waters. I will take one river only, the Waterton river. The boundary of Canada runs across the bottom of the Waterton lakes and the United States have said they would have to build a dam just to the south of the boundary. Some of the members here no doubt will know these beautiful Waterton lakes. The water at the point they would have to build their dam is 340 feet deep and more, nobody knows the condition of the bottom, whether it is a silty bottom or whether it is rock on which a dam could be built. Nobody knows either how anybody is going to build a dam in 340 feet of water. It would, in order to capture these waters, have to be some 500 feet above the lake level. It is the most fantastic proposition which ever any dignified body has been asked to look at. It was just put up as a talking point.

When I had a hearing here the speaker of the House of Commons was good enough, because it was such a big hearing, to give me the Speaker's chambers. In the Speaker's chambers I had one United States engineer before us and had the opportunity of cross-examining him. I do not think there is any doubt in the mind of anybody who was present that this was not an engineering proposal; it was just put up for a talking point.

*By Mr. Low:*

Q. Even if they got the dam built would they not have to tunnel through the mountains for a fantastic distance to utilize it?—A. You are right. The dam, if it were built at this fantastic height, could capture about half the flow of the water on the American side and they would have to build a tunnel some 20-odd miles long through the disturbed rock in this region. I imagine there are members here who know the region. There is the Big Chief mountain, which in one earthquake of cataclysmic disturbance, or whatever you call it, was pushed 20 miles out of position. You have to build tunnels through rock that produces that rise, about 300 feet, and geologists have told us that is a fantastic plan that has no relation to the facts whatsoever.

Q. Utilization of the waters through such rivers has always been considered one of the big factors in establishing any priority to claim in a reference to this kind. Is the United States part of the commission now taking into consideration the fact that Canada has gone quite a long way in utilizing these waters and, further, do you think that they feel that we have gone far enough in utilization to be able to establish priority of claim?—A. I have to answer the question in two parts. Along these rivers there are certain people who have actually put the water to beneficial use in irrigation. It amounts to about—I had better not give a figure from memory, but something in the order of one-third of the flow that comes into Canada has been captured and turned to beneficial account, and was recognizable under western water law. Incidentally, while I am on that point, it is important to mention the fact that the western water law is entirely different from eastern water law. Western water law, both in the provinces of Alberta and in British Columbia and to a certain extent also, although not fully, in Saskatchewan, derives from the old Spanish law coming in around from the west coast. In the eastern part of

Canada, of course, we traditionally base our water law, as all our other laws, on the common law of England. The people downstream had a right to the stream given to them undiminished and forever; they did not have to capture and use it, the people on the banks had the use of it. It is quite different in the west.

In California, Montana, Washington and our own provinces our law of the west is based on the doctrine of appropriation. In the old days the miners came in and staked out a claim to water, they put a picket up saying they were using it for placer purposes or irrigation and as long as they captured the water and continued to use it they had a vested right in it that had to be recognized by everybody. That is very important in considering these western matter; if these matters should eventually find their way to the Exchequer Court of Canada or the Supreme Court of the United States, which might well be, it is that law which the courts will apply.

Mr. COLDWELL: Does that apply to the prairie provinces as well?

The WITNESS: It is not quite that simple because the principles are there but the application of the details have been modified by local statute and it is the law of the land that these laws be enforced. The provincial and state laws are very important in the matter of water law and it is not simple. The treaty of 1909, of course, to a certain extent, anyway, is a supreme law of the land of both countries. It certainly is the supreme law of the United States except where there is a subsequent Act of congress which changes it.

Mr. Low: It was the law that the United States applied in dealing with the Rio Grande river?

The WITNESS: Yes, but here we are up against this position in law, that you can have a treaty with the United States and you think that you have something which is fixed under the treaty of the supreme law of the land, it ranks on a parity with the Acts of congress, but if they have a subsequent Act of congress they may modify by Act of congress a provision of the treaty and the result of it is you have a certain application within their own country, and you have words that mean something else entirely. We are always in great difficulty with what I think could be described as instability of that provision.

Mr. COLDWELL: Could the modification by congress of the treaty adversely affect Canadian rights?

The WITNESS: It means that congress can put the executive in the position where they cannot discharge an international obligation they have entered into.

Mr. Low: There was a second question too, but I got diverted to this question of law, which is terribly important from our point of view; it involves the whole principle of utilization.

The WITNESS: We have all these people along these rivers who have actually put this water to consumptive use and the United States recognizes that. The United States refuses to recognize the fact that we have, shall I say, staked out a valid claim by reason of the plans we have made for the St. Mary development, emphasized by the fact we are proceeding with that development to put the water to use. The United States refused to accept that, despite the fact that on the United States side they make the specific statement that if a government comes into it, a thing of that sort, the waters are technically reserved.

*By Mr. Low:*

Q. Was that not the big argument used in connection with the diversion of Milk river waters, the fact they had utilized downstream through Montana and, therefore, their claim that they had established was null?—A. The argument was very confused in the Milk river case and it ended up by—I do not like to



use the word "threat" or "ultimatum", those are probably too strong words to use, but shall I say an intimation that if we did not accept the view that they had, they would take the water but and make use of it in Montana. If we did not agree to an equal division of the water they were going to take the water anyway and throw it into the channels of the Milk river through the Babb canal. The Milk river runs 150 miles through Canada; it comes back into the United States and they were going to take it out at the other end and they said there was nothing we could do about it. However, that was not quite the way it worked out because we had some pretty astute people who understood the effects of topography, and in the course of the investigation it was shown that the topography was such that we could build a short canal ourselves and turn the water to the north into the Warner area. My American colleagues do not like to be reminded of the fact that the topography that divine providence had given to us was there and that led to a settlement, yet that is the case. I know in my early studies of this I was conducted to the forks of the Milk river and I actually was shown the remains of that canal which our people were proceeding to build. It would have meant that the waters could have been very conveniently taken out at the Milk forks and used on the irrigation project which is to the east and north of that area.

Q. Has there ever been any indication on the part of the American division of the commission to seek an injunction against the diversion of the Waterton waters into the Belly and St. Mary rivers system we are developing in Alberta?—A. No. Another fact is what its obligation to the commission is. It has been using the commission as an international tribunal to enjoin Canada as long as the argument continues that would cease from actually digging the canals and so on which would carry this water.

Q. And, therefore, the plans to develop the Waterton river water into the southern Alberta irrigation system are at a standstill?—A. We have felt—although I do not believe that we are under any bounden duty to do so—as a matter of courtesy while the matter was under debate in the International Joint Commission perhaps, it would not be the courteous thing for the Alberta and federal authorities to actually commence development of these two rivers.

Q. I think, Mr. Chairman, that providence has placed Canada not only in the position of having some wonderful topography but also some astute men who have been doing the negotiating on this commission.—A. I got all kinds of abuse in the commission for the factors that were provided by divine providence in the topography. There is no doubt about what the answer ought to be and we are up against that all the time. I would not like the committee to feel that I am alone in asserting what is the divine will there.

Q. The useful thing is to recognize how divinity has imposed those mountains in the Waterton system.—A. It is a case where we on the commission feel that we must look to what was in the minds of the leaders of Canada of all parties at the time this treaty was prepared and from that continue on and decide if we can have general principles generally applicable. We will lose in some cases and gain in others and we will have a bargaining tribunal, and I hope this committee will think that we should stick to it.

Q. In other words, you and your colleagues are determined to stay by the treaty of 1909?—A. Yes.

Q. That is all I have, thank you.

The CHAIRMAN: Are there any further questions of General McNaughton on this subject?

*By Mr. Green:*

Q. Is the commission involved in any way in this claim for damages because of the installation of the Gut dam?—A. Again I cannot give you a straight yes or no answer on it. I have to qualify it. The Gut dam was taken

out of the river by order of the International Joint Commission approving the St. Lawrence application and it was taken out because it had become what I call a cause celebre. It was a little dam across a very small channel in the rapids section of the river. Somehow, I think because it had the unpleasant name of "Gut", it became a thing that some people south of the line wanted to put all the blame on for the high levels along the south shore of Lake Ontario and it became a matter of consequence in our hearings. It became a matter of passionate presentation and it had gotten into the minds of the people. You may think these things are fantasy but they are very real when you are trying to bring about an agreement on things like the St. Lawrence river developments and so on.

The chairman of the American section told me perfectly frankly that while he thought that we had an admirable order on the St. Lawrence it was just impossible publicly to accept that unless we could get rid of this dam. We looked into it and had a model set up at the National Research Council to see what the effect of the dam would be if we were to pull it out. We were advised that if we would do it at low water that the dam could be removed without any possibility of the increased flows hurting the people immediately below the dam on the Canadian shore. The government of Canada was advised of this and I was advised that there would be no objection whatsoever to our exercising our jurisdiction in connection with the improvements in the river. We had authority to do it, to order it out by the terms of our treaty, so we ordered it out and immediately after, the Minister of Transport gave the order that the dam was to be pulled out. The effect was what we thought it would be, entirely trivial; that is the only word to describe it, "trivial", but it does not altogether satisfy the claims on the American side. Public sentiment was whipped up; there were something over 5,000 people banded together into an association to prosecute Canada in the courts. There was a very considerable amount of money paid to the legal people who are involved and that matter is still being pursued.

Now, there are other developments on it which, of course, are not my business and which I would crave leave not to speak about, because they are the business of the Department of External Affairs and the Department of Justice of Canada who are looking after our interests in this matter. All I can say is that this Gut dam business is by no manner of means disposed of.

Q. Claims did not arise because of the removal of the dam?—A. They arose because of the alleged effect of the dam in raising the levels of Lake Ontario and causing high levels two years ago. Of course, they do not realize that Gut dam was put in there nearly fifty years ago for the purpose of compensating for the further excavation of the north Galop channel. In those days the boats used to shoot the rapids going down and it was put in so the boats could get down without being grounded. The old Department of Railways and Canals spent very large sums of money improving that channel. This channel excavation lowered the water in the canal at lock 27. To correct this difficulty a small dam was placed across the Gut channel to divert additional water down the canal and improve our position. That is what came about, it only took a little water to do it, but the fact we built this across the international waters and raised the levels which were previously lowered. We restored natural conditions.

Because it had an unpleasant name and they were opposed to our St. Lawrence waterway, it started as something to make trouble and it is not for us in the commission to deal with it, it is for others. Whatever tribunal deals with it in the future, we are going to provide them with the technical information because we have very comprehensive studies going on as to what the effect of the Gut dam was on the levels of the lake. We have to do that in any event because we must establish the levels, because we will have all the

damage claims of the St. Lawrence inundation. That principle is in the treaty of 1909 so we have to do these studies of the Gut dam anyway and they are going ahead.

Mr. KNOWLES: We have an item of \$55,000 in the estimates.

The CHAIRMAN: What we had now is only a start towards a full explanation of that item that we will get from External Affairs officials. Are we through with item 100?

Mr. GREEN: What will be the limitation on the size of shipping that can go through the St. Lawrence waterways?

The WITNESS: Again I can only speak from general information because the actual seaway itself is not a matter which the commission is directly concerned with. As I explained yesterday, our order of the 29th of October, 1952, by invitation of the governments provides for the development of power and to facilitate a navigation project by the government of Canada so that what I give you is just general information.

The present design of locks is identically the same as those of the Welland canal, they are 860 feet long, they are 80 feet wide and 30 feet on the lock sills. The channels are being provided in the first instance with a clear depth of 27 feet and if, as a result of developments in modern shipping or other considerations in the years to come it is felt that the channel should be deepened, they can be deepened to 30 feet in the clear without having to interfere in any way with the masonry of the lock. It was a precautionary arrangement which was introduced.

I would like to say this because I have had connection with it in another capacity down the years: Away back in 1923 I was detailed through the Defence department to the committees that were considering the design of the St. Lawrence Project and I actually at that time was on the subcommittee that dealt with the question of the depth to which the waterways should be built and the size of the locks to be put in the Welland canal and so on. The conclusions of that committee are just as germane to the subject today as the day they were produced and they have been in constant review ever since. No later than a year ago the St. Lawrence board re-assessed the whole position and came up with substantially the same conclusions.

*By Mr. Coldwell:*

Q. On Mr. Green's question, what size ships would require that draft, 8,000, 10,000 ton?—A. 8,000 to 10,000 tonnage boats of the Victory class and the ships being built by the United States Shipping Board for defence transportation. The subsidized lines, of course, have a somewhat greater draft on the ocean than that but we have been assured by those concerned that they can operate on the St. Lawrence if they wish to at some slight reduction in carrying tonnage. If they do operate on the St. Lawrence they do not have to take on their ballast, water or oil, until they get to Montreal where, to the sea, they have a 35-foot waterway.

Of course, the last thing that anybody would like to see from a realistic point of view would be these liners coming up through the St. Lawrence because they would congest the waterway. They are not suitable for operating in these narrow channels.

Q. These would be the sort of freighter that crosses the ocean?—A. If it is advantageous to load a special cargo to go to Europe they can operate in the waterway quite satisfactorily and they can take on their ballast at the port of Montreal.

Q. Are the locks large enough to accommodate the large lake boats now on the lakes?—A. Except in the international section where we have only 14 feet of water. Our St. Lawrence locks will be the same as those in the

Welland canal; those are the locks that are on the St. Lawrence according to our present plan, and those freight carriers that have been developed on the Great Lakes will be available to go right through as long as they are in the inland waters. Those boats are too long to put on the Atlantic, they would break into pieces. Those that are powered by steam have another disadvantage, because the ordinary laker has no condensers and so they cannot go down into brackish water but they can be fitted with condensers that might take them down as far as Nova Scotia ports.

The CHAIRMAN: Well, gentlemen, is item 100 carried?

Carried.

Then, there is item 99, Salaries and Expenses at the Commission.

Shall it carry?

Carried.

We have dealt with the International Joint Commission and I think the members agree that it is in order to thank General McNaughton for his cooperation and for his most enlightening remarks. That concludes the order business for this morning.

It was agreed we would sit tomorrow morning to hear Mr. Cavell, concerning item 101, Colombo plan. I intend to have a telephone conversation with Senator Robertson about the meeting of the NATO association tomorrow morning. Yesterday the committee decided to sit just the same tomorrow morning. I wondered it has not changed its mind, if not we will sit tomorrow morning at 11.00 o'clock if that is agreeable to members. However most members of this committee, according to the people who signed this invitation, would want to go to the other meeting and I personally would.

Mr. CRESTOHL: At 10.00 o'clock tomorrow morning?

The CHAIRMAN: No, at 11.00 o'clock. Since you decided not to change the time of our meeting, I think I will suggest to Senator Robertson that he should advance his meeting to 10.00 o'clock and if it got through by 11.00 then our meeting would start and we would hear Mr. Cavell.

Gentlemen, the Committee stands adjourned till tomorrow morning at 11.00.

**APPENDIX "B"**



## REFERENCE OF THE COLUMBIA RIVER SYSTEM

Department of  
External Affairs  
Canada

OTTAWA, March 9, 1944.

SIR:

I have the honour to inform you that in order to determine whether a greater use than is now being made of the waters of the *Columbia River System* would be feasible and advantageous, the Governments of the United States and Canada have agreed to refer the matter to the International Joint Commission for investigation and report pursuant to Article IX of the Convention concerning Boundary Waters between the United States and Canada, signed January 11th, 1909.

2. It is desired that the Commission shall determine whether in its judgment further development of the water resources of the river basin would be practicable and in the public interest from the points of view of the two Governments, having in mind (A) domestic water supply and sanitation, (B) navigation, (C) efficient development of water power, (D) the control of floods, (E) the needs of irrigation, (F) reclamation of wet lands, (G) conservation of fish and wildlife, and (H) other beneficial public purposes.

3. In the event that the Commission should find that further works or projects would be feasible and desirable for one or more of the purposes indicated above, it should indicate how the interests on either side of the boundary would be benefited or adversely affected thereby, and should estimate the costs of such works or projects, including indemnification for damage to public and private property and the costs of any remedial works that may be found to be necessary, and should indicate how the costs of any projects and the amounts of any resulting damage be apportioned between the two Governments.

4. The Commission should also investigate and report on existing dams, hydro-electric plants, navigation works, and other works or projects located within the *Columbia River System* in so far as such investigation and report may be germane to the subject under consideration

5. In the conduct of its investigation and otherwise in the performance of its duties under this reference, the Commission may utilize the services of engineers and other specially qualified personnel of the technical agencies of Canada and the United States and will so far as possible make use of information and technical data heretofore acquired by such technical agencies or which may become available during the course of the investigation, thus avoiding duplication of effort and unnecessary expense.

I have the honour to be,

Sir,

Your obedient servant,

(Sgd.) W. L. MACKENZIE KING,

Secretary of State for External Affairs.

The Secretary,  
The International Joint Commission,  
Ottawa.

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**APPENDIX "C"**



## STORAGE SYSTEM

(Columbia Basin Power Plan)

The storage system considered in the Columbia basin power plan is limited to the large reservoirs needed to provide major regulation of the Columbia River. The Columbia power system was planned as an extension of the existing federal system to meet a load estimated for the foreseeable future at 10,000,000 kilowatts. The plan called for an aggregate of 20,000,000 acre-feet of upstream storage capacity, to be obtained in six reservoirs:

Project	Built or Building	Active Storage (acre-feet)	
Grand Coulee	yes	5,120,000	
Hungry Horse	yes	2,980,000	
Albeni Falls	yes	1,140,000	
Glacier View	no	3,160,000	
Libby	no	4,250,000	
Hells Canyon	no	3,880,000	} Idaho Power Co. proposes 1,000,000 only.
Total		<hr/> 20,530,000	



**APPENDIX "D"**



*Extract*

from proposed Compact Article  
recommended by the Columbia Interstate  
Compact Commission Power Committee  
in a report dated 15 January 1954.

(B) (1) If, with respect both to projects on which plans are prepared as provided in paragraph 2 of (A) and to projects being reviewed as provided in paragraphs 3 of (A) of this article, the proposed development is located wholly or partly in an upstream state (these comprising Idaho, Montana, Utah, and Wyoming) and includes power benefits, the Compact Commission shall

- (a) Determine the amount of power and energy attributable to the development that, in its judgment, is equitable for reservation for use in the upstream situs state and what kind of reservation would be reasonable and practicable in the particular case. This determination shall be made by taking account of the amount of power and energy that will be produced at existing and future downstream power plants by reason of the development, as well as power and energy to be developed at the site, the amount of the reservation in the case of a development located wholly in an upstream state, unless the making of a reservation is found to be impracticable, to be not less than the amount of power attributable to at-site generation plus a fair and equitable share of the additional power developed at downstream sites by reason of the release of water stored at the upstream development.
- (b) Recommend the inclusion of provisions in the authorizing legislation or the license if such provisions are found to be reasonable and practicable by the legislative body or the licensing agency, as the case may be, requiring the agency responsible for the operation of the development to make the power and energy covered by the determinations made under (a) of this paragraph available for purchase and use in the upstream situs state. Any such recommendation shall provide that, subject to reasonable notice for withdrawal as demand therefor develops, such power and energy may be made available elsewhere.





HOUSE OF COMMONS

First Session—Twenty-second Parliament  
1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L.-PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

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FRIDAY, MAY 14, 1954

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ITEM 101—COLOMBO PLAN

(Main Estimates of the Department of External Affairs)

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WITNESS:

Mr. R. G. Nik Cavell, Head of the International Economic and Technical  
Co-operation Division, Department of Trade and Commerce and  
Administrator of the Canadian Participation in the Colombo Plan.



## MINUTES OF PROCEEDINGS

FRIDAY, May 14, 1954.

(9)

The Standing Committee on External Affairs met at 11.00 o'clock a.m. this day. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Boisvert, Cannon, Cardin, Coldwell, Crestohl, Fleming, Garland, James, Jutras, Knowles, Low, MacDougall, MacInnis, MacKenzie, Nesbitt, Patterson, Pearkes, Picard, Pinard, Stick and Studer. (21)

*In attendance:* Mr. R. G. Nik Cavell, Head of the International Economic and Technical Co-operation Division, Department of Trade and Commerce, and Administrator of the Canadian Participation in The Colombo Plan, Mr. Frank Pratt, Chief Projects Officer and Mr. D. W. Bartlett, Chief of the Technical Assistance Office.

Mr. R. M. Macdonnell, Assistant Under-Secretary of State for External Affairs, and Mr. Arnold C. Smith, Special Assistant to the Minister.

The Chairman called Item 101—Colombo Plan.

As agreed at the last meeting, Mr. Pinard, Parliamentary Assistant to the Secretary of State for External Affairs, read a statement on the Chicago diversion of waters. Mr. Pinard tabled copies of two notes in relation thereto Nos. 79 and 169, dated February 1st and March 10, 1954, respectively.

*Ordered,*—That the above notes be printed as appendices.  
(See appendices "E" and "F" to this day's evidence.)

Mr. Cavell was called. He made a background statement on the capital and technical assistance to India, Pakistan and Ceylon under the Colombo Plan for the fiscal years 1952, 1953 and 1954.

The witness was questioned on the various projects.

At 12.40 o'clock p.m., the examination of Mr. Cavell still continuing, the Committee adjourned until Tuesday, May 18th next, at 3.30 o'clock p.m.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*



## EVIDENCE

FRIDAY, May 14, 1954.

The CHAIRMAN: Gentlemen, the meeting is open. Mr. Pinard.

Mr. PINARD: Mr. Chairman, before we deal with this new item of the Estimates and as I indicated yesterday, I would like to make a brief statement on the Chicago diversion, that was brought up by one of the members of the committee, in which I would like to outline the attitude of the department of External Affairs on the problem. This matter was brought up by Mr. Stick in the course of the examination of General McNaughton. I think that it might be of some interest to give a brief history of the facts.

In 1889 the state of Illinois created the sanitary district of Chicago which was authorized to build a drainage canal to reverse the flow of the Chicago River out of Lake Michigan and carry Chicago sewage into the Mississippi River system. The Secretary of War subsequently issued a permit to allow the diversion of 5,000 cubic feet per second through this canal.

The terms of the Boundary Waters Treaty of 1909 contain no reference to the Chicago diversion and the treaty excludes Lake Michigan from the definition of boundary waters. The treaty specifically recognizes, however, the right which either party has to object to any interference or diversion of waters on the other side of the boundary, whether boundary waters according to the treaty or not, if the effect of such diversion would be productive of material injury to navigation interests on its own side of the boundary.

The sanitary district of Chicago steadily increased the diversion, until in 1913 it mounted to more than 10,000 cubic feet per second, double the amount authorized. On February 19, 1913, the Canadian government formally protested against this increased diversion. Further protests were made at various times but it was not until the United States Supreme Court, as a result of litigation brought by Wisconsin and other states, issued a decree on April 21, 1930, ordering the sanitary district to reduce the diversion progressively to 1,500 cubic feet per second that, by the end of 1938, the diversion was stabilized at its present level. An average flow of 1,500 cubic feet per second has been diverted through the canal since the end of 1938, but this amount is in addition to the amount of 1,700 cubic feet per second required for the domestic pumpage, so that the total diversion now mounts to 3,200 cubic feet per second.

Since 1938 occasional attempts have been made to secure statutory authority from the United Congress to increase the diversion, but none of these efforts has been successful. On those occasions when it appeared likely that the legislation would be approved, the Canadian Government has made representations expressing its views on it. This was done on November 16, 1943, and again on February 1 and March 10, 1954.

You will recall that the minister this year tabled two notes. The first was tabled on March 10, and the second was tabled on March 23. I have copies of these notes if members of the committee would wish to consult them. I do not think they should be part of the record since they were already tabled in the House.

Mr. STICK: Could we include them in the proceedings here for convenience?

The CHAIRMAN: We could have them printed as an appendix.

(See appendices E and F).

Mr. PINARD: The measure which came up for consideration in the House of Representatives in February of this year would authorize an increase in the diversion of 1,000 cubic feet per second for a period of three years, after which the Secretary of the Army would report to Congress on the effects of such an increase. Before the bill came to a vote, the Canadian Ambassador in Washington delivered note No. 79 of February 1, 1954, to the Secretary of State, expressing opposition to the proposed increase. It was pointed out that any increase in diversion would impair the power potential in the Niagara River and the St. Lawrence and it would have a detrimental effect on navigation facilities, particularly in years of low stage in the Great Lakes-St. Lawrence system. It was also pointed out that the Chicago diversion is one aspect of a matter before the International Joint Commission pursuant to the reference made on June 25, 1952, by both governments regarding the levels of Lake Ontario, and it would be in the interests of both governments to allow the commission to complete its study.

Despite our representations the measure was passed by the House of Representatives and sent to the Senate for consideration. The views of the Canadian government were again brought to the attention of the United States government in note No. 169 of March 10, 1954. As a result of this action, a representative of the State Department appeared before the Senate Committee considering the legislation and opposed its passage.

If, in spite of the representations which have been made, the legislation is enacted, it will be a matter for the Canadian government to decide what further action should be taken. The officials of the various departments concerned are giving continued attention to this matter with a view to protecting the Canadian rights and interests which may be affected.

I do not think, Mr. Chairman, that I should go further and express my own personal views as to what would be the attitude of the department if the Senate did approve this legislation; but I feel sure that the department will keep this matter under study and that proper action will be taken when the time comes.

The CHAIRMAN: Are there any questions?

Gentlemen, we agreed that we would take up this morning item 101 of the External Affairs estimates, the Colombo Plan. We have called as our witness Mr. Nik Cavell who, you all know, is the head of the international Economic and Technical Cooperation Division, Department of Trade and Commerce, and the Canadian Colombo Plan Administrator. Before he is open to your questions I think it would be fitting if Mr. Cavell would read a brief which he has prepared for us to outline his work.

**Mr. R. G. Nik Cavell, Head of the International and Technical Cooperation Division, Department of Trade and Commerce, and of Canadian participation in the Colombo Plan.**

The WITNESS: Thank you, Mr. Chairman. Actually I have not prepared a brief, but I did read the proceedings of this committee so far, and I think that I can make some contribution to its work by giving you the background in these countries into which we are trying to fit our Colombo Plan aid.

The first thing to note, I think, is the fact that these countries in 1950, when the Colombo Plan was inaugurated, had already prepared very extensive plans. The Indian Five Year Plan, for instance is excellent and I will use it as an example. Both Pakistan and Ceylon have plans which differ in each country, but my point is that the plans with which we are working are their plans and they are in line with the Indian Five Year Plan. In substance if not in detail.

The Indian Five Year Plan is a very fine document which stood the test of examination by some of the finest economists in the world. It is very sound, it is not a hard and fast thing. They change it whenever they think it is necessary or when conditions warrant such a change. It was realized that in this Five Year Plan was weak in one respect; there was nothing in it which would tie in the people of India, and so they changed the plan to include what has come to be known as the Community Projects.

The Community Projects were inaugurated on the 2nd October, 1952, on Mahatma Gandhi's birthday. On that day they had a great ceremony and inaugurated 55 projects. Each project covered about 200,000 people and 300 villages. These 55 projects were dotted all over the country so that when they spread out they would eventually join together and establish a network of community endeavour. They have become very successful. The scheme was started with considerable propaganda and a large number of worsest speakers went out, actually some 80,000, throughout the country, pointing out that the momentum must now come from the people and that they could not rely on Britain or on any other foreign power. It was up to them, to do whatever had to be done to raise the standard of living of their people. Now the plan has gone on from the community projects to industrial projects and to what they call the multi-purpose projects. The multi-purpose projects are so called because they always have these facilities in mind: irrigation, control of floods, and electricity. So, side by side with the community projects, they have developed or are in process of developing these multi-purpose projects. Now they are moving into a new phase, which is a larger industrialization of their country, and this phase, is being assisted to some extent by the International Bank, and they are also trying to raise large amounts of private capital. They hope that the three phases together will complete their five-year plan. Whilst they fear it will not do very much more than hold the line at the present level, they hope it might increase their prosperity by perhaps one per cent or so. They hope also that they can succeed, in growing enough food to feed their people, and their problem generally is this: they grow about 45 million tons of food in a good year which, is anything from five to six million tons short of their normal requirements. In a bad year, when they have famine, the shortage can rise to seven and eight million tons and they have to dig down into their very slender resources of foreign capital to make that good and buy food wherever they can. Now, as you gentlemen and you Mr. Chairman all know they cannot tax their people as we can, they are too poor and so they have a very small revenue and this drain of buying food every year is a very severe one. There is however one happy note which I am able to strike: this year they did not have to buy any foreign food. Nature was very kind to them and that and the projects together enabled them to have one year at least when they did not need to buy food abroad. We hope that this will continue, but it will be a miracle if it does before all the projects are finished.

What I wanted to say, Mr. Chairman, is this, that it is against that background of their own planning that we render our aid. We gave wheat in the initial stages because there was famine, and that was an emergency condition, but outside of that we have done nothing with our aid that does not fit into their own five-year plan. Obviously, if we started to go up side roads not in the plan or if they did, then the plan would not be likely to be a success, but as long as we can all remain on the rails, as it were, and keep the plan in the way it has been designed, then they are almost bound to come out with a sounder and stronger economy than they had before. I think that the great point of this plan is that it has wakened up the whole country and, as their Prime Minister so frequently says, if this job cannot be done by their own

people then it cannot be done. They are very glad to have any aid they can get from abroad, but the rehabilitation of any country depends on the energy and will of its own people.

Mr. CRESTOHL: May I ask this? What do you mean by "going up side roads"?

The WITNESS: I mean that if we encouraged or persuaded them to take a project which was not in the plan there would be less likelihood that the plan would be successful. So we try to keep out of side excursions and anything which is not in the plan. I think, Mr. Chairman, that that is all I have to say. It seemed to me from the previous records that this explanation of how we fitted our projects into what they are trying to do might be helpful.

*By Mr. Coldwell:*

Q. Can you tell us the amount of co-operation that exists between yourselves in the Colombo Plan, the United Nations Technical Aid and the American Point Four Plan?—A. Yes, Mr. Coldwell, I certainly can. There is very close co-operation. I visit Washington at least four times a year, and sometimes more. For instance, to give you one example, we are building a cement plant in the Punjab for a refugee settlement in the Thal area. These are some of the refugees who are the result of the partition of India and Pakistan. As you know, there were 14 million refugees resulting from that partition, 7 million in Pakistan. Pakistan has this scheme to settle them, and we are providing a cement plant, for housing and water channels and so forth. The Americans under their Truman point four, or F.O.A. scheme as it is now called, are building a fertilizer plant. We have had several meetings at which we have had their engineers and our engineers together in Washington to find out what we can do jointly. For instance, it is ridiculous to build two pumping stations to pump water out of the Indus river when the plants are only a mile apart. One joint pumping station will save us both some money, and so one is being designed. It is not easy, because they have employed a Belgian firm, and we have to get co-operation in a roundabout way, but we are getting it.

It is in the community projects that the United Nations people, and to a very large extent the United States people, are working—we are working more on the projects, in electrical development and things such as that, because as a small nation, we have not the people to send on these community projects. Also, since the United States and United Nations were already doing that, then it was better for us to take up the other sector of the plan, also we are a highly industrialized people which makes that part easier for us. We co-operate on the community projects when and how we can and we also, of course, co-operate, as I have just pointed out, in places where adjacent plants are being built. We try to make sure that there is no overlapping, and we have at least four meetings in Washington on this subject every year. We see the International Bank, the United States government and the United Nations people who also have representation in Washington.

Q. What about our appropriations just now? At the outset of the plan you commented that it would be difficult to find a sufficient number of projects to take up the money we voted. Is the appropriation now sufficient to cover the work you have in hand or in mind?—A. That is true. When we started there was no established pattern as to how we could fit into all their projects. That has gradually changed and we have now a satisfactory pattern. We send out consulting engineers who sit down with their engineers and gradually we eliminate the projects which we cannot help with, and we establish the projects to which we can give help. I think very largely the answer to your question is this: that they know how much money we have to spend each year and they



do not put forward to us projects in excess of that amount, but our plan is off the ground now and it is going, I think, quite well, at least the pattern of aid is established. Of course the field, as you know, is unlimited. For instance, they have some twenty of these enormous projects in India alone. There is no limit to the amount of capital which could be pumped in there to aid these projects at the present moment.

Q. How many major projects are we interested in at the moment? Could you tell us what they are and give us a breakdown of them?

Mr. STICK: I think you had better separate them by countries.

The WITNESS: I will, yes. The Bombay state transport aid is now finished. That was a project which I think I reported on the last time I was here. There is probably not much need to say anything about it except to say this: Whereas they could not clear the port of Bombay in under two weeks before, they now can clear it in days. I was very happy the last time I was there to see our trucks carrying wheat from Bombay docks and distributing it to the rail heads and depots where it was moved inland.

Mr. COLDWELL: We supplied locomotives?

The WITNESS: No, some trucks, and some buses to reopen cultivators markets throughout the rural areas, so that peasants could get to market. Now that project is finished. Except for a few spares and odds and ends, which we are cleaning up. Another project we are working on in India is the Mayurakshi project. Mayurakshi is a project, we are pleased with, it will grow about 400,000 tons of food that has not been grown before in an area where there has been quite a lot of famine. You see, if they can do this enough times—grow 400,000 tons of food in one place and 500,000 tons of food in another—the huge annual food shortage will gradually be wiped out.

*By Mr. Pearkes:*

Q. Where is that project?—A. In West Bengal. The counterpart comes from the wheat. We were compelled to give them wheat when they ran into a period of famine. We are spending altogether, I suppose, about \$2½ million, \$3 million or more for equipment which will generate electricity there, also control gates and things such as that. This is also a multi purpose project and it will control a river which has done enormous damage over the centuries by flooding over its banks every few years. It will furnish electricity for a cottage industry scheme on which they are particularly keen because this is an area where people are under employed. It is a very wet area. They can only get on the land in certain periods. If they have normal rainfall they get too much, which means they cannot work on their lands for long periods and therefore they just sit about. The West Bengal government today is run by a very vigorous prime minister who is well over 8 years of age but who is full of vim and vigor. He wants to set up cottage industries there so that these people can use their time productively throughout the whole year. The people of this area are very skilful weavers and produce very fine cottons which are exportable if they can make enough of them. They cannot make enough of them on their little hand looms. They will now be able to have power looms.

Mr. STICK: Is this electrical equipment Canadian equipment?

The WITNESS: Yes, absolutely all Canadian equipment. It is now being built in Canada and will go out to them in a reasonably short space of time.

The CHAIRMAN: Mr. James.

Mr. JAMES: I am in no hurry about this, Mr. Chairman, but I just wondered if we could put this matter of contributions in focus, now or later, by having Mr. Cavell give us the 1953 contributions of the various countries—expressed

as dollars or in terms of money, anyway, and in percentages and per capita—so we could get this matter in clearer focus later on. There is no hurry on it.

The WITNESS: Do you mean you wish me to prepare a statement and give it to you for the record?

Mr. JAMES: I thought it would be interesting to have our contributions brought into focus with the contributions of the other countries so we would know what has been contributed percentage wise and per capita wise.

The WITNESS: I think that can best be done by going into the capital set-up of the Colombo plan which we could do very briefly because every contributing country has spent its money so you see the capital structure would give what you want.

Mr. JAMES: That is what I meant; what the other countries have spent in comparison with what we have spent. What our percentage of the cost is and what our per capita expenses are?

The WITNESS: I could prepare a statement.

Mr. CRESTOHL: Would it not be wise to let Mr. Cavell finish the description of the Indian set-up?

The WITNESS: I am now speaking of the first year, Mr. Chairman, 1951-1952, and I have told you what we accomplished and what was started that year for India. Now to move on to Pakistan: in the same year, 1951-1952, we inaugurated the cement plant project, which, as I have already said, is in the Thal area of the Punjab where it is hoped to settle quite a number of refugees who resulted from the partition of India and Pakistan. We also sent them in that year \$2,800,000 worth of railway ties. The bank gave Pakistan a railway loan and they needed some extra help. Their rails were in poor shape—they were dieselizing—and the railway tracks would not carry the heavier and faster diesel engines and they had to rebuild them, so we gave them railway ties from our west coast. They now have them and are laying them down. Another thing we did for Pakistan that year was a resources survey which cost us initially \$2 million but which has been extended by another \$1 million because they, like India, had a famine period and we assisted them with wheat and an agriculture survey. They were anxious to find where their resources were which our resources survey did by flying over the area with those wonderful instruments which record minerals and so on and so forth. The flying is almost finished and the resources map is coming into being in Toronto where it is being prepared by the company which did the flying. We now have extended this resources survey to include the agriculture one to which I referred which also includes a survey of land use. The Pakistan government and the people of Pakistan were shocked by the famine they had and they realized that their land was not being put to the best agricultural use and that additional land was available for irrigation. They now need an overall map to show them how to go about improvements and we agreed to extend the resources survey to do this agricultural job whilst the airplanes and the men were still there.

Mr. COLDWELL: Does that include a soil survey?

The WITNESS: Yes, we have soil experts in Pakistan now who are going into that aspect just as we have geologists and other people in connection with the resources survey.

Turning to India, in the fiscal year 1952-1953 we were asked to give some aid to the Chittaranian Railway shops near Calcutta where they had bogged down in their engine building program because of a shortage of boiler plate. We agreed to provide fifty boilers.

They particularly asked us to help them out with these boilers because they had a large number of locomotives on the floors of their shops. A locomotive is a big and cumbersome thing and if you have too many on the floor

you tie the whole place up. They had reached that stage and they needed boilers urgently in order to get the locomotives off the floor and out on the railway. We agreed to give them 50 boilers because it so happened that we could build them quickly and some of them have now gone to them.

In the same year, 1952-1953, we gave some more money to Mayurakshi. Moving on now to Pakistan; during the year 1952-1953, Pakistan ran into famine trouble and we agreed to give her \$5 million worth of wheat under the plan, and a further \$5 million worth outside the plan as a special gift to meet their emergency.

We entered also into the "Warsak" project which is vital to the over-all economy of the north west frontier province of Pakistan.

One of the great problems which Pakistan has had is what to do about the northwest frontier from west of Quetta right up to beyond Peshawar; that has been a very troubled area for centuries. The tribesmen there have had nothing to live on; it has always been an economic problem. They earned their living for many years by raiding down into the plains and stealing food, women, and anything else they could lay their hands on.

Mr. COLDWELL: That sounds to me very much like Scotland.

The WITNESS: So something had to be done to rehabilitate this area and to give these people something to live on.

The Pakistan government is being very successful in this area because they were able to say to the tribesmen: "We are all Moslems; and you must stop this fighting; you cannot raise your hands against a Moslem government."

One of the things they need, all along the frontier, very badly, is power. These people are a very skilled people. For example, they can build a rifle with just their hands and practically no machinery so that you cannot tell that rifle from one built, let us say, at the Woolwich Arsenal or elsewhere.

The Pakistan government has been extremely successful in getting them settled; but in order to complete this settlement process they need power so they can pump water for irrigation and so on. Therefore we have agreed to help them with the "Warsak" project which will give them this power.

They are building one or two power stations on their own, Warsak will be the biggest one and is about nineteen miles from Peshawar. The power will extend right along the north frontier and down into the Punjab, so that the whole area will have power for pumping and for small workshops and so on.

*By Mr. Coldwell:*

Q. Now what about irrigation?—A. It will be very largely by pumping. There is a river there and they can lift water to plateaus and to flats which they can irrigate.

In addition they are going forward with a number of good school systems. I saw the sites for at least forty schools; and when the frontiersmen begin to educate their women as they are doing, then something very fundamental is happening along the northwest frontier. They are now demanding more schools for their children and this is going to be a very progressive area within the next fifty years, I predict. Still speaking about 1952 and 1953, these were the years when we moved down into Ceylon and started the Ceylon fishing project at the request of the Ceylon government, and upon the basis of a report made by the United Nations.

That report said that the Ceylon people were extremely short of protein food, and they were lethargic and so on simply because they were not being fed properly.

The sea around Ceylon was supposed to be full of fish but no one had been able to catch those fish in very large quantities.

There had been one or two smaller fishing projects in Ceylon, but they had not been very successful. Therefore it became necessary to try to trace out the habits of the fish, to find out where the best fishing grounds were, to find out when they came out, what they fed upon, and so on.

So we built two experimental boats on the west coast of this country and manned them with crews and sent out a fish biologist to direct the whole operation and a man in charge of the project.

Those ships have been working ever since, trying to find the habits of the fish and they are beginning to be successful. So there is beginning to develop a pattern showing the migration of the fish and their feeding habits and so on.

We also sent over a trawler, and this trawler has, upon several occasions, caught quite a large amount of fish. But of course that is not very much good in a very hot climate without some refrigeration and now we are building a refrigeration plant.

The government of Ceylon is providing the site and we are providing the plant, and that will considerably extend the fishing project. A refrigeration plant, the two experimental ships, and the trawler make up the whole equipment, and if this project is successful, as we hope it will eventually be, then it will establish a pattern upon which the Ceylon government can extend fishing all around the island whenever they wish to do so.

*By Mr. Pearkes:*

Q. Are those operations also taking place further out to sea; or are they still competing with the old Ceylonese fishermen who, so to speak, used to throw out a net in the style of a lariat and bring in a certain number of fish. I understand there was a great deal of friction at one time because the trawlers were doing as much work as a thousand fishermen could do.—A. That is true; there was; but we have tried to overcome that by sending out a co-operative expert from this country and we are now trying to tie the fishermen into this operation through a co-operative unit.

We sent a co-operative mission out, and they examined this thing very carefully. They went out from this country last year and examined the possibility of establishing fishing co-operatives not only there but in other parts of southeast Asia.

Mr. COLDWELL: Did you recruit those people from among the co-operatives on our Maritime coast?

The WITNESS: Yes sir, we did, and as a result of their recommendations, we have now sent out this co-operative expert who will devote his entire time to bringing into being fishing co-operatives. Not only that, but we are going further afield. We are even fishing off India in what are perhaps Indian waters, at least, the Ceylon government is.

Mr. PEARKEs: Native fishing is all done in very shallow water, is it not?

The WITNESS: That is right, and we are very alive to this problem. We want to increase the prosperity of poor fishermen and not ruin their business by what we are doing. Yet there is the over-all problem of how to get more fish into the diet of the people of Ceylon. That is not an easy problem but we hope we are on the way towards solving it.

Mr. COLDWELL: Do you think that they will work with trawlers?

The WITNESS: I do not think they will ever work with trawlers. I think they will use their own small boats but it is possible that they will put engines into those boats.

There is another scheme in which the late minister of fisheries was much interested and that is a mother boat scheme whereby you tow the fishermen in their small boats out to the deep fishing grounds and then let them loose from the tow to do their fishing, and then pick them up again and tow them back to port. That is all very well, but if a squall comes up, you will probably lose some fishermen because they will be too far away, and the water there is too rough for their small boats.

Mr. STICK: That is true especially in the monsoon season.

The WITNESS: That is right. While the late Minister of Fisheries was very keen on the idea, other people are not so keen on the mother ship idea. But possibly by powering their boats we could help these poor fishermen and that would enable them to get out a little further than they can go now.

The refrigeration plant will greatly help these small fishermen. At the present time they may bring in three or four fish each. But everyone knows that within a few hours they will go bad. So people wait, and when the fishermen cannot wait any longer then his customers get the fish for practically nothing.

But if we can provide a refrigeration plant for them they can sell their catch to the plant and the truth is that refrigeration is really the key to much of the problem.

Now another project I would like to mention in Ceylon is the Gal Oya. One of the particular problems of Ceylon is the heavy population north and south of Colombo. There are what are known as the dry zone areas on the east coast and in the centre of the island. Because malaria was so bad in the area no one could live there but the World Health Organization has cleaned out that disease. Ceylon itself found the capital to build a small and a very nice power plant but did not have the money to distribute the power when it was built. We have entered into an agreement to supply the lines for that. This is under way, and the material will start going out very soon. We can do this very quickly. This is not a very big or difficult project for us. Also the terrain through which the line has to go does not present too much difficulty. We sent a consulting engineer out there who has worked with their engineers and we shall supply this distribution line which will carry power to the Gal Oya area where they are hoping to settle a large number of people from their highly congested area around Colombo. Centuries ago, when they had big water reservoirs in this area, it was very prosperous. Then they were overrun and this area went back to jungle and is now being reconverted. They are clearing the jungle by a chain method. A very big anchor chain with two big tractors, one at each end, rips the jungle out, and if there is a large tree to be pulled out, it is pulled out with a bulldozer. After the chain goes through, the tractors go in and plow up the cleared land.

Mr. COLDWELL: How much land is available under that plan?

The WITNESS: Quite a large area. I do not know exactly the size of the area.

Mr. COLDWELL: This is the area where the old ditches and reservoirs were?

The WITNESS: It is where the old kings had their reservoirs. But that system of irrigation unfortunately was discontinued so that very large amounts of the water went off to the sea instead of being stored for use.

Mr. COLDWELL: Are we using any of those?

The WITNESS: Yes, they are all being put back. The modern engineers say that they do not know how the old kings of the 12th century did it, but within inches they had these at places exactly where the modern engineers are rebuilding them.

Mr. Low: We are not so smart.

The WITNESS: They had some method, which has now been lost, for doing this job.

Mr. PEARKES: Before you leave Ceylon, could you say something about the assistance we gave in connection with cocoa growing?

The WITNESS: We did not do anything in that field.

Mr. PEARKES: Did not we send out help there in connection with the pests infecting that crop?

The WITNESS: We have sent out some pest control machinery. This was not very expensive; it cost about \$28,000. We did send out some pest control equipment, pumps and sprayers and so on, which may have been used on cocoa—

Moving now to the next year, 1953-54, taking India, we decided to give India steam locomotives. In this year and next year the total number of steam locomotives that we shall give will be 120.

Mr. FLEMING: Are they all new?

The WITNESS: They are all new and built in Kingston. India is not proposing to dieselize her railways. She has very large quantities of coal and no oil. It is better for her to rely on steam and that is what she is doing. They pressed us very hard for locomotives, and we agreed to help them to rehabilitate their railways. We are giving \$11 million out of this year's funds for that purpose and reserving \$10 million out of next year's, providing of course, that parliament gives us money next year.

We are also entering into a commodity scheme. This needs a little background explanation. When you think of what the United Nations and what the United States are doing, and what we are doing from Australia, New Zealand, Great Britain and Canada, you can realize that India, Pakistan and Ceylon are hard pressed to find the rupee capital necessary. They have to find the site for the fishing harbour, and build the retaining wall, and so on. We cannot build the retaining wall from Canada and they must do that themselves. There is always a background which requires rupee capital from them. Their Five Year Plan is now moving into a phase where they will find it very difficult to find this capital. So, we have worked out a commodity scheme whereby we will, this year, for instance, send them aluminum and copper ingots, and they will render those down to wires and cables in their own factories. We do not want to do anything which will interfere with their own slowly developing industries. If we give these commodities to the government, the government can sell them to the factories which use them. This will give them about \$5 million in rupees and they are going to put that money into a scheme called UMTRU. The UMTRU Scheme is another multi-purpose project, not an irrigation project only although there will be some irrigation by pumping; the pumping there is very largely the other way. As you know the state of Assam has one of the heaviest rainfalls of any place in the world. They have too much water and to use their land they very often have to pump it off. They need power to do that.

Assam has always been a very backward country—hill tribes and very primitive people. Another point is that China has recently taken over Tibet, and if you look at the map you will see that Tibet and Assam have a common border. Now, the Indian government has become very conscious of Assam and very anxious to do something for the Assamese people. They need power, and we have sent a consulting engineer out there who has examined this UMTRU project. When I went to look at the project I was going through the jungle by jeep and then had to walk the rest of the way and they showed me a stone on which in the early days some one had chiselled "This will someday make a generating site". Now the Assam government is taking this up and developing this very same site. Our consulting engineer says that it is not very difficult to

do. It is a matter of throwing a dam across the river and making a diversion tunnel, and he thinks that they can carry it on themselves under his supervision. A very good arrangement has been worked out between this consulting engineer and the engineer of the Assam government. Under the Technical Assistance Plan we had their chief engineer over here for some time and he went around our plants and he knows fairly well now how we work in Canada and the net result is that there is a very happy working agreement between the Assam engineer and our consulting engineer. This UMTRA Project is one which will cost us roughly about \$1½ million, and will start very shortly.

Also they grow most beautiful fruit there, but they have no market for it. They cannot get it to their natural market, Calcutta. There is no railway and they would have to fly it down, which would be too expensive. When they have the power they can make jams and can the fruit and this will give them an outlet. They are also very clever weavers, and with power looms they can produce enough material for export. So this should assist them considerably.

Moving to Pakistan, in 1953-54, I told you we extended the resources survey into an agricultural survey, and it was in that year that we provided the extra million dollars for that. We put more money into Warsak and we sent out our engineers, and I would like to remind this body that it costs money to send out engineers and we have to appropriate money for it. We had also the Ganges-Kobadak project and the Dacca-Chittagong link. I will tell you briefly what they are.

The Ganges-Kobadak scheme is in East Pakistan. It is one of the unfortunate things in nature, where five rivers fed by a larger one irrigated over a million acres and then suddenly the large river changed its course and the whole area went out of cultivation. A very clever engineer supplied by the United Nations flew over the area and conceived the wonderful idea of installing pumps at a point where this wayward river comes back in again. By installing very large pumps there the old river beds can be filled up again and can be used as irrigation canals, and this will bring this million acres back into cultivation. If this is done, it will result that East Pakistan, instead of being a country which has very little food, will have an exportable surplus which, of course, would make a vast difference to their over-all economic well-being. We have decided to help them with this and it will be certainly a highly co-operative effort, working with the United Nations and with the Americans. Our contribution will be a thermal plant. We shall buy this thermal plant from the hydro-electric commission, which has a virtually new plant that it does not want any more. Incidentally, we are doing the same thing with our cement plant. The hydro-electric commission set up these plants in various parts of Ontario at the time of the power shortage, and now has no use for them. This means that we can get them quickly and, of course, we can get them very much cheaper than we could get them by obtaining them in the present market. The hydro-electric commission is being very good about it and is giving them to us at a very good price. They are virtually new plants. One of those plants will be purchased and erected on this Ganges-Kobadak scheme to supply power for the pumps which will pump the water power into the channels.

The canal falls scheme is a scheme that Pakistan has developed in western Pakistan in the Punjab area to put power into a number of canals where they hope to be able to use the falls in the canal to drive the machines. We have had an engineer look at this once, and we shall have to send out another man to look at it more closely. The Pakistan government has also imported a very high type of engineer to look into this and again we shall

have considerable co-operation if we enter into this. It comes into these estimates because we had to pay for the man who went out to examine the scheme.

The Dacca-Chittagong link is a grid system in East Pakistan. At the present moment they have in East Pakistan a very poor power development. Practically every mill erected has to put in its own power plant. Anyone who has had anything to do with engineering knows how inefficient that is, because once the mill shuts down the power generation shuts down, whereas if you have a grid system it can go on all the time and your power can be distributed all around the country on the grid. They have no such grid. This grid is not a very difficult thing to build except that there are some difficult rivers to cross. We have had a grid engineer looking at it, the same engineer that looked at the Ganges-Kobadak scheme. I looked at it myself when I was over there. The engineers think we can overcome these difficulties, maybe by putting in submarine cables instead of towers. This is a silt area, and you have about 40 feet of mud. It is extremely difficult to build a high tower, and it has to be a high tower because, owing to the flooding that takes place in the monsoon season, the variation in the depth of these rivers runs from one to as much as fourteen feet. But you have to get the towers well up away from any possibility of being overwhelmed by your flooding rivers. The answer may be to put in submarine cable. We do not know yet, but it will be difficult to build towers.

Now, moving down to Ceylon again in the fiscal year 1953-54. We are adding a by-products plant to the already arranged refrigeration plant. That is a plant which will take fish offal and turn it into meal and fertilizer.

*By Mr. Coldwell:*

Q. And for cattle feed?—A. And for cattle feed. There are quite a number of fish that they take out of the waters that are not edible, but they can be turned into cattle feed, meal and fertilizer. So we are adding a small by-products plant for that purpose. Ceylon is in the same difficulty as India and Pakistan, in that they are running short of rupee capital. We are giving Ceylon flour and she is using the counterpart funds from the sale of that flour to build rural roads. They have plans for an engineering polytechnic, and we will put in the machinery, so that they will have a training ground for young mechanics now coming along. We gave them last year two diesel locomotives. Their railways are in poor shape, and they are asking us out of this year's appropriation for three more diesel locomotives. We are examining that.

Q. Have they oil resources?—A. They can get oil more readily than coal. They have to import it, but they have to import coal. As it does not make much difference, they feel they might as well be modern and have diesels. We are helping with agricultural equipment and a little more pest control in 1953-54. I think, Mr. Chairman, that that is all I can say. The 1954-55 program is now being considered and, except for the railway engines for India, which have been agreed upon, there is not much I can say about that at the moment. It is still under examination.

Mr. COLDWELL: That is a grand outline of what we are doing.

Some Hon. MEMBERS: Hear, hear!

Mr. MACDOUGALL: May I ask Mr. Cavell this: How does India like the idea of this additional help being given to Pakistan? Is it considered a violation against India, or are the Indians accepting it in good grace?

The WITNESS: There has never been any difficulty about that. From the outset it was agreed that we should give India a certain amount, Pakistan a certain amount, and, when Ceylon came in, Ceylon a certain amount. There has never been any difficulty at all on those lines.



Mr. FLEMING: Mr. Cavell, I take it that it can be said broadly that, apart from services rendered, to the extent to which the goods and equipment and materials have been provided, they have all been of Canadian production?

The WITNESS: There were two exceptions to that, sir. One was the trawler which we bought for Ceylon. We bought that in England because she had a trawler she wanted to get rid of. It was in good condition and we were able to buy it at a very good price. Also, we could not get a trawler built in this country under two or three years and we needed it urgently so we bought it in Great Britain. The other exception to this was the buses and trucks for the Bombay State Transport. They were all built in this country except the diesel engines and we did not build diesel engines in this country. The Bombay State Transport Commission felt it could not afford to buy gasoline, which is very expensive in India, and it felt it had to use diesel fuel.

Mr. MACINNIS: Where were they built?

The WITNESS: In Great Britain. The diesel engines were put into our chasses built in this country.

Mr. COLDWELL: You stopped at India, Ceylon and Pakistan. Are we doing anything for any other countries in that area which might be included in the Colombo Plan? Burma is out now?

The WITNESS: Yes, except for technical assistance. I was dealing only with capital assistance then, Mr. Chairman, and I think we should say a word or two about our technical assistance which in its way is just as vital and important.

The CHAIRMAN: Perhaps, Mr. Coldwell, we should deal with the first part, and then discuss technical assistance at another meeting.

Mr. COLDWELL: Why not have the whole picture at one time?

The CHAIRMAN: My thought was that it would render the questioning more difficult.

Mr. COLDWELL: I thought that we might find that they overlap on some points and it might be well to have the whole picture on the record.

The CHAIRMAN: Just as you like. I have no objection, personally. I thought it would assist in keeping our questioning orderly.

Mr. PINARD: Perhaps the witness could advise us whether we should go on to technical assistance now or whether it is to our advantage to question him on the capital assistance aspect now?

The WITNESS: I think the two are so tied together, sir, it would be better to take them at the one time.

Mr. MACDOUGALL: I wonder if it would be possible to make a correction in a statement made by the witness which I think is slightly in error and that is that there are no diesels manufactured in Canada. I think it should be pointed out that the Abroe Company Limited, at 1600 Station Street in Vancouver is now manufacturing an extremely fine diesel engine.

Mr. COLDWELL: When did they start—recently?

Mr. MACDOUGALL: No, the Vivian company was taken over by the Abroe Company of Great Britain, which is an amalgamation of several of the British diesel companies. They have bought what was the original Vivian Diesel Works in Vancouver and are turning out a fine product.

The WITNESS: At the time this deal was made we got in touch with the Vivian people and they at that time were not in a position to do it. We made very extensive inquiries before we bought in Great Britain and no one at that time could supply us with diesel engines.

Mr. NESBITT: Could the General Motors plant in London not make them?

The WITNESS: No one at that time was making them. We could have bought them in the United States but they would be more expensive than the ones we bought from Great Britain. The whole thing was not an expensive proposition.

Now, to answer your question specifically, Mr. Coldwell, we are doing quite a bit all over the area in the way of technical assistance. That is, we sent out quite a large number of experts ourselves and for the United Nations and under the Colombo Plan. We do some of the recruiting for the United Nations. We sent out quite a large number of experts under United Nations auspices and Colombo Plan auspices and Canadians have gone to Burma, French Indo-China, Malaya, and other places. We have one under the Colombo Plan in French Indo-China at the moment. They have gone to Indonesia and all over the area, including India and Pakistan. Quite a number of them have gone to Pakistan and there is a large number in Ceylon. They cover a very wide field of endeavour and I have here some of the fields they cover: "Animal husbandry, aviation, cement manufacture..."

Mr. FLEMING: We have that list.

The WITNESS: If you all have that report then I need not go over it, but you can question me on it if you so wish.

Mr. MACINNIS: It was included in the minutes of April 28.

The CHAIRMAN: We already have that as an appendix to one of the reports of the committee.

The WITNESS: I do not need to go into it if you have the report.

The CHAIRMAN: It has been printed.

*By Mr. Fleming:*

Q. Might I continue with some general questions? So far as the Colombo Plan is concerned, is it not a fact that apart from wheat and apart from technical services, the goods supplied have been of a capital nature and not consumer goods?—A. Absolutely.

Q. The underlying purpose of the agreement being to help the countries to become equipped to look after their own needs?—A. Yes. No consumer goods have been supplied except, as I stated, wheat—and I think that is all.

Q. Now, surveying the situation in these three commonwealth nations from your own very long experience in the East, what would you say first of all about the progress made in the economic conditions in that area of the world, and, second, the outlook for the future and your best estimate as to the period of time over which it will be necessary to give assistance of the kind we have been giving in order to bring the economies of those countries up to the point where they will be able to meet their own needs?—A. I think one of the most encouraging signs we have had is the fact that India does not need to buy any food abroad this year. That, as I said, was a happy combination of nature and some of the projects which have already come into being. It is very difficult to say how long aid to the area will be necessary but I would think for a very long time to come that some kind of aid and some kind of help from the rest of the world will be necessary if we are going to keep these people in the free world with us.

Q. You say a very long time. Are you thinking in terms of the lifetime of the people in this room?—A. Yes, I would think so, but I would not think this would always have to be aid. I think this could be worked out on another basis when they get into the capital sector. For instance, I think much can be done by getting them back into the swim of world trade, or getting them into the swim of world trade. You can hardly say: "Getting them back into the swim" because some of the nations have never been in it to start with. As they develop industries of their own and make their own unique contributions to the

markets of the world, then I think they will have a little more money with which to purchase goods. I visualize that they will gradually come into the orbit of world trade, first on a very small scale and then gradually on a larger scale. After all, they cannot do all they are doing in the way of developing power and mills and all those things without adding to the volume of world trade eventually, so I do not think this is entirely an aid job. Perhaps it will be, for some little time to come, but once they get on their own feet and once they get people trained and so on, I would think they could find their way into the swim of world trade.

Q. Speaking broadly, I gather we should regard this project, which is only three years old, as being really in its infancy?—A. Yes, absolutely. It is only beginning to show results now.

Q. It is something we will have to be prepared to continue for a long time?—A. Yes. This is the fourth year. We will have to be prepared to continue, in some form or another. I would not be prepared to say what form it will take, but obviously much of it will have to be a concentration on their state development for a long time to come, but private capital ventures are also being set up.

Q. Apart from the fact that India has not had to import food this particular year due to a happy combination of circumstances, you did not say very much, though, about economic conditions in this part of the east. I was thinking of the long experience you have had in the east and your knowledge of conditions there. Can you say that there has been, not only from this source, but from other sources, any substantial improvement in economic conditions in the broad sense in that part of the world?—A. Yes. One sees very encouraging signs developing there. It would be difficult to put these things in terms of statistics, but one does see encouraging signs such as in the land distribution in India.

One of the great problems in India has been that of land tenure. That has been bad all over that area. For example, in south east Asia generally they have had landlordism for many, many years. But the governments are doing all they can to wipe this out.

As you know, there is an old gentleman who wanders around in India, Acharia Vinobha Brave trying to get wealthy people to give us part of their land. So far he has been singularly successful in getting 800,000 acres. He has persuaded landlords, under his movement, to give up land receiving nothing in return—He does it on some sort of psychological basis and points out to them that landlordism is very wicked and that they ought to do something about it. So he goes around influencing public opinion with the result that some wealthy landlords have voluntarily given up their land.

Mr. COLDWELL: Not all their land, though?

The WITNESS: That is right, not all their land but part of their holdings.

Another thing which these countries are doing is to try to do something about the fragmentary nature of the small holdings. For example, a man may have a small piece of land here and another small piece let us say, half a mile away, and so on and so on. The result is that he has to wander around from one small piece to another tilling all those little pieces. It is very complicated because all the land holdings are registered and you get into all kinds of legal work. However, much is being done to break down this previous system of land holding and to bring the fragmented pieces together so that a man can do all his farming in one place.

*By Mr. Coldwell:*

Q. Are you getting any encouragement in controlling the wandering cattle? Are they doing anything to improve the herds and doing away with difficulties in connection with the sacred cow?—A. Yes, but you get into the realm of religion which is very, very difficult in any country and nonetheless difficult

in India. However, while they are very aware of this problem now, they are in the same spot that we are. We are aware of a lot of problems and yet we cannot do very much about them; and they are in the same boat.

The CHAIRMAN: Hear! Hear!

*By Mr. Coldwell:*

Q. But are they making any progress?—A. Some. To the extent that people become educated, superstition begins to die away and the caste system begins to take on a happier look, and so on.

The government of India is extremely conscious of this problem and is doing its best to solve it; but it will be a slow process.

Mr. STICK: There are centuries of tradition behind it, are there not?

The CHAIRMAN: Just a moment, Mr. Stick, I will give a chance to every member, but the practice has been established that members first signal to me. At this time Mr. Fleming has the floor and then Mr. Knowles and then Mr. Stick.

Mr. STICK: If that is the case, Mr. Chairman, then why did Mr. Coldwell get in his question?

The CHAIRMAN: It was just a supplementary question but I will try to be more strict with Mr. Coldwell in the future. I will try to bring him to order in the future. I am sorry.

Mr. COLDWELL: I will keep quiet.

*By Mr. Fleming:*

Q. Canada is not the only nation that is assisting Pakistan and Ceylon through the Colombo Plan. How do you co-ordinate Canada's assistance to those countries with that which is extended by other nations of the commonwealth?—A. No conflict really arises because, as I said earlier, we work within the framework of those countries' own plans, such as India's five-year plan, Pakistan's six-year plan, and Ceylon's plan. They will ask us to do certain things which are all within the plan, so there is really no conflict.

Q. You have had complete co-ordination?—A. We have had complete co-ordination, yes, and we have run into no difficulty. There is one scheme in the Thal area which we are bringing into being. It is a farm for breeding cattle for the settlers—also seeds. It is a definite co-operative effort between Canada, New Zealand and Australia. We work very closely together. We have one engineer there, Australia has two, and New Zealand has one, and there has been definite co-operation and a co-ordinated effort to bring this project into being. We have sent some machinery and Australia has sent some too.

Q. In extending aid to India and Pakistan, have you encountered any of the difficulty that exists between those two countries? A question arises in my mind concerning some of the irrigation projects. We have heard a good deal about the conflicts between those two countries over the diversion of certain waters that happen to flow through both countries. Have you been able to keep clear of this difficulty in the projects which you have been advancing out there?—A. I need hardly say that we do our best to keep clear of all trouble and so far we have had no trouble. We have kept clear of it.

Q. Would you say that your irrigation scheme has not extended into the area where the disputes are going on now as to irrigation projects?—A. If we have this "canal falls" scheme, we shall be right in the Punjab where this might be a factor. So far we have not run into that trouble. However, in this one particular scheme we might. We are watching it carefully.

Q. What have you found to be the sentimental reaction in those countries toward Canada and toward the commonwealth as a result of aid extended

through the Colombo Plan? Has it made any significant impression on the people? And may I say on that point, that at the Commonwealth Parliamentary Conference here in Ottawa in September 1952 there was a discussion about economic conditions in those countries but there was not very much mention on the part of the delegates from India, and Pakistan, and Ceylon of aid received through the Colombo Plan, and it left me wondering how far the knowledge of this plan had permeated through the minds of the people, and whether it made any significant impression on them sentimentally in relation to Canada and in relation to the commonwealth.—A. When you talk about “people”, if you mean people right at the bottom, that is, the great mass of the poor people, you must remember that those countries are something like 80 per cent agricultural still, and that the people at the cultivator level know very little about the plan. There is no way of which I know whereby they can be educated. They have no radios; they read no newspapers; they are illiterate and so on and so forth. But where there actually is a project such as the Mayurakshi project and the “Warsak” project, then the people know about it and about Canada and they will ask questions about Canada and so on. However, the great mass of those people, the 378 million people in India, the 80 million people in Pakistan, and the six or seven million people in Ceylon, the people right at the bottom of everything, do not know. But then, they did not know anything about what is going on in the world outside their villages.

Q. What do they know about it at the governmental level?—A. At the governmental level they do know; but there is one factor I should mention and it is this; so far as the provinces are concerned, these projects are all run by the provincial governments so far as the projects are concerned in the provinces. But the provinces do not get them free. The provinces have to pay the central government for them. Therefore some of the provinces do not care very much where the aid comes from.

We are helping the central government and all our dealings are with the central government. We help the central government to help the provinces. But the provinces say: this is merely a loan business. We are enabling the central government to make loans to the provinces.

The provinces have to repay those loans and, of course, pay interest on them. Therefore, from their point of view, or from their position, they are not particularly interested in where the central government gets its aid.

Q. Mr. Chairman, may I reserve my other questions for a later turn?

The CHAIRMAN: Yes. Now, Mr. Knowles.

*By Mr. Knowles:*

Q. I have three questions. They are not related; but since I have the floor I had better put them all at once. My first question relates to a matter to which I made reference in this committee on Wednesday, April 28, which is as recorded in the evidence on pages 89 and 90. It referred to the plan suggested by Dr. M. R. MacCharles of Winnipeg who was in the team which went out to Burma two years ago. Dr. MacCharles' plan is that there might be sent out by Canada to Burma a team of ten of the best young medical graduates of fellowship degree of the Royal College of Physicians and Surgeons of Canada who might stay there for two years to give practical instruction in modern methods of surgery, radiology, and anaesthesiology. Dr. MacCharles also suggested that Canada might donate to Burma a Cobalt therapy unit from the Chalk River plant. I wonder if you can comment on Dr. MacCharles' suggestion as to what you think of them? Also I wonder whether you are in a position to say if the Canadian government is giving consideration to implementing what to me seems very commendable proposals?—A. I did read that and I looked into the matter and the result of my looking into it was that we

had heard of this but the Burma government has never asked for it. This would cost something between \$150,000 and \$200,000 to do, but no one has requested it?

Q. Have you not had a report from the team of which Dr. MacCharles was a member following his visit to Burma?—A. We knew of course that they had been out there, and we knew roughly what they were doing. But, we cannot do anything until the government concerned asks us to do something and the government has made no move to ask us for this aid. I cannot say at the moment whether we would be able to do it even if we were asked.

Q. I take it from what you say now, and have said before, that you do not force any plans or projects on these countries?—A. No. We let them come forward with what they want us to do, and then we see if we can do it.

Q. You realize that this comes out of Dr. MacCharles' visit there, and it is his own feeling that it is this sort of thing that would be a real help to those people. He found that their medical people were quite advanced and quite capable, but he felt that this would be the kind of help that would mean a good deal to them.—A. As I said, we know about this and we know what Dr. MacCharles has done. But, the Burma government has made no formal move. They have not asked us so we have not had to consider it.

Mr. KNOWLES: They will now hear about it.

Mr. JUTRAS: In a case like this, where did he make his report to in the first place?

The WITNESS: To the World Health Organization. Dr. MacCharles, as I remember, was out there under the auspices of the World Health Organization, and he would make his suggestion to them.

The CHAIRMAN: Of course, if he was sent out by the World Health Organization he would make his report to them and if the government concerned does not ask for assistance, the Colombo Plan authorities would not have to consider it until it was asked for.

The WITNESS: If we once accepted the premise that we work under what individuals ask us to do, we would be in all kinds of trouble. We must deal with the central governments.

Mr. KNOWLES: This is not the recommendation of an ordinary individual. This came from—

The CHAIRMAN: No individual in the world is ordinary. Have you another question?

*By Mr. Knowles:*

Q. My second question is this: to what extent is there carried on training on the job of the local people when you build power plants and cement works and so on out in these countries?—A. Take the cement plant for instance. Quite a number of the young fellows who are qualified will come from Pakistan and study our cement plants in Canada so that they can go back and take up key positions. I mentioned that we were giving diesel locomotives to Ceylon. We have people who have arrived already from Ceylon and are now in London, Ontario, to study diesel construction, diesel operation, and diesel care and so on. We do this wherever we can. The aim is to tie our technical assistance program in with our capital program so that the people can be trained and so that our equipment will be properly looked after.

Q. One other question: could you tell the committee what price you had to pay to the Ontario Hydro Electric Commission for the power plants?—A. I could, but it would not really mean anything unless we gave a lot of detail. To make the price appear reasonable you would have to see exactly what we got for the money and so on. It could be done.

Mr. Low: Will Mr. Cavell be present at the next meeting?

The CHAIRMAN: Yes. At our next meeting Mr. Stick is next on the list and then Mr. Low and Mr. Garland. The meeting stands adjourned until next Tuesday afternoon at 3.30 o'clock.





**APPENDIX "E"**



(Copy)

Washington, D.C.  
February 1, 1954.

(No. 79)

SIR,—On instructions of my Government I should like to draw attention to the House of Representatives Bill H.R. 3300 which was reported favourably by the Committee on Public Works of the House of Representatives on January 11, 1954, H.R. Report No. 1100.

The Bill would authorize the State of Illinois and the Sanitary District of Chicago, under the supervision and direction of the Secretary of the Army to withdraw from Lake Michigan, in addition to all domestic pumpage, an annual average of 2,500 cubic feet per second, to flow into the Illinois waterway for a period of three years. It also provides that the Secretary of the Army shall study the effects of the increased diversion so authorized and shall report to the Congress on or before January 31, 1956.

Although H.R. 3300 authorizes an increase in the diversion only for a limited period, the Canadian Government is of the opinion that adoption of such a measure and, indeed, any increase in the diversion at Chicago, would impair the power potential of the Niagara and the St. Lawrence Rivers and would have an adverse effect upon navigation in the Great Lakes and the St. Lawrence River.

With regard to the power aspect of the matters, the Government of Canada wishes to bring to the attention of the Government of the United States the fact that the proposed increase, if continued, would result in the reduction of the total power potential of the Niagara River and the International Rapids section of the St. Lawrence River of 39,000 continuous horse-power. On the wholly Canadian reach of the St. Lawrence River, the reduction of actual and potential continuous power would be 13,000 horse-power.

Any increase in the Chicago diversion will cause reductions in the water levels of the Great Lakes, the St. Lawrence River and the Port of Montreal which will have a detrimental effect on Canadian as well as United States navigation facilities, particularly in the years of low stage in the Great Lakes-St. Lawrence system. The water levels in the Great Lakes system have recently been high but reductions in levels in the lower lakes and the river would, of necessity, follow increases in diversion at Chicago by several years. It is evident that the proposed increase does not offer a source of relief from high water and that the ultimate lowering of levels could obtain at times when, in the ordinary cyclical nature of lake supply, critically low lake stages are being experienced.

It may be concluded that the beneficial flood protection aspects of any increase in the Chicago diversion would be small and short-lived; the detrimental effect on navigation interests would continue over long periods, and the damage to the power potential of the Niagara and the St. Lawrence Rivers would be substantial and continuous. The Canadian Government wishes to point out, therefore, that in these respects, any increase in the Chicago diversion would be prejudicial to the rights and interests of both Canada and the United States.

As the Chicago diversion is one aspect of a matter now before the International Joint Commission, pursuant to the reference submitted jointly by the Governments of Canada and the United States on June 25, 1952, it is suggested that the interests of Canada and the United States would best be served by allowing the International Joint Commission to complete its study of this and related matters under the arrangements already agreed upon.

Accept, Sir, the Renewed assurances of my highest consideration.

A. D. P. HEENEY

The Honourable John Foster DULLES,  
Secretary of State of the United States,  
WASHINGTON, D.C.

**APPENDIX "F"**



(copy)

Washington, D.C.,  
March 10, 1954.

No. 169

SIR, On instructions of the Government of Canada, I should like to draw attention to my Note No. 79A of February 1, 1954, concerning Bill H.R. 3300, approved by the House of Representatives on February 4, 1954, which would authorize an increase in the diversion of water from Lake Michigan through the Chicago Drainage Canal.

As stated in my Note of February 1, the Canadian Government considers that the adoption of this measure, which will increase the diversion at Chicago by 1,000 cubic feet per second, would have an adverse effect on navigation in the Great Lakes and St. Lawrence River. The effect will be particularly marked in periods of low stage, and recent lowering of lake levels indicates that a cycle of low levels may be experienced in the near future. These periods of low water have always occurred in irregular cycles of varying duration. If the supply of water is reduced during a cycle of low levels, very serious injury to navigation in boundary waters will undoubtedly result.

In this connection, I should like to draw your attention to Article II of the Boundary Waters Treaty of 1909. The terms of the last paragraph of that Article clearly affirm the understanding that neither party to the Treaty surrenders "any right which it may have to object to any interference with or diversion of waters on the other side of the boundary the effect of which would be productive of material injury to the navigation interests on its own side of the boundary". If the proposed increase in the diversion at Chicago were to take place, the Government of Canada would, in the circumstances described above, consider that there would be material injury to the navigation interests on its side of the boundary.

With regard to the power aspect of this matter, it was stated in my previous Note that the increased diversion at Chicago would result in a reduction of the power potential of the Niagara and St. Lawrence Rivers and the extent of that reduction, in so far as it concerns Canada, was indicated. Article VI of the Treaty between the United States and Canada, concerning the Niagara River, signed on February 27, 1950, provides that the waters made available for power purposes by that Treaty shall be divided equally between the two countries. In this respect, I consider that the situation was well put in a letter addressed to the Chairman of the Committee on Public Works of the House of Representatives on July 16, 1953, by Assistant Secretary of State Morton when he said "The change in the amount of water diverted at Chicago might affect the arrangement set forth in the Niagara Treaty".

The Canadian Government wishes to draw attention once more to the fact that the Chicago diversion is one aspect of a matter now before the International Joint Commission and it is suggested that it would be in the best interest of Canada and the United States to allow the Commission to complete its study of this and related matters before any change in arrangements affecting the levels of the Great Lakes is authorized.

Accept, Sir, the renewed assurances of my highest consideration.

"A. D. P. HEENEY"

The Honourable John Foster Dulles,  
Secretary of State of the United States,  
Washington, D.C.

Washington, D.C.  
April 10, 1917

The Commission on the Organization of the Executive Branch of the Government  
Washington, D.C.  
April 10, 1917

Dear Sirs: I have the honor to acknowledge the receipt of your letter of the 4th inst. and in reply to inform you that the same has been forwarded to the proper authorities for their consideration.

I am, Sir, very respectfully,  
Yours very truly,  
[Signature]

Very truly yours,  
[Signature]

Enclosed for you are the following documents:

1. A copy of the report of the Commission on the Organization of the Executive Branch of the Government, dated April 10, 1917.



HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

**EXTERNAL AFFAIRS**

*Chairman: L. PHILIPPE PICARD, ESQ.*

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

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TUESDAY, MAY 18, 1954.

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ITEM 101—COLOMBO PLAN and ITEM 84—  
DEPARTMENTAL ADMINISTRATION  
(Main Estimates of the Department of External Affairs)

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WITNESSES:

- Mr. R. G. Nik Cavell, Head of International Economic and Technical  
Co-operation Division, Department of Trade and Commerce, and  
Administrator of the Canadian participation in the Colombo Plan;  
Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs.



## MINUTES OF EVIDENCE

TUESDAY, MAY 18, 1954.

(10)

The Standing Committee on External Affairs met at 3.30 o'clock p.m. this day. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Balcer, Boivert, Crestohl, Garland, Green, Henry, James, Knowles, Lusby, MacInnis, MacKenzie, McMillan, Patterson, Pearkes, Picard, Pinard, Richard (*Ottawa East*), and Stick.—(18).

*In attendance:* Mr. R. G. Nik Cavell, Head of the International Economic and Technical Co-operation Division, Department of Trade and Commerce, and Administrator of the Canadian Participation in the Colombo Plan, Mr. Frank Pratt, Chief, Projects Officer and Mr. D. W. Bartlett, Chief of the Technical Assistance Office; Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs; Mr. R. M. Macdonnell, Assistant Under-Secretary of State for External Affairs; and Mr. S. D. Hemsley, Head of Finance Division.

It was agreed not to sit on Wednesday of this week as planned, but to hold meetings on Thursday and Friday.

The Committee resumed its study of Item 101—Colombo Plan.

Mr. Cavell was called.

He read into the record answers to questions and was further examined, namely on:

1. Per capita basis of contributions to Colombo Plan by Canada, Australia, New Zealand, the United Kingdom and the United States.
2. Cost of purchase of hydro electric equipment.

The witness was also questioned on the population growth in India, the trend of industrial development in under-developed countries and on the policy committee who allots funds for the Colombo Plan.

Mr. Cavell's examination being concluded, the Chairman thanked him for his contribution to the Committee and he retired.

The Committee resumed consideration of Item 84—Departmental Administration.

Mr. R. A. MacKay was called.

He completed answers asked at previous meetings on:

1. The warning statement relating to passports;
2. Establishment of diplomatic missions to the Dominican Republic and Haiti.
3. The reasons for charging a fee by Canadian Embassies for letters of introduction for travellers abroad.
4. University degrees held by heads of missions abroad.

As requested, the witness tabled copies of:

1. Civil Service Commission announcements of competitions for Foreign Service Officers, Grade I (1952).

2. Reprint of an article which appeared in External Affairs Bulletin of August, 1953 entitled, The Canadian Foreign Service. (E F).
3. Reprint of an article from External Affairs Bulletin which appeared in July, 1953 entitled, The Foreign Service Officer Competition. (E F).
4. Sample examination papers.

On motion of Mr. Henry, seconded by Mr. Stick,

*Resolved*,—That the above be printed as Appendices. (See Appendices G, H, I, J to this day's evidence.)

Mr. Macdonnell supplied answers to specific questions.

Items 99, 100 and 101 were approved.

At 4.45 o'clock p.m., the examination of Mr. MacKay still continuing, the Committee adjourned until Thursday, May 20, at 11.00 o'clock a.m.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*

## EVIDENCE

MAY 18, 1954.

The CHAIRMAN: Gentlemen, before we call upon Mr. Cavell, may I say that we had proposed to sit three times this week, one of which meetings would be tomorrow afternoon. Now, I have been told by the head of the reporters that they have about four other committees sitting tomorrow afternoon so I am going to surprise the committee by suggesting we meet Friday morning instead of Wednesday afternoon because on Wednesday afternoon there are so many committees sitting. So, if that is agreeable we will meet Thursday morning and Friday morning.

Before we open the period of questioning again I would ask Mr. Cavell if he has some answers to questions that were asked at the previous meeting and if he wants to file them or read them into the record.

**Mr. Nik Cavell, Head of the International and Technical Cooperation Division, Department of Trade and Commerce, (Colombo Plan Administrator), called:**

The WITNESS: Mr. Chairman, one gentleman—I don't know which member it was—asked for a statement on the per capita basis of the various contributions to the Colombo plan. Since the last meeting we have had that worked out and it runs this way:

Canada \$25.4 million per annum. Taking the population today at 15 million, that comes to \$1.70 per head as Canada's contribution to the Colombo Plan.

Australia 34,750,000 Australian pounds over six-year period. With a population of 8.83 million. Works out to a per capita basis of \$1.46.

New Zealand, three million pounds over a three-year period, and a population of 2.05 million, \$1.35 per capita.

The United Kingdom contribution is a little complicated. As you know, what the United Kingdom is really doing is paying its debts to these countries by allowing the block sterling balances to be drawn down at a faster rate than it would have allowed them to be drawn down if it were not for the Colombo Plan. The balances are being drawn down at the rate of 42 million pounds per annum over the six-year period of the plan and that is \$2.33 per head in the United Kingdom, giving the United Kingdom a 50.55 million population.

I think it should be stated that the United Kingdom has also extended to Pakistan a 10 million pound credit repayable over a period of ten years for the purchase of equipment in the United Kingdom for schemes contributing to agricultural production at a time when Pakistan's balance of payments position was unfavourable.

It is extremely difficult to arrive at any per capita basis on what the United States has done because we don't know what the total of the United States aid is. As you know, it is mixed up with certain military and other grants. However, as far as we have it on record the picture would roughly seem to be:— grants to countries in South and Southeast Asia \$430 million over a three-year period, (1952 to 1954); loans and grants for the provision

of wheat \$300 million over a two-year period; loans through United States Export-Import Bank to Indonesia, three-year period, \$69·2 million. The yearly average would seem to work out at about \$316 million which is a basis of \$2.05 per capita.

I would again like to emphasize, Mr. Chairman, that I would not by any means guarantee that those figures are absolutely correct for the United States because there is no place that I know of where we can obtain the complete record. I think you will find that most of the figures I have given are in the Colombo Plan progress report dated October 1953.

The CHAIRMAN: Are there any other explanations?

The WITNESS: The only other thing I was asked for was the cost of the hydro electric equipment we are purchasing from the Hydro Electric Power Commission of Ontario. I have taken this up with our consulting engineers and it is not possible at the moment, Mr. Chairman, to say exactly what it is going to cost because the consulting engineers are now sorting out the equipment. We do not want all of it, but only certain machines and we are assured that this equipment will not cost us more than it could have bought it for in Germany or some other country in Europe, and very much cheaper than we could have bought it for new. It was available now and is practically new and seeing that we could not get it on the Canadian market for some little time—and we need it urgently—this was about the best bargain we could make and we are getting—as my colleague here reminds me—a new plant guarantee with this equipment for the Hydro Electric Commission.

The CHAIRMAN: Were those the only two questions as far as you remember?

The WITNESS: As far as I remember, Mr. Chairman. If I have been asked a question which I have not answered I will be very glad to do so now.

The CHAIRMAN: Before we resume the questions that were asked the other day, I might ask the cooperation of members so that they will signal when they want to speak. At the moment we adjourned we had three members trying to get the floor at the same time and I think we will try and limit each person to about ten minutes. I think that is only fair so that one person would not get the full afternoon or most of it. So as we adjourned Mr. Stick had the floor and Mr. Low and Mr. Garland waited to ask questions. As Mr. Stick is here if he has any questions now I will give him the floor.

*By Mr. Stick:*

Q. I think, Mr. Cavell, the population of India is about 396 million?—  
A. 360 million roughly.

Q. Can you tell me the natural increase per year of population, roughly?—  
A. I don't think I have got it, Mr. Stick; I am sorry. I don't recall what the increase is at the moment.

Q. Well, there seems to be some doubt in the minds of some people because of the tremendous population and the tremendous natural increase in population in India—what they are doing to feed their people and raise the standard of living seems to be a tremendous problem—there seems to be doubt in some minds whether it can be carried out. I don't want to infer from that that we should not assist them all we can. I am very much in favour of the Colombo Plan, but there are some people who take the view that our money is going down the sink in that regard, that we are never going to solve this problem because of the tremendous population in the first place and the tremendous natural increase in population. I don't know whether you would care to pass an opinion on that matter but if there is a possibility of answering that I would like to have it answered.—A. Well, Mr. Chairman, since I spoke just now I have found some figures here which may be interesting.

In 1951 the population of India was given as 361 million and at the present rate of growth the population will become 410 million by 1961, 460 million by 1971 and 520 million by 1981. But I very much doubt whether the present growth of population will continue because I believe I am correct in saying that India is the only country in the world which has adopted a birth control policy. The government of India is perhaps more concerned with this problem of population growth than is any other country. They have had Madam Sanger there, they have had birth control clinics set up and they have taken what I think are heroic measures to try to bring home to their population that something must be done about this advancing birth rate.

Mr. Nehru, the Prime Minister, has been very courageous, I think, considering he has the same kind of religious objection to deal with as we have in this country. I feel that he has been very courageous in taking the measures he and his government have in trying to control the population. I would doubt if the birth rate would continue at the same rate as it has in the past.

Q. The reason I asked that question is that there is a doubt in the minds of some people. Also I think you gave the impression that the peasants are land hungry in India—have been for many years. I know they were when I was there many years ago and if the population grows to the extent that you indicate there is not going to be enough land to support the population. But, as you say, Mr. Nehru is trying to cope with that problem. I don't want to go any farther into that matter. You also gave an account of the land owners who are voluntarily giving up their land to the peasants.—A. Yes.

Q. That is a movement that should be fostered, I think, in every way and it is a movement in the right direction. Can you tell me, is the government of India inaugurating a scheme whereby they will take the land from the landlord and compensate him for it and divide it up amongst the peasants?—A. I can't speak with any certainty on that, but I do not believe at the moment that there is any movement along that line. They have taken over some of the properties belonging formerly to the maharajas and they are clearing those and settling people on them where the maharajas have voluntarily abdicated on a pension basis and land is being brought into cultivation which was jungle before. There is an agricultural expansion program and that is a program which is sponsored by the government so it amounts to the same thing.

Q. The reason I asked the question was this: you know there is a communist movement in India and that is the reason they give to those people—taking the land from the rich and giving it to the poor—and I was wondering if India is doing anything in that regard?—A. I am afraid the government would be limited because of lack of funds today to buy land on any large scale, but they are putting forward quite a lot of effort in clearing land which is now jungle and bringing it into cultivation.

Q. Do you know if Russia is assisting India or Pakistan in any way in the Colombo Plan?—A. No, they are not at the moment.

Q. Not doing anything?—A. Not as far as I am aware.

Q. I think you mentioned irrigation about a year ago when we were discussing Pakistan and the irrigation of Pakistan—is there any big movement to use the Indus river for that purpose?—A. Oh, yes, there is the Sind barrage and that is a program that has gone forward a long way and there is another barrage up in the northern Thal area and that will be irrigated from the Indus too.

Q. I was just wondering how large that project is.—A. The Sind and Sukkur barrage schemes are very large. I have not in my head the area of them, but they are very large. I think they are making about all the use of the Indus now they possibly can make.

Q. Would they have the same trouble that they had in the Punjab that the water would percolate away?—A. Oh yes, some sort of lined canals are required.

The CHAIRMAN: Your turn, Mr. Garland.

Mr. GARLAND: Mr. Chairman, I had hoped to get some information concerning the prices of these units which have been purchased from the Ontario Hydro but apparently that information is not available. I wonder how many units are involved.

The WITNESS: Two sir.

*By Mr. Garland:*

Q. Could any estimate be made of the cost of these in relation to the cost of new units?—A. Yes, I would think they are about 40 per cent lower than we could have them made for at the moment in Canada.

Q. Then, you mentioned something at our last meeting about our engineers—you are buying these plants as is?—A. One we are buying as is, and one their engineers are taking down and making some changes for us.

Q. Now, quite another matter. Because of your broad knowledge of this matter I wonder if you would care to comment on a trend that seemed to be developing in England within recent years, that of establishing branch plants in some of these so-called underdeveloped areas in the commonwealth, and perhaps not only branch plants but entirely new industries? Now, there was a thinking behind that of course, of the old idea of transferring the raw material back to Britain and processing and then hauling back the finished product which is no longer economical. Then there was the other fact, of course, of processing those products within those countries, making them available for trade from that particular country and then, of course, the other aspect with which I am concerned now, of what effect that will have on the industrial and economic development of these countries and I would like to ask you how that trend—and I believe that there was one definitely established—is developing, and, secondly, how it is received by these countries and, thirdly, is this trend likely to develop to a degree that will substantially assist these countries in their development?—A. Well, Mr. Chairman, if you remember when I was here the other day I was talking about the various plans which these countries have developed—the five-year plan for India, the six-year plan for Pakistan, and, I think, the six-year plan in Ceylon. Those plans are divided, and particularly the Indian one, into three. The first is a community project scheme which is limited to the villages where the first attempt is made to raise the standard of living of the villagers. The next step is these big development projects that we are trying to help, that is, to provide power, irrigation water and so on, and then the third step is just what you are talking about—industrial development by private capital or by private capital assisted by government capital. They have set up planning commissions in these countries. Pakistan, for instance, has an Industrial Development Corporation and this Industrial Development Corporation is doing all it can to induce people to put capital into the country. It has a very active and very able manager, Mr. Ghulam Faruque, who is at present on the North American continent and



is going to see us at the end of this month, and his job is to go around the world and try and lure capital into Pakistan, and to develop industries there.

A similar plan is going on in India along almost parallel lines and it is the third stage of the five and six-year plans of these countries, first, peasant welfare then the first background for industry—the big projects with electrical development and so on, and then, grafted onto that, the development of the country by the influx of capital if they can get it. How successful they will be, of course, in inducing world capital to invest in their countries remains to be seen, but you asked for the trend, sir, and that is the trend.

Q. Is it reasonable to assume from what has been accomplished that private enterprise or private capital can achieve what they are trying to do?—

A. I think in the long-run and given stable government—that is very important—given stable and strong government, I think the answer is probably yes, but it will take a long time.

The difficulty will be the movement of people into new industrial areas and the building up of those areas. All this takes time; they have to produce enough to get into the world market and then find the market, which is also a very difficult proposition. Then there is inevitably in these new countries a certain kind of nationalism which has to be overcome and which I think eventually will be overcome; all these are difficulties which impede the program at the moment. Eventually, given stable government and a period of time, I think the only hope for them really is to get into the flow of world trade. An influx of capital into their countries, however, is vital before they can do that.

Q. Within these countries there is arising a new awakening, so to speak. Do you think that is a deterrent to capital going in there?—A. At the present moment I think world capital is a little afraid of some of these countries and their nationalistic trend.

*By Mr. MacKenzie:*

Q. The question I was going to ask was incidental to the problem of these Asiatic and Oriental countries. What seems to be the biggest problem is overpopulation and when we take all the increase of population from year to year as a normal or average increase, have they any records there or censuses that can be accurate at all or is that a kind of an estimate?—A. No. I think the Indian census particularly is reasonably accurate. I would not say it is as accurate as that of the west, but I think it is reasonably accurate.

Q. Because when I was in China I do know in some of these districts they said they had a population of such and such and it was only an estimate.—

A. Well, in many of the countries of Asia, of course, the population is merely estimated, but in India they have proper census arrangements and have had over a long period, and I think you will get a better and more accurate record from them than most of the other countries. Pakistan, possibly, is an exception. India, Pakistan and Ceylon probably have reasonably good records, but I would not say very much for the others.

*By Mr. Henry:*

Q. Has Canada's trade with India and Pakistan increased or decreased in the post-war period?—A. I am sorry, I cannot answer that question. I have not any figures before me. I can get them for you but I would have to go to the Department of Trade and Commerce for accurate figures.

The CHAIRMAN: Any further questions, gentlemen?

Mr. KNOWLES: I have one, Mr. Chairman, if I might ask it.

The CHAIRMAN: Certainly.

*By Mr. Knowles:*

Q. This is a pretty general question I would like to put to Mr. Cavell on which I invite his comments. It may be a difficult one to answer. If we may assume—and I think we may—that the issue in Asia today is a conflict between an emerging indigenous democracy and some form of communist dictatorship, my question is this: are we there in time with this kind of aid to be of real assistance to what I would call an emerging indigenous democracy?—A. I think you will realize, Mr. Chairman, that that is a very big question at which one can only guess.

Mr. STICK: The \$64 question.

The WITNESS: Yes it is. I would say that this aid we are extending now, even if one takes what we are all doing including the United States, amounts only to a gesture which we are making, particularly if one considers all their vast problems. I do not believe that what we are doing will rehabilitate Asia, only the Asians can do that. But we are showing a great interest in these people, and to the extent that we can do that and make them realize that we want them to help us found a free world, and that we want them to be prosperous, we can expect their friendship in return. I believe that to these ends, the recent visit of our Prime Minister was invaluable, and I hope other Prime Ministers and senior officials will also pay visits. When we go to them, as we do, with friendship and gifts in our hands and are sincere, that I think is as far as we can go. It is anyone's guess what will happen in these areas in the future, but if you ask me if the aid we are giving will rehabilitate Asia, which I think is what you are asking—

Q. No; you have already answered my question really, when you talk about our doing things that will help them to build up their own countries. I am conscious of the fact that all of the aid we can provide would not rehabilitate that vast area. It seems to me that what we need to do is to take the step that will encourage a hopeful, constructive, democratic process. Perhaps I might put my question again: is our aid doing that?—A. I think there is no doubt that it is, that it is encouraging that. Certainly I can only speak for our own country, but wherever I go in Southeast Asia there is the utmost friendliness towards us and the utmost appreciation that we are trying to do something to help them.

Q. Then, if we are by this effort encouraging the people in Asia, if I might offer a comment, Mr. Chairman, this money is the best spent money we are spending today.

Mr. STICK: Might I correct your statement: you say to "bring" those people into the free world—might I change that word to "keep"?

The WITNESS: Yes, certainly I should have said "keep".

Mr. PATTERSON: Mr. Chairman, with respect to the total of per capita contributions to the Colombo Plan that Mr. Cavell gave us, do I understand the situation to be that the contributions from these other countries, at least the amounts, are contributions but the figures as given for the United States include contributions and loans? I was wondering if I understood the matter correctly there.

The WITNESS: Yes, I think that is right, because it is a little difficult to separate it.

*By Mr. Patterson:*

Q. With regard to Canada, Australia and New Zealand, those are contributions wholly?—A. Yes, the British contribution is a repayment of debt at an accelerated rate, the United States is a mixture of goods and loans. For instance, the wheat situation was loans and grants mixed up together. I think

if one went to Washington and spent enough time there one could get it all unravelled, but I was not able to unravel it from the sources that we had available here.

Q. One other question. Are the present contributions sufficient to adequately carry through the program as presently proposed in these various countries? By that I mean is there sufficient being contributed now to carry on the programs as proposed?—A. You mean in their plans?

Q. In the various countries according to the plans proposed by the organization in the Colombo Plan. I don't know whether I make myself clear or not.—A. If you mean, sir, will all this aid together carry through their own five and six-year plans—

Q. Well, as far as you are planning to cooperate with them in those plans; or say if you had twice that amount would it facilitate the carrying on of your work to that extent?—A. Well, I think I answered that question the last time I was here. There is really no limit to the amount of money that could be put into this area and now, of course, we have cut our cloth according to what we have agreed to do. If we had more money we would agree to do more.

*By Mr. MacInnis:*

Q. Is it correct that our contributions are for a specific project and the contributions are sufficient to carry out that project?—A. Yes, and our contributions are sufficient to carry out the projects which we have selected to assist in.

Mr. PATTERSON: That is the information I wanted.

*By Mr. Knowles:*

Q. Has any request been made to you that you are not able to meet for want of money?—A. Well, what happens is this, they put up a large number of projects to us and we select those on which we think we can most ably and efficiently help within the terms of the money that parliament gives us.

*By Mr. Pearkes:*

Q. My question is rather more simple. Who are "us"? What is the machinery by which this allotment of \$25 million is distributed? Who has the responsibility of distributing that money? Usually one might expect to find in the details how that amount was distributed, but it simply shows a lump sum to the Colombo Plan fund. Now then, who is responsible for dividing that amount of money between the different projects? Would it not be possible for you when you come with your estimates to show parliament, show this committee how that money is going to be divided?—A. Yes, sir, there is a statement which I am putting in. I did go over that last time. We can only do it after the money is spent, not before.

Q. I meant before.—A. You can't do it before because you don't know what they are going to ask for. We don't know what their most pressing needs are until they tell us. The way the plan works at the moment is that I go out there for about four months of the year and go around all the provinces and find out what they are wanting to do. We also get requests, of course, via our High Commissioners in the countries. We put all these together and then we discuss them in Delhi, Colombo or Pakistan, whatever the capital of the country is, with the central government.

We deal only with the central governments. We have perhaps some 40 or 50 projects which the central governments go over and say, "We will do this and we won't do that." And from what remains after this weeding out, we select projects with which Canada can help and I bring those back. Sometimes we send out a consulting engineer to look into them to see if they are as sound as the people in the area think they are. When all this has been

done a project gradually evolves, and then all its details and costs are worked out and on that basis it is put to a policy committee and then to the cabinet and the cabinet approves it or throws it out—usually approves it because at that time a lot of work has been done on it.

The CHAIRMAN: Before it reaches the cabinet where does it go? In other words, what is “we”?—A. There is a policy committee which, before it goes to the cabinet, examines it.

Q. And what does that committee consist of?—A. A representative from the Bank of Canada, representatives from the Department of Trade and Commerce, the Department of External Affairs and myself—the chairman is from External Affairs—the Department of Finance is also represented.

Q. Then all these projects come up before the policy committee and that policy committee decides how this \$25 million is going to be spent?—A. That is right.

Q. Then you get cabinet approval?—A. Yes, on each project approved by the policy committee.

*By Mr. MacInnis:*

Q. I was going to ask, isn't it a fact when we talk of “we” in this committee we are referring to Canada?—A. That is usually what I have in mind, sir.

Mr. PEARKES: I wanted the machinery by which Canada operated.

The CHAIRMAN: I think the idea was to get it a little more precise.

Mr. MACINNIS: Am I right in thinking that Canada's present contribution or our present contribution of \$25,400,000 is a continuing one and that if it is not all spent this year it is added to our contribution next year?

The WITNESS: That is correct, sir.

Mr. STICK: There is one thing I think was rather forgotten. I think Mr. Cavell said here last year and I think again this year that it is not the amount of money we give—it is the amount we can usefully spend. If we find more money they may not have the machinery to carry it out. I think that must be remembered that the engineers and other persons carry out their plans and if they have not got them there is not much use us voting \$50 million if there is not the staff.

The WITNESS: That has been one of the problems.

*By Mr. Crestohl:*

Q. I think Mr. Cavell might be in a position to inform us. I think you suggested the projects are selected by the various countries that we assist?—A. Yes.

Q. Have any projects ever been presented of a military character such as to preserve themselves from aggression or is that in your field?—A. No, I can definitely say no, sir, we have never had presented to us a project which was of a military or defence nature.

Q. Well, what is your feeling, knowing the country? Do you feel that having belligerent neighbours creates a situation where they are sufficiently protected against aggression?—A. Well, I think recent history shows very clearly that they are not very adequately protected.

Q. That is what I wanted to get at. The area there does indicate that these countries are not adequately protected. Now, if we are plowing in so much money, as I think Mr. Knowles pointed out, to preserve our democracy aren't we really exposing ourselves to a certain difficulty when with a belligerent neighbour that may overrun the country and destroy or take possession of everything we are plowing in there?—A. Well, I think that is a risk we must run, sir, isn't it?

Q. Well, I don't know. I was just inquiring as to whether there are any protective measures being considered or which have been considered.—  
A. Not under the Colombo Plan. The way the Colombo Plan is drawn up, our terms of reference are for betterment and to raise levels of living standards.

Q. I realize that, but I was wondering if there was anything to preserve that?—A. At the moment I don't think so.

Mr. KNOWLES: Isn't raising their economic standards protective in itself?

The WITNESS: Yes sir, but of course, military defence matters are entirely out of my field. I don't have anything to do with that at all.

The CHAIRMAN: Well, gentlemen, are there any further questions from the witness? If not I will ask for approval of Item 101. Shall Item 101 carry?  
Carried.

I think it will be in order at this point to express the thanks of the committee to Mr. Cavell for his cooperation and the most interesting contribution he made to the committee's work.

Now, we have still a lot of work to do. We have with us today the officials of the department of External Affairs and they have a certain number of answers ready to questions that were asked previously and I would call to the Chair the Acting Under-Secretary to give us these answers so as to expedite the work of the Committee.

**Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, called:**

The WITNESS: I believe, sir, that a question was asked at a previous session about the statement which the department includes in its passports regarding people who may be of dual nationality, and if we would indicate that in the record. This is the notice:

The following warning is addressed to:

(a) Canadian Citizens by naturalization,

(b) Canadian Citizens by birth in Canada of parents of alien origin.

You may be considered by a foreign State to be a national of that State, although by Canadian law you are a citizen of Canada. You should bear in mind, therefore, that when you are within the boundaries of that State it may not be possible for Canada to give you effective diplomatic or consular protection.

Department of External Affairs,  
Canada.

There are several questions raised also about the establishment of a diplomatic mission in the Dominican Republic:

Since then, it has been announced that the Canadian government and the government of Haiti have agreed to exchange diplomatic missions. It therefore seems appropriate to deal with both offices together.

In considering requests from other governments for the exchange of diplomatic missions, a number of factors should be taken into account. It has not been possible up to the present to accede to all such requests and this situation can be expected to continue. All decisions about the establishment of new missions are, of course, made by cabinet. Recommendations thereon by the department are on the basis of the comparative value to Canada of new offices taking into account such matters as the furtherance of trade, the protection of Canadian interests, the desirability of having an intergovernmental channel of communication and the development and strengthening of relations with different regions of the world.

Latin America is one of the important regions and its importance is increasing as its economy develops. It has been the policy of the government to extend diplomatic relations with other countries of this hemisphere as conditions warrant and it is intended to carry this policy a step further at some time during the current year. Our representation on the continent of South America appears to serve our present needs adequately and it was decided that a modest increase in our representation in the Caribbean would be desirable with the principal aim of strengthening the promotion of Canadian trade. It is the view of the Department of Trade and Commerce that the possession of diplomatic status facilitates the work of their officers abroad and that its absence can be a handicap particularly in countries where trade is affected by government controls. Experience has also shown that a diplomatic representative is likely to have more success in protecting Canadian interests abroad than a commercial officer who does not have diplomatic status. In a period when discriminatory treatment of foreign individuals and companies is not unknown it can be of importance to have at hand the means of making effective representations.

Trade with the Dominican Republic and Haiti amounted to over thirteen million dollars in 1953. Canadian exports to the Dominican Republic were close to four million dollars while exports to Haiti were about 2.6 million. Our main exports consist of flour, fish, newsprint, rubber tires and tubes. Imports are chiefly sugar, coffee and sisal. Trade has increased in recent years and it is hoped that this trend will continue. Both countries are in a dollar area and afford considerable opportunities for increased trade with Canada.

With regard to investments, the most important single interest in the Dominican Republic is the Ozama Sugar Company, a subsidiary of the British Columbia Sugar Refining Company Limited. The Royal Bank of Canada and the Bank of Nova Scotia each have a branch in the Dominican Republic. Four Canadian insurance companies operate there: the Confederation Life, the Crown Life, the Manufacturers' Life and the Sun Life of Canada, while in Haiti there are the Crown Life, the Manufacturers' Life and the Sun Life of Canada.

For a good many years the governments of the Dominican Republic and Haiti have from time to time requested the establishment of direct diplomatic relations, and Canadians living or doing business in those countries take the view that diplomatic representation would be desirable. In the case of Haiti the Canadian colony, numbering more than 300, is larger than the so-called "British colony" and would naturally prefer to deal with a Canadian diplomatic and consular office rather than with a United Kingdom office. This group is composed largely of missionaries and educators from the province of Quebec. It will be realized that this problem of taking advantage of the willingness of the United Kingdom to provide diplomatic and consular services for Canadian citizens is one factor in any decision to open new offices. Haitians have shown interest in our educational institutions and cultural activities and the posting of a Canadian officer should encourage this trend.

I should like to repeat what was said earlier about the scale of the proposed expansion. No new ambassadors are being appointed. Instead an existing ambassador in another country will be accredited and will make visits as required. In the Dominican Republic the officer appointed by the Department of Trade and Commerce will become the resident chargé d'affaires assisted by a junior officer from the Department of External Affairs, who will deal with consular and other business. In Haiti, there will be a single officer from the Department of External

Affairs as chargé d'affaires who will handle both diplomatic and consular business and assist the Department of Trade and Commerce as far as possible. What is contemplated is essentially a change in status and a small expansion in the office in the Dominican Republic together with the opening of an office on a minimum scale in Haiti.

The CHAIRMAN: Since that closes that particular statement and answer some questions, questions on this matter are in order at the moment. I think we might as well proceed with this now. The other answers have nothing to do with this.

*By Mr. Green:*

Q. What is the cost of these two posts?—A. Of the order, sir, of \$50,000 each per year.

Q. Because in the statement you gave us explaining the estimates of the department you set out that about \$540,000 of the increase was the result of a decision to open several new posts and are those two posts included in that figure?—A. Yes, they are included.

Q. That is \$100,000 of this \$540,000 is accounted for by the opening of these two posts?—A. Yes.

Q. Are you in a position yet to tell us where the other posts are going to be?—A. I regret, sir, I am not. Negotiations are not completed in this matter and I think it would be inappropriate to make any public statement.

Q. The department is still taking the position that they won't tell us until after the event?—A. Well, sir, I think that is a decision for the government.

The CHAIRMAN: Isn't it a point also, Mr. MacKay, that no government can announce the opening of diplomatic relations with another country until negotiations have been carried on with this other country and that the announcement is made by both places at the same time and that any information given earlier might not be good for these negotiations?

A. Yes, Mr. Chairman.

Mr. GREEN: That means that the committee can have no voice in the decision as to whether or not certain new posts ought to be opened.

The CHAIRMAN: Well, I think we are a committee of the legislative branch of the government and these decisions belong to the executive branch of the government.

*By Mr. Green:*

Q. There are to be no more posts opened in South America?—A. None under contemplation this year, Mr. Green.

Q. How many posts are there there now?—A. Nine altogether.

Q. Can you list the countries in which you have posts and those in which you do not have posts?

Mr. R. M. MACDONNELL (Assistant Under-Secretary of State for External Affairs): The countries, Mr. Chairman, in which we have posts are Brazil, Argentina, Chile, Mexico, Peru, Cuba, Venezuela, Uruguay and Colombia. It is proposed to add small offices in the Dominican Republic and Haiti. That means that on the continent of South America we have no offices in Paraguay, Ecuador and Bolivia, and none in Central America. That accounts for all the twenty Latin American republics, I think.

*By Mr. Green:*

Q. These posts of trade commissioner are being taken by a representative of External Affairs?—A. No, sir, actually in the Dominican Republic the trade commissioner will be the chargé d'affaires. Where he is the senior officer the External Affairs officer is normally chargé d'affaires.

Q. But in Haiti there is to be no trade commissioner whatever?—A. Well, his jurisdiction covers the area over which he is appointed as trade commissioner and includes Haiti, but he is not resident there; he is resident in the Dominican Republic. We want to open an office in Haiti and we propose to put in a single External Affairs officer.

Q. If this plan should be followed and embassies are put in such countries as Haiti and the Dominican Republic then there is hardly a country in the world that would qualify for Canadian trade commissioners?—A. Quite a few, sir. There is no present resident trade commissioner in some countries. For instance, there is none in Burma. We have no representative on the diplomatic or trade side in Burma.

Q. But I say any country in the world would qualify for a Canadian embassy if Haiti and the Dominican Republic could. Is that not the case in so far as the contacts with Canada are concerned and the sizes of the countries and so on?—A. True, they are not large countries, but there is a substantial and growing Canadian interest there.

Q. Is there any country in which we are setting up a new trade commissioner?

The CHAIRMAN: That would be under Trade and Commerce.

Mr. GREEN: They must know; they apparently take over each other's jobs. The Department of External Affairs must know if there are any countries in which Canada is starting a trade commission service.

The WITNESS: I am sorry, sir, I don't know whether Trade and Commerce is establishing any new posts or not.

The CHAIRMAN: This is a question that would come under Trade and Commerce and not under External Affairs.

Mr GREEN: It seems to me we are going to have nothing but embassies now, that we will no longer be having trade commissioners.

The WITNESS: There are some parts of the world, sir, where you can do business better if you have some form of diplomatic representation. I suggest there are other parts of the world where it might be quite satisfactory and probably better to have a trade commissioner.

*By Mr. Green:*

Q. And, of course, this means it is going to cost us \$50,000 for an embassy or probably a good deal more in some cases.—A. It varies, of course, a great deal, depending on the type of mission.

Q. Could you get an embassy for less than \$50,000 these days?—A. I doubt it.

*By Mr. Stick:*

Q. Mr. Chairman, respecting the Dominican Republic and Haiti, we are not contemplating an embassy there; it is a chargé d'affaires. There is a difference, isn't there?—A. The point is this, that the mission to Haiti will be an embassy; but the head of that mission will normally be absent. He will be resident elsewhere. He will visit as required and while he is away an officer from the department will be in charge of this office who will be resident there.

Mr. PINARD: This is done as well in Europe?

The WITNESS: Yes, in Ireland and Portugal, for instance. The arrangement in Ireland is that we have an ambassador who is also minister to Portugal. He visits Portugal occasionally. Normally the office in Portugal is under the direction of a chargé d'affaires who is the trade commissioner.



Mr. GREEN: Well, who is the ambassador to Haiti?

The CHAIRMAN: That is for departmental policy and the minister.

*By Mr. Green:*

Q. What about the ambassador to the Dominican Republic?—A. He will be the same.

Q. You don't know from which other country they will be going?—A. I am sorry, we cannot give you that because arrangements have not been completed.

*By Mr. Richard (Ottawa East):*

Q. Might I suggest that one of the countries which wants an ambassador here asks us in return to establish an embassy in their country.—A. Yes, I think that is a fair statement.

Q. They are the first ones to open negotiations?—A. Yes.

The CHAIRMAN: Isn't it a fact that Haiti has had a consul general in Ottawa for twelve years while we had none there?

The WITNESS: Since 1944.

*By Mr. Green:*

Q. If we recognize any representative here from a country does that obligate us to send someone to his country?—A. Normally an interchange of representatives is on a reciprocal basis and this is done by agreement between the two countries concerned. Now, in some cases countries have been represented for some time before we have been able to send someone to their country, and that, for instance, is the case with Israel at the present time; we have no representative in Israel whereas they have a minister here. It is hoped in the not too distant future there will be an interchange.

The CHAIRMAN: If I might be permitted to interject; without giving names, two years ago I was having an interview with the president of a foreign country and our trade commissioner, who was the highest official our country had in his country, asked me if I was seeing the president if I would ask him to get our trade commissioner at least diplomatic facilities and diplomatic immunity and the president said, "We have had somebody with consular rank in Ottawa for a number of years and you have not reciprocated yet, so I think your man here will be a trade commissioner for some years to come." Although he said it very nicely he intimated that we had not reciprocated their gesture and therefore he did not see why he should extend to a commissioner without diplomatic status diplomatic facilities. So that could be an answer to the question of the advisability of appointing an official with diplomatic status which gives them a chance to approach the government direct. The trade commissioner can approach the trade officials of the country but not the government itself. Canada is a developing country and it is quite normal that it should extend its diplomatic representation abroad.

Any further questions on this gentlemen? Then I think Dr. MacKay has another answer to bring forward.

The WITNESS: I have a fairly long answer here.

The CHAIRMAN: It is better that you read it into the record.

The WITNESS: There is apparently some misunderstanding concerning the term "letter of introduction" as used in the inquiry about fees charged for such letters by Canadian embassies.

2. Official letters of introduction in the usual sense are not normally provided by the Department of External Affairs or by our posts abroad to persons travelling in a private capacity and whose journey is not on public

service. In certain instances where persons are travelling abroad in an official capacity or on an appointment concerned with the public interest, it has, on occasion, been found necessary to send a letter to the post concerned in order that any help necessary for the success of the business can be provided.

3. Occasionally, letters of introduction may be given unofficially as a private and personal arrangement. These usually convey the suggestion that the traveller be afforded any courtesy and attention that may be necessary, and assistance provided, so far as circumstances permit. It is a practice of the department to discourage the issuance of letters of introduction since the facilities extended by posts are readily available to Canadians abroad when they identify themselves by the production of a Canadian passport. This document is the official basis of a claim by a Canadian traveller abroad for the facilities which the department is organized to extend.

This question, sir, arose in the House originally. I go on to refer to that.

4. When the question was first asked in the House concerning these letters of introduction, a telegram was sent to Canada House in order to clear up any doubt on the subject. The reply confirmed that the letters issued there were merely the official letters which are given to persons on their request in order that they can apply to foreign diplomatic or consular establishments for a visa, or an exit permit, or to obtain some service to facilitate a journey. In other countries letters of introduction are often required for presentation to police authorities for residence permits.

5. Since the issuance of such letters is a consular matter, an appropriate fee is charged which is listed in the consular fees approved by order in council. The fee for these letters is fifty cents. The fee, however, is waived for government officials or members of the armed services and their dependents whose journeys are in connection with the public service. Similar arrangements are in practice in the British Foreign Service, where a fee of four shillings is charged for letters of this description. The United States Foreign Service does not make a practice of issuing letters of introduction but, if the circumstances cause the issuance to be clearly necessary, they charge the applicant a fee based upon the number of lines in this letter.

Mr. PEARKES: I think our system is simpler than that. There is no thought of introducing the system into the House of Commons that we should be paid by the number of words that appear in *Hansard*?

The CHAIRMAN: There would be no end to the sessions.

The WITNESS: Another question was asked about degrees from universities abroad held by heads of posts and senior officials in the department.

Of forty heads of posts abroad, we find that ten have degrees from universities in the United Kingdom while six have degrees from universities in the United States and seven from France. Of those officers currently serving in Ottawa as heads of divisions and in the Under Secretary's office, totalling twenty-four, eleven have degrees from the United Kingdom, five from the United States and one from France.

Mr. STICK: Are they honorary?

The WITNESS: No, earned.

Mr. CRESTOHL: Are these degrees completely apart from the degrees which they have obtained in Canada, because you have not mentioned any as having degrees in Canada.

The WITNESS: Well, you can only get into the service by having a degree and normally they are Canadian degrees. That does not apply to heads of posts appointed from outside the service.

The CHAIRMAN: Do you mean to say that everybody in the whole of the service has a degree of some sort from a university?

The WITNESS: All the officers, sir, not the administrative staff.

Mr. CRESTOHL: That is one of their qualifications for being accepted into the service?

The WITNESS: It is the first hurdle.

Mr. CRESTOHL: Might I ask one more question on that point? For qualification to enter into the service you said one must have a degree. Must it be a degree from a Canadian university—say a B.A. or B.Sc.—must it be a degree from a Canadian university?

The WITNESS: No, sir; this is from the announcement issued for the competition last autumn.

Candidates must have graduated from a university of recognized standing and should preferably have specialized in history, economics, political science, philosophy, law or geography.

Then, there were questions asked about the competition for foreign service officer posts. I have a number of copies here of articles from the External Affairs bulletin for 1953. The first of these is entitled the Foreign Service Officer Competition, and the second is entitled The Canadian Foreign Service. These articles were designed to make available to possible candidates, to the universities and to others interested an account of the work of the department and the method of entry. They may be of interest to members of the committee.

I also have examination papers for 1952 and 1953 and notices issued by the Civil Service Commission announcing competitions in those years. Unfortunately, our supply is nearly exhausted and we do not have enough for distribution. In most cases, we have been able to assemble two sets of the examination papers.

The CHAIRMAN: Does any member feel that these might be printed as an appendix for anyone who might follow our debate on the question of international affairs as an idea of what the department expects from its officials.

Mr. HENRY: I asked for this material originally, and I had several young men of university calibre consult me about the department and I think it would be of interest to have that information. Also I think that the questions on the examinations are of interest, if Dr. MacKay is willing to see them printed.

The CHAIRMAN: There is no objection to that. They were distributed, but they are out of print now. That could be printed, if somebody so moves, as an appendix to today's meeting to give information for those who might be interested.

Mr. HENRY: I so move.

Seconded by Mr. Stick.

(See appendices H, I, J, and K.)

The WITNESS: There are two other questions. One was about the distinction between embassies and legations, and there was some misunderstanding, I think, about the estimates for heads of post. Perhaps Mr. Macdonnell and Mr. Hemsley might clear that up.

Mr. MACDONNELL: Mr. Chairman, on the first point it was asked at a previous meeting whether, when we open a diplomatic mission, we normally begin with a legation and might later change its status to that of an embassy. That was the practice at one stage. In opening our offices in Latin America—the earlier ones—we began with legations in Brazil, Argentina and Chile. But, about that time a trend developed in Latin America to do away with legations and the practice has become fairly general in Latin America, and throughout the western hemisphere, that only embassies are exchanged. The

diplomatic offices we have opened in recent years in that region have started out as embassies. In other parts of the world there may be a preference for legations and we naturally do our best to meet the wishes of the countries concerned.

The CHAIRMAN: Is it not a habit usually for the countries surrounding, a country or the neighbours of a country, to raise the status of their diplomatic representation to that of ambassador? For instance, in India besides the High Commissioner from the different parts of the Commonwealth, the surrounding countries have ambassadors. Afghanistan has an ambassador. The same applies through the Scandinavian countries. Some of the countries situated very far away may have only legations while the neighbouring countries, all have embassies. I have noticed that while America had only a legation the three surrounding countries had embassies.

Mr. GREEN: Take Sweden. I understand that Canada has only a legation there. Sweden has only a legation here.

Mr. MACDONNELL: Yes, and the other Scandinavians have preferences for legations rather than embassies; as far as usefulness or expense goes, there is no difference between the two, and the distinction is one that is dropping away.

Mr. GREEN: Just what is the distinction?

Mr. MACDONNELL: It was originally a distinction between the status of an ambassador and that of a minister. An ambassador was supposed to have certain rights of direct access to the sovereign of the country to which he was accredited. But those distinctions have to a large extent disappeared.

Mr. GREEN: These legations in Canada from Sweden and from Norway I suppose cost those governments a good deal less than if they had actual embassies?

Mr. MACDONNELL: I do not think so. Certainly in our own operations there is no difference in cost between an embassy and a legation.

Mr. PINARD: It is more or less a question of protocol.

Mr. MACDONNELL: Yes.

The CHAIRMAN: It is a matter of precedence and protocol more than anything else?

Mr. MACDONNELL: Yes.

The CHAIRMAN: Have you any other answers?

Mr. MACDONNELL: There was one small point: one of the members of the committee drew attention to the fact that in our estimates for the previous fiscal year we had provided salaries for 20 heads of posts, and had only provided for 19 this year, and we undertook to examine the reasons for that. In the previous year we had provided a salary for a separate head of post in Portugal, the thought being that there might be a head of post appointed by the government during the year. That did not come about, and in this year's estimates we have just not made provision for that salary.

The CHAIRMAN: Are there no other answers?

Mr. MACDONNELL: That is all.

The CHAIRMAN: Then, gentlemen, I think that might conclude the business for this afternoon unless there are other questions.

We were, as you know, on item 84 which is still the first one. We have approved three up to now, 99, 100, and 101, the International Joint Com-

mission and the Colombo Plan. Now, we are left with all the departmental estimates and at the next meeting I would like to call for conclusion of the consideration of item 84, and then proceed with the departmental estimates in an orderly manner.

Since it is agreeable to members not to sit tomorrow because of the number of committee meetings, our next meeting will be on Thursday morning at 11 o'clock, and the following one will be on Friday morning at 11 o'clock.

The committee stands adjourned until Thursday morning at 11 o'clock in this same room.

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## **APPENDIX G**





INTERNATIONAL ECONOMIC AND TECHNICAL CO-OPERATION  
DIVISION

DEPARTMENT OF TRADE AND COMMERCE

OTTAWA, CANADA

*"Colombo Plan Administration in Canada"*

Room 456, No. 4 Temporary Building

Telephone 9-8495

MAY 20, 1954.

Mr. A. Plouffe,  
Assistant Chief,  
Committees and Private Legislation Branch,  
House of Commons,  
Ottawa.

My dear Mr. Plouffe:

I attach the document which I promised to send you and it would be the concluding appendix to my evidence before the External Affairs Committee of the House. My intention here has been to pull together into one statement the whole Colombo Plan operation since its inception and I feel that it would be an extremely valuable document to have in the record.

Yours sincerely,

NIK CAVELL,  
*Administrator.*INTERNATIONAL ECONOMIC AND TECHNICAL  
CO-OPERATION DIVISION

DEPARTMENT OF TRADE AND COMMERCE

*"Colombo Plan Administration in Canada"*

## COLOMBO PLAN CAPITAL AID TO INDIA, PAKISTAN AND CEYLON

Statement showing position as at May 14, 1954

(excluding Technical Assistance Aid, Student Training,  
cost of Experts, etc.)

## DISPOSITION OF FUNDS TO DATE—INDIA

1951-52—Total Allocation for India \$15 million

1. *Wheat*—Allotted \$10,000,000—It was recognized that the Colombo Plan was not a relief plan and this wheat project was only undertaken at the urgent request of our Indian Commonwealth partner because of severe famine conditions. To put this project back in accordance with Colombo Plan objectives, it was agreed that India would set up a counterpart fund in rupees and that those rupees would be used to further some worthwhile permanent project. The Mayurakshi Project in West Bengal was chosen. It is an irrigation and electrical generation dam, and it is hoped to grow about 400,000 tons of food by irrigation from the dam which will be a major contribution to the annual Indian food shortage. The project will also control a particularly unruly river which has caused some damage to peasant villages in the past.

2. *Bombay State Transport*—Allotted \$4,500,000—The object of this project was to provide much needed transportation to Bombay State which had created a Bombay State Transport Commission but had no capital to finance it. The Central Government at Delhi requested this aid both as an assistance to the peasants and poor cultivators in Bombay State to enable them to reach their markets as a measure for facilitating food distribution in the province, and for assistance in clearing wheat and other food commodities from the port of Bombay. Transport of all kinds is in extremely short supply in India and is a contributing factor to famine conditions because it is as important to be able to move food as it is to have it to move.

3. *Mayurakshi*—Allotted \$500,000—This was a first contribution to Canada's undertaking to supply the electrical generating equipment to the Mayurakshi project (see under "Wheat" above). This generating equipment is required for electricity for cottage industries, the objective being to supply employment to the cultivators during the relatively long periods when they cannot work their land. The Government of West Bengal has a well integrated scheme of cottage industry development which needs this power.

1952-53—Total Allocation for India \$13.8 million

1. *Wheat*—Allotted \$5,000,000—This contribution was made for exactly the same reasons as stated under Wheat above, 1951-52, and the counterpart funds generated were also devoted to the Mayurakshi project which will become almost 100 per cent a Canadian gift.

2. *Locomotive Boilers*—Allotted \$2,080,000—Fifty boilers are being provided. They were urgently required to help out the Government of India's engine building program which was bogged down because boiler plate, etc., could not be obtained. These boilers will help remove a bottleneck which had developed in the government locomotive works at Calcutta. Delivery on these boilers commenced in February, 1954.

1953-54

1. *Steam Locomotives*—Allotted \$11,000,000—The Government of India is undertaking a very necessary rehabilitation of its railway system which is fundamental to the economy of the whole country. The railways were run almost to a standstill during the last war. To assist with this rehabilitation, they asked us for 120 W.P. type Steam Locomotives. Together with spare boilers, inspection services, etc., they will cost \$21,315,062 in total. \$11,000,000 of this cost will be met from our 1953-54 funds and \$10,315,062 from our appropriation for 1954-55.

2. *Commodities*—Allotted \$5,000,000—We must bear in mind that with every project to which aid is given, whether under the Colombo Plan or by the United States or the United Nations, rupee capital has to be put up by the countries in the area. India particularly has become very short of such rupee capital, and has requested our aid in building it up for specific projects. She has therefore requested that we supply her with commodities from Canada which she can sell to her own manufacturers and thus generate rupee counterpart funds. The commodities chosen were copper and aluminum and a special purchasing scheme has been worked out under which the regular trade channels will not be disrupted.

3. *Umtru*—Allotted \$1,200,000—Since Tibet fell into the hands of the Chinese, and even before that, India was considerably concerned about the welfare of the hill tribesmen and other inhabitants of Assam where the standard of living is extremely low. It was agreed that the first requisite was power for the development of a fruit canning and preserve making industry and for other similar small industries, mostly to absorb the agricultural products of the State, also for irrigation pumping. The project has been examined and

pronounced sound by a consulting engineer from the Montreal Engineering Company Limited. The Canadian contribution will be \$1,200,000, to be spent on electrical generating equipment, control gates, etc., etc., which, together with the counterpart funds allotted to this project, will make an overall total of roughly \$3,300,000.

1954-55

1. *Steam Locomotives*—Allotted \$10,000,000—see No. 1 under 1953-54 above. Balance of 1954-55 programme still under negotiation.

#### DISPOSITION OF FUNDS TO DATE—PAKISTAN

1951-52—Total Allocation for Pakistan \$10 million

1. *Cement Plant*—Allotted \$5,000,000.—The object of this project is to provide cement for the Thal refugee settlement area in the North West Punjab where Pakistan hopes to settle some of its refugees resulting from the partition of India and Pakistan, of which there are 7,000,000 in all. Water will be carried in from the Indus in cement ducts, housing will have to be provided on a large scale, villages and bazaars built, etc., etc. The distance of the Thal from Karachi and the difficulties of transport are so great that the movement of large quantities of cement to the area would be extremely costly. Fortunately, cement making materials were found in abundance, likewise coal, and the most practical solution came to be the building of a cement plant in the area itself, to which Canada agreed to contribute the cement making machinery and Pakistan to build the building to house it. Much of our equipment has already arrived and more is on the way.

2. *Railway Ties*—Allotted \$2,800,000.—The International Bank for Reconstruction and Development made Pakistan a loan for the urgently needed rehabilitation of her railways. Pakistan is dieselizing her railway system and the loan was not big enough to pay for the large number of wooden railway ties needed for the rebuilding of many miles of track to take the larger diesels. Canada agreed to step in and supply this deficiency as a fundamental contribution to the economy of the country. The ties were obtained on the West Coast.

3. *Aerial Resources Survey*—Allotted \$2,000,000.—West Pakistan has never been properly surveyed, and seeing that the country must develop an industrial balance to its present agricultural economy, it is vital that a proper resources survey be made. Canada agreed to do this through the medium of a well established Canadian company, and the flying has now been finished, geologists are working on the most likely areas discovered by the survey, and the Government of Pakistan considers this a most valuable project looking to the future of the development of their country.

4. *Thal Farm*—Allotted \$200,000.—The development of this farm is a joint effort between Australia, New Zealand and Canada. It has proved to be an extremely difficult project owing to the great number of people involved and the complicated channels of communication. Its objective is to provide refugee settlers (see "Cement Plant" No. 1 above) with draft, milk and other animals when they arrive, to carry on agricultural experiments and provide the best type of seed for the area, and in general to have a research station for the benefit of these refugees. Canada's contribution has been agricultural machinery, some experts via the Technical Assistance scheme, wire and such like material.

## 1952-53—Total allocation for Pakistan \$9.2 million

1. *Wheat*—Allotted \$5,000,000.—Pakistan experienced a famine and asked us for aid. We made the same arrangement as with India and gave wheat to the amount stated, but stipulated that counterpart funds in rupees must be set up to be devoted to some worthwhile project. Canada also made a contribution of five million dollars worth of wheat outside of and in addition to Colombo Plan aid.

2. *Warsak*—Allotted \$3,400,000.—Warsak is an irrigation and electrical generation project 19 miles from Peshawar on the North West Frontier of Pakistan and in the North West Frontier Province. The endeavour to turn the unruly tribes of this Frontier into law abiding and self-sustaining citizens was a British problem for several hundred years. The Pakistan Government, owing to the cement of the Moslem faith, has been extremely successful in this endeavour. Relatively speaking, the Frontier is now quiet and law abiding. Schools in considerable numbers are being established and it is now necessary to supply irrigation where it can be used, which in this hill area means a considerable amount of pumping, and to provide power for small industries which will use the very great hand skills of the tribesmen. Canada will contribute the design, which is being undertaken by one of Canada's most prominent consulting engineering firms, and will also supervise the work of the construction of the dam which will be carried out at the expense of Pakistan. Canada will also supply, on a gift basis, the electrical generating equipment, control gates, etc.

3. *Cement Plant*—Allotted \$500,000.—This \$500,000 was needed as an addition to the amount provided for the original contract. (See No. 1 under 1951-52 above).

4. *Beaver Aircraft*—Allotted \$178,000.—Three Beaver Aircraft were supplied to Pakistan to meet a demand for locust and general pest control. With the "Grow More Food" campaign, which has been a feature of the Pakistan economy for some time now, it becomes necessary to control the destruction of locusts and other pests as part of the programme, and a pest control service is being set up by the Pakistan Government to which this gift from Canada will contribute.

5. *Engineering Services*—Allotted \$30,000.—This item was required to cover the costs of consulting engineers who went to Pakistan to inspect and pass judgment on the soundness or otherwise of various projects with which we were asked to assist. It included Warsak and others.

## 1953-54

1. *Aerial Agricultural Survey*—\$1,000,000.—Very unexpectedly, Pakistan was hit by famine which showed up the need for a review of her available agricultural land from a "land use" point of view, and the production of a "land use" map leading to the development of other data of vital importance to the more effective development of her agricultural resources. Seeing that the machines which did the resources survey (see No. 3 under 1951-52 above) were still there, the Government of Pakistan requested that we continue the work from all agricultural point of view, which we agreed to do. This extra survey means that we shall have photographed practically the whole of West Pakistan as the following figures show:

	Sq. Miles	Sq. Miles
Area of West Pakistan .....		306,943
Resources Survey .....	163,000	
Agricultural Survey .....	139,500	
Balance of land not surveyed being mountains, cities, etc. ....	4,443	
	<hr/>	<hr/>
Sq. Miles .....	306,943	306,943

2. *Warsak*—Allotted \$3,500,000—See note under No. 2 in 1952-53 above. This was an additional sum of money required for the same project and for the same purposes.

3. *Ganges-Kobadak—Canal Falls—Dacca-Chittagong*—Allotted \$5,000,000

*Ganges-Kobadak, Project*—Situated in East Pakistan, this project is intended to restore to fertility roughly one million acres of land put out of production by the change in course of the Ganges. This change of course dried up the rivers Mathabhanga, Kumar, Nabaganga, Bhairab, Chitra, and Kobadak, by pumping into their dry beds from a point where the Ganges flows nearest to them, they would in effect become irrigation canals and the large Brahmaputra-Ganges Delta would become fertile again. This would have the effect, not only of supplying a present shortage of rice, but would put East Pakistan into an exportable surplus position. Canada's contribution to the scheme would be a steam thermal plant for the generation of the power to drive the large pumps which would be necessary. This contribution has the advantage that even should the overall scheme fail (which is most unlikely) the power from the Canadian plant would be available for other purposes. Power is urgently needed in the area.

*Canal Falls Project*—There is a most unfortunate situation in the Punjab north of Lahore, where a large area has gone out of cultivation due to a rise in the water table, mostly from irrigation canal seepage, which in turn has brought about a condition of soil salinity which inhibits cultivation. The F.A.O., which is a special agency of the United Nations, has worked out a remedy which is to wash the soil out by continuous pumping until the soil is normal and then to regulate irrigation by continual pump control. Canada is asked to assist by supplying one or more power stations to be located on canals and driven by canal flow. Our exact contribution in terms of equipment is now in process of being developed. A consulting engineer from Canada has examined the project.

*Dacca-Chittagong Electric Distributory Link*—There are now many very small power units in East Pakistan which are wasteful in that they power small machines or factories but could produce extra power if there were any means of distributing it on a wider scale. Larger units of power production are being introduced and Karnafuli is still considered a likely major source of supply. The need for a proper distribution system is vital and we have been asked to help bring one into being. A consulting engineer from Canada has examined the scheme and has reported favourably upon it as a major contribution to the economy of East Pakistan.

1954-55

*Ganges-Kobadak—Canal Falls—Dacca-Chittagong*—Allotted \$5,800,000

*Warsak*—Allotted \$2,000,000

The 1954-55 programme is still in process of negotiation, but the sums shown above will be required as additional monies to carry out our programmes as shown under 1953-54.

#### DISPOSITION OF FUNDS TO DATE—CEYLON

1952-53—Total Allocation for Ceylon \$2 million

##### 1. *Fishing Project*—

Trawler and Fishing Boats .....	\$ 402,000
Design Refrigeration Plant .....	40,000
Refrigeration Plant .....	725,000
By-Products Plant .....	58,000

Ceylon was not aided from Canada until the year 1952-53. In that year it was decided to assist the Ceylon Government to provide more protein in the food of its people as suggested by the experts at the World Health Organization. It was thought that the best way to do this would be by putting more fish into the diet, but fishing in Ceylon has always been a somewhat precarious business and Canada was asked, seeing that she is herself a fishing country, to provide a fishing experimental project. Two experimental boats were built on the West Coast and manned by a Canadian crew, a fishing biologist was sent out and a fishing expert put in charge of the whole project. A considerable amount of research work has been done by the two Canadian experimental boats in mapping the habits of fish shoals, fish feeding grounds, etc., etc., and in showing the local fishermen how to use more efficient fishing gear. In addition to the two experimental boats, a trawler was purchased which has caught a considerable amount of fish most of which has been wasted owing to the lack of refrigeration. It was decided to complete the project by providing a relatively small refrigeration plant and also a reduction plant for turning fish offal into cattle meal and fertilizer and also for the extraction of cod liver oil, etc. This refrigeration project, having been worked out in detail by refrigeration experts, is now well under way. The Ceylon Government has agreed to build and supply on an appropriate site a proper fishing harbour, of which the refrigeration plant will be a part, and it is hoped that this up to date fishing project will point the way eventually to a substantial method of increasing the protein value of the Ceylonese diet.

2. Gal Oya Plant Settlement Project . . . .	\$760,000
Engineering Investigation of same . . . .	14,572

One of the very grave problems of the Ceylon Government is to bring about a more equitable population distribution. The areas immediately north and south of the capital, Colombo, are amongst the most congested in the world, whereas in the centre and on the opposite end of the island there is a considerable amount of uncultivated land. In the congested areas there is a very great amount of poverty which has given rise to considerable Communist agitation. The Government is now opening up projects in the sparsely populated areas of the country, and the Gal Oya project is the largest of these where it is hoped to settle eventually a considerable number of immigrants from the west coast. But irrigation, power development, distribution, etc., all have to be undertaken. The Government of Ceylon has built, on money borrowed from the International Bank, a power station, but has no funds for power distribution. Canada has agreed to build a power distribution line for the Gal Oya area.

1953-54—Total Allocation for Ceylon \$2 million

1. By-Products Plant—\$42,000.
2. Fishing Equipment—\$140,000.
3. Flour to be converted into rupee counterpart funds for Rural Roads—\$450,000.
4. Flour to be converted into rupees for Polytechnic Institute building—\$200,000.
5. Equipment from Canada for Polytechnic Institute—\$300,000.
6. Two Diesel Locomotives, spares and tools—\$425,000.
7. Irrigation Pumping Sets—\$185,000.
8. Agricultural Workshop Equipment—\$225,000.
9. Pest Control Equipment—\$28,000.

1954-55

The 1954-55 aid programme to Ceylon is now under negotiation and is likely to be finalized shortly somewhere in the neighbourhood of \$2,000,000.

## APPENDIX H





## FOREIGN SERVICE OFFICERS

GRADE 1 (1952)

## DEPARTMENT OF EXTERNAL AFFAIRS

(There is a possibility that the Foreign Trade Service of the Department of Trade and Commerce may have two positions to be filled from this competition.)

SALARY: \$3,280-\$4,180 PER ANNUM

## DUTIES

Upon appointment, Foreign Service Officers will undergo training in the work and office procedures of the Department of External Affairs. They will, in the course of their duties, have to prepare correspondence and reports, and other official documents, and assume certain administrative responsibilities. They will perform political, economic and consular work and duties associated with the dissemination abroad of information about Canada. After a period of duty in Ottawa they will be available, as required, for service at home, abroad and at international conferences.

## QUALIFICATIONS

*Academic*

Candidates must have graduated from a university of recognized standing and should preferably have specialized in history, economics, political science, philosophy, law or geography.

Addition credits will be given for:

- (a) post-graduate studies in one of these fields,
- (b) business or professional experience,
- (c) command of a modern language other than English or French.

Persons completing their final year of university in the Spring of 1953 may become candidates, but vacancies will not be open to them until after their graduation.

*Personal*

Candidates must be able to write and speak clearly and effectively, to analyse material of all sorts, and to prepare from it precis and memoranda. They must be personally suitable and be able to exercise independent judgment, to assume increasing responsibility, and to work effectively with others. They must also be in satisfactory physical condition.

*Residence*

It is a requirement of the Department of External Affairs that candidates must have resided in Canada for at least ten years and if not now resident in Canada, must have retained their contact with Canada. Service in the Canadian armed forces outside of Canada will be considered as residence in Canada.

*Age*

The Civil Service Commission, at the request of the Department, will accept as candidates for Foreign Service Officer, Grade 1, only persons who are between the ages of 23 and 31, as of June 1, 1953. This rule may be relaxed in a case where the candidate possesses outstanding qualifications, and his age is close to that required.

The Civil Service Commission and the Department of External Affairs hope to secure, as a result of this competition, the services of suitable qualified persons with a knowledge of both the French and English languages.

## NATURE OF EXAMINATION

The competition has three stages:

(a) Written Examination

A written examination consisting of two three-hour papers. The first of these is an essay paper primarily designed to test the candidate's intellectual qualities and his ability to express himself effectively in writing. The second paper is designed to test the candidate's general knowledge with emphasis on Canadian and international affairs. It is also designed to test a candidate's ability to comprehend the meaning of the written material.

These examinations will be held on November 15, 1952. Please read carefully the instructions set out below on How to Apply.

(b) Oral Examination

Those successful in the written examination will be called to an Oral Board where an assessment of general suitability will be made.

(c) Selection

Those successful in the written and oral portions of the examination will be assigned a rating on the value of their academic training and experience. The names of candidates successful in the competition will be placed on a Civil Service Commission Eligible List from which appointments to the Department of External Affairs will be made.

## SALARY

The salary on appointment is \$3,280 per annum. After a probationary period of not less than six months but normally of at least one year, the salary will be increased to \$3,580 per annum. Additional increases of \$200 per annum may be granted for meritorious service and increased usefulness until a maximum of \$4,180 has been reached. Appropriate allowances are paid to those who are posted abroad.

Temporary appointments only, at the initial salary, are authorized in the first instance. Those successful in the examination will, however, be qualified for permanent appointment.

## HOW TO APPLY

Fill in the regular Civil Service Application form (CSC 69), quoting competition No. 52-650. These forms are obtainable from Post Office in the larger towns and cities, offices of the National Employment Service, District Offices of the Civil Service, Civil Service Employment Offices at the various universities, at Canadian posts abroad, and at the office of the District Administrator, U.K., Department of Veterans Affairs, 13-17 Pall Mall East, London, S.W. 1, England. A poster entitled "Information Essential to Applicants" is also displayed at these places.

Attach to your application form a transcript of your university marks signed by the university authorities.

Attach a separate sheet giving the names of five persons to whom the Commission may refer for opinions of your ability and character. (Three of these should be persons under whom you have studied at university.)

If you are in doubt as to whether you meet the qualifications, you must submit your application with the supporting data to the Secretary of the Civil Service Commission, Ottawa, or to the District Administrator, U.K., Department of Veterans Affairs, 13-17 Pall Mall East, London, S.W. 1, England, before October 25, 1952. They will inform you whether or not you are eligible to write.

Bring your application, with supporting documents, to one of the centres listed below at 8.30 a.m. on Saturday, November 15, 1952. You will take the written examination at that time. Your application need not be submitted before November 15, unless the instruction in paragraph No. 4 applies to you.

If you find it impossible to sit for the examination at one of the pre-arranged centres, submit your application immediately to the Secretary of the Civil Service Commission, Ottawa. If you wish to write in Europe at a centre not named, submit your application immediately to the District Administrator, Department of Veterans' Affairs, 13-17 Pall Mall, London, S.W. 1, England. In either case send a letter with your application stating where you wish to write. This letter should be received not later than October 25.

If you do not meet the qualifications outlined above, your paper will not be marked. Therefore, if you are in doubt, submit your application immediately to the Commission or to the District Administrator for the Department of Veterans Affairs in London. Your letter should be received before October 25.

No application need be submitted until 8.30 a.m., November 15, 1952, at the Examination Hall.

#### LIST OF CENTRES AT WHICH EXAMINATIONS WILL BE HELD AUTOMATICALLY

##### PRAIRIE PROVINCES AND BRITISH COLUMBIA

Room 401, Civil Service Commission, New Federal Building, VICTORIA, B.C.

University Placement Bureau, Hut M7, University of British Columbia, VANCOUVER, B.C.

Room 414, Civil Service Commission, Dominion Public Building, CALGARY, Alta.

Senate Chambers, University of Alberta, EDMONTON, Alta.

Registrar's Office, Administration Building, University of Saskatchewan, SASKATOON, Sask.

Civil Service Commission, 615 McCallum Hill Building, REGINA, Sask.

Room 209 United College, Portage Avenue, WINNIPEG, Man.

##### ONTARIO AND QUEBEC

Room 401, Memorial Science Building, Assumption College, Patricia Road, WINDSOR, Ontario.

Room 205, University College, University of Western Ontario, LONDON, Ontario.

Room 101, University Hall, McMaster University, HAMILTON, Ontario.

Ontario College of Education, 371 Bloor Street West, TORONTO, Ontario.

Museum, Old Arts Building, Queen's University, KINGSTON, Ontario.

Room 103 and 104, Glebe Collegiate Institute, (*Candidates writing in English*), Carling Ave., OTTAWA, Ontario.

Report to: Mr. Maurice Chagnon, University of Ottawa (*Candidates writing in French*), Nursing School, 30 Stewart Street, OTTAWA, Ontario.

Faculty of Medicine Building, McGill University (*Candidates writing in English*), MONTREAL, P.Q.

Ecole des Hautes Etudes, Commerciales, (*Candidates writing in French*), 535 Viger St., MONTREAL, P.Q.

Laval University, 3 University St., QUEBEC, P.Q.

##### NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND

Main Hall, Arts Building, University of New Brunswick, FREDERICTON, N.B.

Room 8, Centennial Hall, Mount Allison University, SACKVILLE, N.B.  
Civil Service Commission, Post Office Building, Canterbury St., SAINT  
JOHN, N.B.

Main Lecture Room, Carnegie Science Building, Acadia University,  
WOLFVILLE, N.S.

Science Building, East Entrance, Dalhousie University, HALIFAX, N.S.

Board Room, Civil Service Commission, 123 Water St., ST. JOHN'S,  
Newfoundland.

## OUTSIDE CANADA

Canada House, Trafalgar Square, S.W. 1, LONDON, England.

The Canadian Embassy, 72 Avenue Foch, PARIS 16e, France.

The Permanent Delegation of Canada to the European Office of the United  
Nations, La Pelouse, Palais des Nations, GENEVA, Switzerland.

The Canadian Legation, Strandvagen 7-c, STOCKHOLM, Sweden.

The Canadian Consulate, 620 Fifth Avenue, NEW YORK, U.S.A.

The Canadian Consulate, Daily News Bldg., Chicago, Ill., U.S.A.

The Canadian Consulate, 532 Little Bldg., BOSTON, Mass., U.S.A.

## APPENDIX I



THE CANADIAN FOREIGN SERVICE  
(Reprinted from *External Affairs*, August, 1953)

THE WORK OF THE DEPARTMENT OF EXTERNAL AFFAIRS

Since the end of the Second World War the scope and variety of Canada's international interests have very greatly increased. The heavy new responsibilities assumed in this field by the Canadian people and its Government are the business of the Department of External Affairs and several other government departments. In addition to Canada's diplomatic representatives, the Departments of Trade and Commerce, National Defence, Defence Production, Agriculture, Citizenship and Immigration, National Health and Welfare, and Labour have representatives abroad for their special purposes. They usually work in conjunction with the diplomatic or consular staff in those countries where External Affairs posts are located, and they frequently serve on the strength of a diplomatic mission and share the same offices. However, the Secretary of State for External Affairs is the Cabinet minister directly responsible for the "conduct of all official communications between the Government of Canada and the government of any other country in connection with the external affairs of Canada", and it is, therefore, the responsibility of the Department of External Affairs to co-ordinate all the interests of the Canadian Government abroad.

*Functions of the Department*

Under the supervision of the Secretary of State for External Affairs, the Department, with a staff of more than 1,000 in Ottawa and abroad, maintains official communication between the Canadian Government and foreign governments and carries out the policies of the Canadian Government in relation to these other countries. International agreements, the negotiations for which are often long and arduous, must be concluded with respect to a large variety of subjects. These range from major questions such as treaties of peace or the establishment of the North Atlantic Alliance to minor arrangements such as travel privileges for troops on leave while on foreign posting. External Affairs officers abroad also have the duty of keeping other governments informed of Canadian interests and opinions on a wide range of subjects. For example, when legislation or other action which might affect Canadians is being contemplated, they ensure that the government concerned is fully aware of the implications of such action as it relates to Canada.

Another of the more important functions of the Department might be called, simply, reporting. This involves the collection and interpretation of information about the activities of other governments, particularly as they affect Canada. This information is gathered by External Affairs posts and is analysed and condensed in Ottawa where it is submitted through the Minister to Cabinet and to other government departments and agencies. On the basis of this knowledge the Government makes its decision on external policy and on those aspects of domestic policy which are dependent on conditions abroad.

*Policy of Co-operation*

In the dissemination of information about Canada, including its history, its economy and its way of life, the Department of External Affairs co-operates with the National Film Board, the Canadian Broadcasting Corporation, the Department of Trade and Commerce, the Department of Citizenship and Immigration and various other departments having interests abroad. Close liaison is also maintained with business firms and voluntary organizations with connections in other countries. All posts provide, to the extent that their time and resources permit, the necessary information services to meet what is a genuine interest in Canada and in Canadian life. The object of these activities is to

encourage interest and to develop understanding of Canadian affairs and to project, by whatever means are available, a balanced and factual portrayal of Canadian life.

A final large element in the activities of the Department in Canada and abroad is the performance of consular work. Every diplomatic post has officers who hold consular and diplomatic status concurrently. Their job is to render assistance to the many thousands of Canadians abroad, from the provision of passports to the evacuation of Canadians from their territory in time of trouble. They must be ready at all times to assist or succour the missionary, the destitute traveller, the soldier on leave and the merchant seaman. The consular function is, to put it briefly, the protection of the individual Canadians abroad.

The increase in recent years in the number of international organizations in which Canada participates has been so great that in 1952 the country was represented at nearly 150 conferences and meetings. The most notable of these, of course, was the United Nations General Assembly, to which Canada has, on occasion, found it necessary to send delegations containing as many as 50 persons. Other international bodies of various types in which Canada participates include the World Health Organization, the International Labour Organization, the Food and Agriculture Organization, UNESCO and the North Atlantic Council. Since other Departments are concerned with the activities of many of these bodies they are appropriately represented on the Canadian delegations to their meetings.

#### THE ORGANIZATION OF THE DEPARTMENT OF EXTERNAL AFFAIRS

The head of the Department of External Affairs is the Secretary of State for External Affairs. The senior permanent officer of the Department is the Under-Secretary (Deputy Minister), who is the chief adviser to the Secretary of State for External Affairs. He is assisted by a Deputy Under-Secretary and by three Assistant Under-Secretaries and is advised by officers in charge of the various divisions, each responsible for a part of the work of the Department. The divisional heads are assisted by Foreign Service Officers, Administrative Officers and by the administrative staff of clerks, stenographers and typists. While serving abroad, Foreign Service Officers are formally designated as Ambassadors, Ministers, Counsellors, First, Second and Third Secretaries at diplomatic posts and as Consuls General, Consuls and Vice-Consuls at consular posts.

#### *Organization at Ottawa*

The work of the Department in Ottawa is performed by 17 divisions which can be grouped, according to their functions, into three categories—political, functional and administrative. There are five political divisions—American, Commonwealth, European, Far Eastern and United Nations; eight functional divisions—Consular, Defence Liaison (1) and (2), Economic, Information, Legal, Historical Research and Reports, and Protocol, and four administrative divisions—Establishments and Organization, Finance, Personnel, Supplies and Properties.

#### *Political Divisions*

Four of the five political divisions, as their names suggest, are organized mainly on the basis of geographic area. From reports sent in from posts in each area and from information gathered from many other sources—government reports, newspapers, radio, conditions of international trade, representatives of other countries in Canada, other departments of government, and, of course, other divisions in the Department—the political divisions are constantly studying developments throughout the world. Through this continual analysis they are able to keep the Minister and, through him, the Cabinet, informed of



all important developments abroad. They advise him concerning decisions on foreign policy and assist him in taking whatever action the Government considers necessary to meet changing conditions in the international field.

Although the United Nations Division is not, in a sense, a "geographic political" division, its responsibilities, which are similar to those of the other political divisions, are concerned mainly with the work of the United Nations and its Specialized Agencies. It analyses United Nations developments, and, through the Under-Secretary, advises the Minister on policies which should be adopted at the General Assembly and elsewhere.

#### *Functional Divisions*

The Consular Division is responsible for all consular matters, which include the issuance and control of Canadian passports and other travel permits and the granting and rejection of visas for entry into Canada. In addition, its functions take in problems such as deportation, relief of distressed Canadians abroad, travel control, merchant seamen, repatriation of Canadians, and war graves administration. It works in close co-operation with the Departments of Citizenship and Immigration, Transport, National Health and Welfare, and Labour.

The Protocol Division deals with all matters of diplomatic protocol, precedence, privileges and immunity. It arranges for the accrediting of Canadian diplomatic and consular representatives abroad and deals with the accrediting of representatives of other countries in Canada.

The Legal Division is concerned with all legal aspects of Canada's relations with other countries and with international organizations. Its work, usually in close co-operation with the Department of Justice, requires continual examination of the constitutional implications of all international undertakings, the preparation of documents as the basis of negotiation in international relations and the final drafting of agreements and treaties.

The Economic Division deals with the financial, commercial and general economic aspects of Canada's external relations. It is, therefore, responsible for the Department's work in connection with commercial and trade agreements, foreign assets in Canada and Canadian assets abroad, programs of assistance to foreign countries, foreign loans, and balance of payments and exchange problems. It also deals with international civil aviators, telecommunications and shipping. Co-ordination of policy on economic questions requires continual co-operation with other government departments and agencies such as the Department of Finance and Trade and Commerce. Canada's participation in certain international agencies in the economic field are also the responsibility of this Division.

The Information Division supplies information about Canada to posts abroad, which they in turn adapt to meet the requirements of the press, radio and other outlets in their areas. It co-ordinates the information work abroad of other government agencies and assists foreign journalists and cultural representatives who visit Canada. It also makes available within Canada current information and reference material about international affairs and Canadian foreign policy.

The Defence Liaison Divisions co-ordinate the work of the Department in defence matters. Canada's participation in the North Atlantic Treaty Organization, for example, which involves close co-ordination with the policies of the Department of National Defence, is one of their major responsibilities.

#### *Administrative Divisions*

The Personnel Division is responsible, in co-operation with the Civil Service Commission, for the recruitment and promotion of all persons appointed to the staff of the Department. It arranges for the transfer of employees within the

Department and for the assignment of all staff to and from posts abroad. It conducts training programs both for new entrants and for all staff going abroad.

The Establishments and Organization Division, as an administrative division, is responsible for pay, salaries, allowances, superannuation, leave and attendance. It also supervises the work of the communications system between Ottawa and posts abroad, mail distribution, the organization of the file registry and the issuance and revision of the general administrative regulations and instructions.

The Finance Division is responsible for the control of all spending by the Department. It prepares, on the basis of probable expenditures forecast by each division, the Department's estimates, which must be approved by Cabinet and Parliament. It supervises the accounting system in Ottawa and at posts abroad.

The Supplies and Properties Division is responsible for the purchase or rental of properties required by posts in each country, for the furnishing of these buildings and for the procuring and shipping of a wide range of equipment and material needed by posts in the performance of their work. It also assists in the shipping problems of personnel of the Department.

In practice, all divisions work as a team. Similarly, all departments of government, through an elaborate system of formal and informal committees and close personal co-operation by their staffs, are continually working out the very complex and constantly changing web of Canada's diplomatic relations.

#### *Posts Abroad*

The heads of Canadian diplomatic and consular posts report directly to the Secretary of State for External Affairs and receive their instructions from him.

Posts vary greatly in size. The larger posts in London, Washington and Paris include the Head of Post (Ambassador in Washington and Paris, High Commissioner in London), the diplomatic staff, consisting of counsellors and a number of secretaries, commercial secretaries, service attaches, and representatives of other government departments. Smaller posts consist of the Head (Ambassador, Minister or High Commissioner), one or two diplomatic secretaries, a commercial secretary, and, perhaps, a service attache. More specialized in their functions are the consulates and consulates general which, in some cases, are administered by Trade Commissioners of the Department of Trade and Commerce.

One aspect of diplomatic life which is often not appreciated is the extent of personal inconvenience which must be accepted by every member of the foreign service staff in being required to move every few years, often on short notice, to any post in any part of the world. There is, perhaps, some glamour in the idea of living in the capitals of other nations. In reality, many of the foreign service staff and their wives and families often find very trying the endless and exhausting problems of housing, schooling and languages, and the difficulties of changing from one home to another and from one strange land to another every few years. The life of a diplomat does have certain shortcomings of this nature which are not readily apparent and, therefore, not always appreciated.

#### THE STAFF OF THE DEPARTMENT OF EXTERNAL AFFAIRS

A staff of slightly over 1,400 men and women carries out the work of conducting Canada's relations with other nations of the world. Roughly 50 per cent of this number staff the fifty-odd missions situated in more than thirty-five countries. Of the total number, nearly 300 are Foreign Service Officers, about 700 are administrative personnel, and the remainder are local employees on the staff of the posts abroad.

### *Foreign Service Officers*

The basic academic qualification of an applicant for appointment as a Foreign Service Officer is a university degree, preferably with specialization in history, economics, political science, philosophy, law or geography. Additional credit is given for those who have done post-graduate work in one of these fields, who have command of a modern language other than English and French, or who have had experience in business or a profession. Candidates must be able to express themselves effectively in writing and speech. Such personal qualities as initiative, good judgment, and the ability to work in close co-operation with others are essential.

A career as Foreign Service Officer is open to both men and women. All applicants are required to have ten years' residence in Canada; service in the armed forces outside of Canada is counted towards this period. Candidates must be between the ages of 23 and 31, but this rule may be relaxed slightly in cases where candidates possess outstanding qualifications.

Foreign Service Officers, Grade 1, begin at a salary of \$3,280 per annum. After about one year of satisfactory service, the new officer may be advanced to \$3,580. Providing his work is satisfactory, his salary increases after this in annual increments to \$4,180. The salary range for Foreign Service Officers, Grade 2, is \$4,280 to \$4,860. The salary of the highest grade (10) is \$12,000 and up. The appointment of a head of mission is made by Order-in-Council on the recommendation of the Secretary of State for External Affairs rather than by promotion within the Department; however, many Heads of Missions are "career" appointments, that is, they have been appointed from the senior grades of Foreign Service Officers.

At posts abroad, the Foreign Service Officer receives, in addition to his salary, allowances to compensate him for differences in living costs and for his representation expenses. That is, in effect, an income adjustment which enables him to meet all the responsibilities of a Canadian representative abroad. Additional education allowances are paid to officers with children between the ages of five and 21 years.

### *Selection of Foreign Service Officers*

Foreign Service Officers are recruited by the Civil Service Commission through competitive examinations. This begins with the written examination and the candidates who are successful are required to appear before an oral board. The purpose of the oral examination is to assess the personal suitability of the candidate for the foreign service. A candidate who is successful in the written and oral examinations is then assigned a rating in which business and professional experience and overseas war service are taken into account.

Successful candidates, in order of merit, are placed on eligibility lists which are normally valid for a period of one year. These lists are usually limited to the number of names required to meet the number of vacant positions in the Department's staff. Preference in appointment is given to those qualified candidates whose war service entitles them to the statutory veterans' preference.

The newly-appointed Foreign Service Officer is assigned immediately to one of the various divisions of the Department in Ottawa. This is the beginning of the period of training which normally last approximately two years. During this time he will work in at least three divisions, assuming greater responsibility as he becomes more familiar with the work of the Department. Courses of lectures, covering the work and organization of the Department, the work of other government departments and of important organizations such as the Bank of Canada and the Canadian Broadcasting Corporation are arranged as part of the training program. During this period in Ottawa,

Foreign Service Officers may be assisted financially to study certain foreign languages. Upon the satisfactory completion of their training, officers become available for assignment to a post abroad.

#### *Administrative Staff*

Appointments of clerks, stenographers and typists to the rotational administrative staff of the Department are made through the Civil Service Commission on the basis of results obtained in competitive examinations conducted periodically by the Commission. Members of the rotational staff are appointed initially to positions in Ottawa; after a period of satisfactory service, they normally become available for a foreign posting. All are accepted in the Department on the understanding that they are prepared to serve in Ottawa or at any post abroad as required. A tour of duty at a foreign post varies from two to three and one-half years depending on the climatic and living conditions at the post concerned.

Starting salaries for stenographers range from \$1,800 to \$2,240 per annum depending on education and experience. Stenographers with exceptional qualifications may be assigned in a slightly higher range up to a maximum of \$2,480. The minimum starting salary for clerks and typists is \$1,690, but for those clerks who have senior matriculation it is \$1,800 per annum, and \$2,130 for those with university graduation. While serving abroad they receive, in addition to their salary, rental and living allowances based on the cost of living index at their post.

#### *Local Staff*

Locally-engaged staff are selected by the individual Head of Post on the basis of their knowledge of the local language and customs and in accordance with the needs of the post. Since they are employed for particular duties at the Canadian diplomatic or consular office located in the country in which they reside, they are not subject to rotation as are the remainder of the personnel of External Affairs. Local employees are engaged to perform routine clerical and administrative duties.

## APPENDIX J



## THE FOREIGN SERVICE OFFICER COMPETITION

(Reprinted from "External Affairs", July 1953.)

During the last six years more than 175 young Canadians have begun careers as Foreign Service Officers in the Department of External Affairs. This represents a sizeable influx for a Department which in 1927 had only three officers and in 1941 only 49. The rapid expansion has been necessitated by the unprecedented increase in the activities of the Department in the post-war years. With the growth of Canada's international responsibilities her Government has taken a more active role in world affairs, the evidence of which has been the opening of many new foreign posts in recent years. In 1939 Canada maintained a half-dozen posts abroad; today she has to staff and provide for more than 50. In addition, the extension of the practice of diplomacy by conference has created a further demand for personnel, by requiring Canada to provide delegations to international conferences (in 1952 there were 146). Permanent representatives must be maintained at the headquarters of important international and regional organizations such as the United Nations and the North Atlantic Treaty Organization.

These developments have created a heavy demand for officers with the experience and training required to conduct the affairs of the Department at home and abroad. In order to secure qualified officers for the intermediate and senior grades during and immediately after the war, it was necessary to bring in a number of recruits whose background in business and professional life and in other government departments fitted them for diplomatic duties. Following the cessation of hostilities, there was a large influx of members of the armed forces whose normal entry into the Department in the preceding years had been prevented by the war. Most officers, however, entered at the junior level and were selected from among successful candidates in competitive examinations conducted by the Civil Service Commission. Now that the Department has sufficient experienced officers capable of assuming the responsibilities of the more senior ranks, new officers are recruited through the Civil Service Commission by examination.

The Foreign Service Officer competitions, which are held almost every year, usually attract a large number of candidates. Interest is keen in all parts of Canada. Although, in ordinary circumstances, the number of positions offered is about ten, it is not unusual to have up to 200 candidates taking part in the written examination. This is particularly remarkable at a time when Canada is undergoing unprecedented economic expansion. While individual suitability is the guiding principle in selecting officers, it is interesting to note that all parts of Canada are represented by the officers in the Department.

To be eligible for the Foreign Service, candidates must be British subjects with a minimum Canadian residence of ten years, and they must have graduated with a degree from a university of recognized standing. Recommended courses of study are history, economics, political science, law, philosophy and geography, but the list of courses is not intended to be exclusive. A post-graduate degree is not required, though most of the successful candidates in the past have taken at least one year of graduate studies. Previous business or professional experience is helpful, as is a knowledge of a modern language in addition to English and French. Candidates are expected to have a working knowledge of both the official languages of Canada. The competition is open to both male and female candidates possessing the minimum formal qualifications. In recent years the competition has been restricted to applicants between the ages of 23 and 31 years.

The Civil Service Commission is responsible for conducting the examinations and prepares and distributes the notices giving particulars of forthcoming competitions. These are displayed in post offices and Civil Service and National

Employment Service offices across Canada and in Canadian Government offices abroad. In order to ensure that all interested and potential candidates are aware of the competition, the Civil Service Commission also notifies all Canadian universities and the major universities abroad at which Canadians may be studying; the Department of National Defence informs Canadian troops in Korea and Europe.

The competition is divided into three phases: the written examination, the oral examination, and the assignment of a rating based on education and experience. The written examination is prepared by officers of the Department of External Affairs in co-operation with representatives of the Civil Service Commission. Candidates may write in English or French, and each is given a number, in order to preserve anonymity until the marking of the papers is completed.

In the 1952 examination, the first paper, which is reprinted as an appendix to this article, contained a list of six questions upon one of which the candidates were required to write an essay. The second paper was composed of two parts: the first contained questions on Canadian and international affairs, and the second consisted of a passage which candidates were asked to summarize and to interpret by answering certain specific questions. The essay paper was rather general in character and was designed to test the candidates intellectual qualities and his ability to express himself effectively in writing. The second paper had the twofold purpose of examining the candidate's general knowledge, particularly on Canadian and international affairs, and testing his reading comprehension.

In the second phase of the competition those who are successful in the written examination are called before the oral board. The centres of which the oral board sit may change from year to year, but normally they are convened in the main cities of Canada, and, if the number of candidates should so warrant, in some of the larger cities in the United States, the United Kingdom and Western Europe. Occasionally it is more convenient, where there are only one or two candidates, to request them to appear for interview at the nearest city in which the board is sitting. The boards are normally composed of five members, including the Civil Service Commission representative who acts as chairman, two representatives from the Department (one English-speaking and the other French-speaking), and two outside members representing the universities and business respectively. In the interests of continuity and to ensure that similar selection standards are applied, an effort is made to have one or more persons common to all boards.

During the interview, which normally requires about one hour, the function of the board is to assess the personal suitability of the candidate. They rate him on such traits as intellectual capacity, moral and personal integrity, sense of responsibility, initiative, adaptability, effectiveness of speech, and appearance and manner. To aid the board members in forming a judgment, they have before them the comments of the persons whom candidates have given as references. On the basis of the board's assessment, a mark is assigned for the second phase of the competition.

In the third phase a rating, based on military, business and professional experience, academic training and knowledge of foreign languages, is assigned to each candidate who has been successful in the written and oral examinations. In the final mark this rating is given a weight of two, while the written and oral examinations each are given a weight of four. All who obtain a sufficiently high final mark are graded according to rank to form an eligible list which is published in the *Canada Gazette*. Successful candidates who are entitled to statutory veterans' preference are automatically ranked at the top of this list, from which appointments are made to meet the requirements of the Department for new officers. Appointments are, of course, limited by the number of vacant positions on the approved Departmental establishment.



The successful candidates who accept appointments enter the Department in the late spring and summer following the completion of the competition. They enter on the understanding that they are available for service wherever the Department may require. Appointments are probationary but, after about twelve months of satisfactory service, promotion to temporary status is usual. The normal training period in Ottawa is approximately two years, after which a new officer becomes available for service abroad. During this period the Department attempts to ensure that each officer will be employed in an "area" division, such as the Commonwealth or American Division, an administrative division, and a functional division, such as the Consular or Information Division. His tour of duty in each covers a period of four to six months. In addition to practical experience and training in the various duties performed by officers, he attends a series of lectures presented by senior officers of the Department and of other government departments, and by speakers from outside the government service. The object of this training is to acquaint him with the work of the divisions and of closely related government departments, as well as to round off his knowledge of Canada and Canadian affairs.

The chief emphasis of the system of competitive examinations is on selecting officers whose personality, academic attainments and previous experience show them to possess the qualifications for success in performing diverse diplomatic and consular functions. They must possess the intelligence and flexibility of mind for a job in which a wide variety of subject matter is handled; they must be able to work harmoniously with others and be readily adaptable to contrasting circumstances and conditions of work; and they must be able to exercise independent judgment and to assume increasing responsibilities.

FOREIGN SERVICE OFFICER, GRADE I  
Department of External Affairs—1952 Competition

WRITTEN EXAMINATION  
PAPER I

Time: 3 hours

The purpose of this paper is to test your capacity to analyze a theoretical problem lucidly. The examiners will base their judgment on the manner in which you present your views and on the cogency of the views themselves.

Discuss one of the following:

1. What is the best balance of work and leisure; how should the question leisure time be approached in modern society?
2. "The form of government of any country is determined by tradition, physical environment and the stage of its economic development."
3. "A Nation, in its influence upon civilization, is not an aggregate of its living people, for they are but part of the whole continuing and historic people. Nor is it a State, for the State is artificial. A Nation is an Idea."
4. "Without justice, what is political rule but brigandage and rapine?" ("Remota justitia, quid sunt regna nisi magna latrocinia?")
5. "The first requirement of a sound body of law is that it should correspond with actual feelings and demands of the community, whether right or wrong."
6. "There is no such thing as a science of economics; every system of economic thought is in a large measure subjective in that it is posited on desired social goals."

## WRITTEN EXAMINATION

## PAPER II

Time: 3½ hours

The purpose of Parts A and B of this paper is to test your interest in, and understanding of some of the following problems and your ability to discuss them clearly and in logical fashion.

In Parts A and B candidates must do three questions with at least one from each part. Part C, which is designed to test the candidate's ability to comprehend the meaning of written material, is compulsory for all candidates.

PART A—*Questions on Canada*

1. Discuss the feasibility of Canadian membership in the Sterling Area.
2. Discuss some of the implications of recent trends of domestic and foreign investment in Canada.
3. Discuss the contribution to political thought and action in Canada of one of the following: Henri Bourassa, J. S. Woodsworth, Goldwyn Smith, J. S. Ewart.
4. Discuss the relationship of Canadian trade unions to the political life of Canada.
5. Discuss the role of the Federal Government in fostering cultural activities.
6. Discuss Canada's role in the evolution from 'British Empire' to 'Commonwealth of Nations'.
7. To what extent do you think the British North America Act restricts the Government of Canada in the conduct of its external affairs?

PART B—*Questions on International Affairs*

8. How do you account for the appearance of Titoism in Yugoslavia? What are the chances of similar developments in the European Satellites and China?
9. Discuss the movement toward European integration, and assess its prospects.
10. Discuss the role of Christian Democracy in Europe today.
11. In your opinion, in the present international situation do "neutralist" or "no foreign entanglements" policies contribute to world peace? Discuss, using examples drawn from foreign policies of governments in both Europe and Asia.
12. "Stalin has none of Hitler's compulsion to go to war; indeed, the compulsion is all the other way, taking into consideration his own nature, the categories of Marxist thinking, Soviet geography and resources, the nature of the Russian people, and the miserable and unreliable state of the Soviet Union today." Comment.
13. Assess the role of either the United Nations or NATO in preserving international peace and security.
14. Do you think it is desirable to establish at the present time an International Court of Criminal Jurisdiction?
15. Discuss two representative authors from any one of the following countries: France, Germany, U.S.A., U.S.S.R., United Kingdom, Canada, and indicate why you consider them representative.

## PART C

*Read the passage contained in Appendix A and answer the following questions which are based on it.*

1. Summarize in one paragraph of not more than one page in length the theory presented in this passage.

2. The author suggests that in the historical process there is one vital unknown element. Define, and if you agree or disagree with his theory, give your reasons.

3. From the above passage, what does the phrase "Uniformity of Nature" mean to the author and to what extent does it satisfy the author's view of the origin of a civilization?

4. Relate the idea of "Integration of Custom" to "Differentiation of Civilization".

5. In your opinion is the author subscribing to a deterministic theory of history? In a short paragraph, defend your answer.  
52-D-71 E.

#### APPENDIX A\*

By the light of Mythology, we have gained some insight into the nature of challenges and responses. We have come to see that creation is the outcome of an encounter, or—to re-translate the imagery of myths into the terminology of Science—that genesis is a function of interaction. Let us now return to our immediate quest: our search for the positive factor which has shaken part of Mankind out of 'the Integration of Custom' into 'the Differentiation of Civilization' within the last six thousand years. Let us look again into the origins of our twenty-one civilizations in order to ascertain, by an empirical test, whether the conception of Challenge-and-Response answers to the factor of which we are in search any better than the hypotheses of Race and Environment, which we have already weighed in the balance and found wanting.

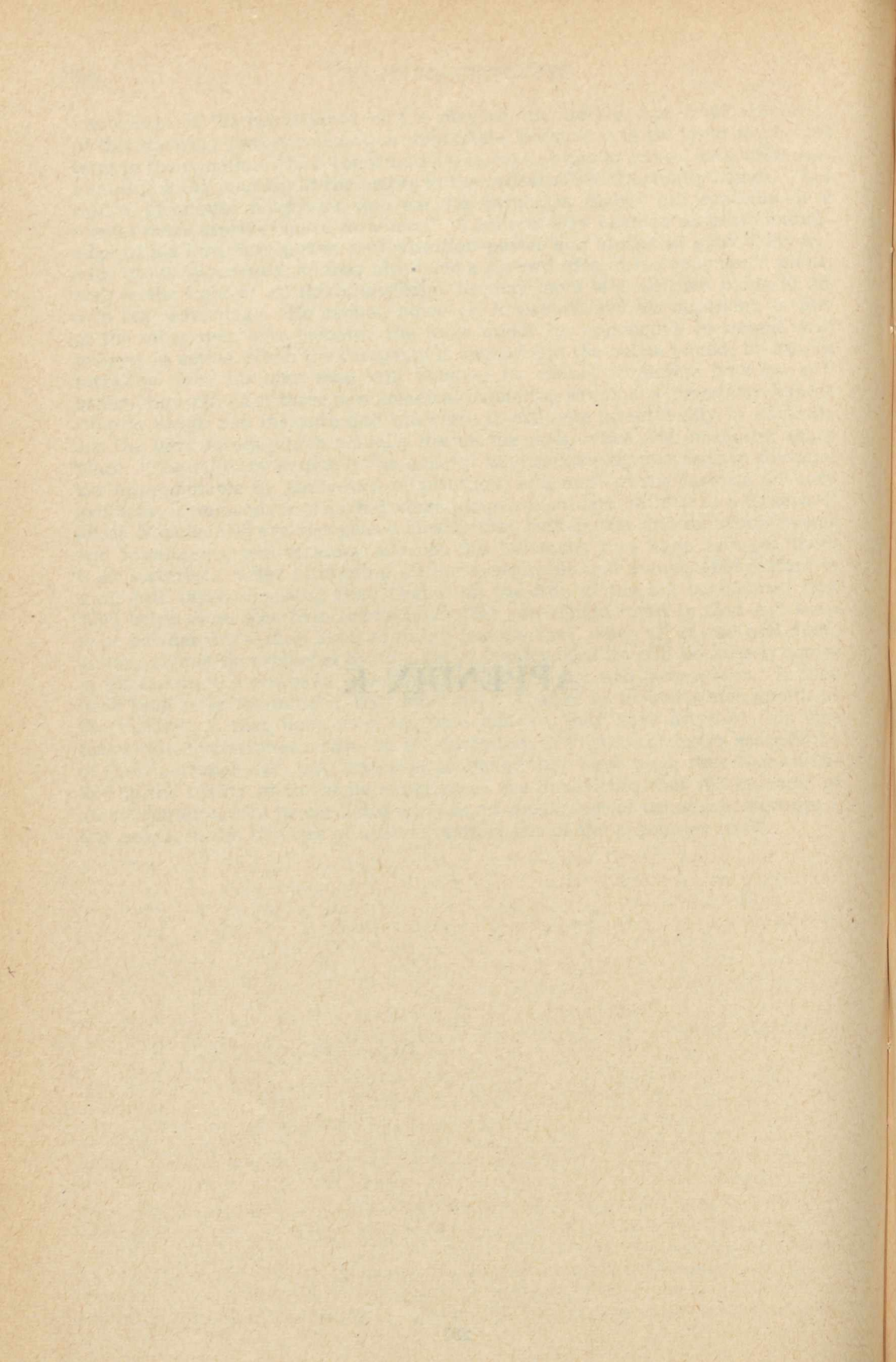
In this fresh survey, we shall be concerned with Race and Environment once more, but we shall regard them in a new light and shall place a different interpretation upon the phenomena. We shall no longer be on the look-out for some simple cause of the geneses of civilizations which can be demonstrated always and everywhere to produce an identical effect. We shall no longer be surprised if, in the production of civilizations, the same race, or the same environment, appears to be fruitful in one instance and sterile in another. Indeed, we shall not be surprised to find this phenomenon of inconstancy and variability in the effects produced on different occasions, by one and the same cause, even when that cause is an interaction between the same race and the same environment under the same conditions. However scientifically exact the identity between two or more situations may be, we shall not expect the respective outcomes of these situations to conform with one another in the same degree of exactitude, or even in any degree at all. In fact, we shall no longer make the scientific postulate of the Uniformity of Nature, which we rightly made so long as we were thinking of our problem in scientific terms as a function of the play of inanimate forces. We shall be prepared now to recognize a priori, that, even if we were exactly acquainted with all the racial, environmental, or other data that are capable of being formulated scientifically, we should not be able to predict the outcome of the interaction between the forces which these data represent, any more than a military expert can predict the outcome of a battle or a campaign from an 'inside knowledge' of the dispositions and resources of both the opposing general staffs, or a bridge expert the outcome of a game or a rubber from a similar knowledge of all the cards in every hand.

In both these analogies, 'inside knowledge' is not sufficient to enable its possessor to predict results with any exactness or assurance, because it is not the same thing as complete knowledge. There is one thing which must remain an unknown quantity to the best-informed onlooker, because it is beyond the

\*Extract from "A Study of History", Volume I, by Arnold Toynbee, pp. 299-301.

knowledge of the combatants, or the players, themselves; and their ignorance of this quantity makes calculation impossible, because it is the most important term in the equation which the would-be calculator has to solve. This unknown quantity is the reaction of the actors to the ordeal when it actually comes. 'Les causes physiques n'agissent que sur les principes cachés qui contribuent à former notre esprit et notre caractère.' A general may have an accurate knowledge of his own man-power and munition-power and almost as good a knowledge of his opponent's; he may also have a shrewd idea of his opponent's plans; and, in the light of all this knowledge, he may have laid his own plans to his own best advantage. He cannot, however, foreknow how his opponent, or any of the other men who compose the force under his opponent's command, will behave, in action, when the campaign is opened and the battle joined; he cannot foreknow how his own men will behave; he cannot foreknow how he will behave himself. Yet these psychological momenta, which are inherently impossible to weigh and measure and therefore to estimate scientifically in advance, are the very forces which actually decide the issue when the encounter takes place. The military genius is the general who repeatedly succeeds in divining the unpredictable by guesswork or intuition; and most of the historic military geniuses—commanders of such diverse temperament and outlook as a Cromwell and a Napoleon—have recognized clearly that man-power and munition-power and intelligence and strategy are not the talismans that have brought them their victories. After estimating all the measurable and manageable factors at their full value—insisting that 'God is on the side of the big battalions', that 'God helps those who help themselves', that you should 'trust in God and keep your powder dry'—they have admitted frankly that, when all is said and done, victory cannot be predicted by thought or commanded by will because it comes in the end from a source to which neither thought nor will have access. If they have been religious-minded, they have cried 'Thanks be to God which giveth us the victory'; if they have been sceptical-minded, they have ascribed their victories—in superstitious terms—to the operations of Fortune or to the ascendancy of their personal star; but, whatever language they have used, they have testified to the reality of the same experience: the experience that the outcome of an encounter cannot be predicted and has no appearance of being predetermined, but arises, in the likeness of a new creation, out of the encounter itself.

**APPENDIX K**



## FOREIGN SERVICE OFFICER, GRADE 1

Department of External Affairs  
Department of Trade and Commerce

—1953 Competition—

## WRITTEN EXAMINATION

## PAPER I

Time: 3½ hours

## PART A—2 hours 45

The purpose of this paper is to test your capacity to analyse a theoretical problem lucidly. The examiners will base their judgment on the cogency and logic of your views and on the manner in which they are presented.

Discuss *one* of the following:

1. "Belief in progress is as necessary as it is difficult."
2. What are the essentials of democracy? To what extent does it depend on institutional forms?
3. What in your opinion is the validity of the "great man" interpretation of history?
4. The role of the humanities in higher education in modern industrial society.
5. "The foreign policy of a country is primarily a product of its economic interests."
6. To what extent is it possible to bring international relations under the rule of law?
7. What do you consider to be the principal factors which have affected the rate of Canadian economic development in recent years, and what are the indications of their continuance or otherwise? To what extent are these factors subject to Canadian policy and determination?

## PART B—45 min.

This section of the examination paper is designed to test the candidates' ability to comprehend written material quickly and accurately.

All candidates are required to summarize, in not more than 250 words, the following extract from the *External Affairs Bulletin of November, 1952*.

(See second sheet)

FOREIGN SERVICE OFFICER, GRADE 1  
DEPARTMENT OF EXTERNAL AFFAIRS  
and  
DEPARTMENT OF TRADE AND COMMERCE

## PAPER 1—PART B

From the Turks we must turn to the Arabs, a people of ancient culture and a proud past, once the peer of the Europeans, then for centuries subjected to Ottoman domination and the long-time butt of European intrigues. They have been profoundly stirred by the great achievements of their ancient overlords, the Turks.

Arab national feeling was already astir as early as the opening of the war of 1914-18, aroused by European example and the lash of the counter-nationalism of the young Turks. It was this growing national feeling, focused

then upon the achievement of Arab independence from Ottoman rule, that Col. T. E. Lawrence so brilliantly organized for the Allied cause, thereby turning the tables upon the Germans and the Sultan. This he was able to do because he persuaded the Arab leaders that Allied victory at the end of the war would be followed by national independence for the Arab peoples. When, with Allied victory assured, it was discovered that other and more influential Allied leaders had other ideas about the political reorganization of Arab territories, that instead of gaining national independence the Arabs were to be divided into a mosaic of mandates, protectorates and dependencies of certain Allied powers, a feeling of bitter frustration swept over the Arab world.

It is true, of course, that Lebanon and Syria, Iraq, Transjordan and Palestine, Saudi Arabia, Yemen and the tribal states as political divisions reflect certain real differences among Arabs. Lebanon, for instance, is largely Christian whereas Syria is overwhelmingly Moslem. Iraq has a large population of Shiah Moslems that link in religiously with their brethren in Iran whilst Saudi Arabia is the home of the Wahabis, a fiercely puritanical Moslem sect of other views. Though the people of all these areas speak Arabic, linguistic differences are noticeable, sometimes difficult. More important, perhaps, in a region where tradition of tribal solidarity and of allegiance to feudalistic overlords have held sway for so many centuries is the strength of local loyalties. These result in provincial conflicts between various Arab groups, and provide a basis for divisions. The personal and family struggles that centred on the creation of the thrones of Iraq and Transjordan are good examples of these.

Yet if the Arabs are divided by religion, linguistic variations, and local loyalties, also by disparities of economic and social development, none the less, they are all Arabs, all members of one great cultural community. Of this fact the Arabs today are strongly and increasingly conscious. Those who choose to emphasize the divisions among the Arabs, who prophesy that a national unification of this cultural community will never come about, might well remember that very similar divisions and weaknesses did not prevent the creation of modern Germany and Italy, both of which, as national states, are less than a hundred years old. Whatever the obstacles, and they are many, the Arabs today are moving toward some kind of national union. In every such national struggle common efforts against common obstacles, especially against common foes, are the most unifying of forces. That is why the fight against the Turks in 1914-18 first really awakened the Arabs to national self consciousness, and why the very frustration of their hopes after 1918 carried the process a long step forward. Once the enemy had been the Ottoman overlord: now the French and the British assumed that role. Thus, against them as the new ruling powers was levelled the full brunt of rising national feeling.

Between the two World Wars, in the years 1919-1939, the long and tangled story of bloodshed and intrigue, of assassination, insurrection, revolt and civil war that characterizes the picture of the Arab world may be summed up under the headings, a struggle for national independence, and effort to get rid of foreign rule. Some of the Arab states like Iraq and Saudi Arabia were more successful than others such as Syria and Lebanon in reducing foreign control. None achieved complete and unequivocal and independence. This rankled, as did the memory of hopes deceived and blood shed. Such bitter feelings led some Arab leaders, inexperienced in the game of power politics, to conspire with the Germans during the Second World War. They thought naively that the Nazis would help oust the French and the British and would then retire, leaving the Arabs independent. We need not tarry over this absurdity save to remind ourselves that in this we see the measure of hatred of foreign rule. The struggle towards complete independence continued after the Second World War, and still goes on. At the moment it is centred most dramatically in Egypt.



Nationalist explosions are no new event in Egypt. Beginning with the British occupation in 1882 they have occurred repeatedly since that time. In other words nationalism has an older history in Egypt than in any other part of the Arab world. This is so because Egypt, thanks to its strategic position, has been drawn into the centre of international strife and intrigue, starting with Napoleon's invasion, for a longer period than other Arab states, and has had a longer time in which to react against the foreigner. Egypt, also, is the wealthiest Arab country, the one with the most highly developed economy and the one most closely in touch with European culture, hence with the stimulation of European political and social ideas. These factors, coupled with memories of ancient glory and somewhat different racial roots, have led Egyptians to feel both a little apart from the rest of the Arabs and, at the same time, to regard themselves as the rightful leaders of Arab nationalism. The former feeling has caused a damaging rift among the Arabs on occasion through competition between Egypt and other Arab states for leadership, yet the latter led to the pact of the Arab League, which brought the first official linking of the Arab states, being signed in Cairo in 1945. Whatever separateness exists, Egyptians think of Egypt as naturally and properly a member state of the Arab community. Like their fellow Arabs they seek complete independence.

Here, too, national feeling deepened during the First World War, to be intensified still more when the Allies announced that the peace treaties would be drawn up on the basis of the principle of national self-determination. The result was a determined Egyptian effort which resulted in British recognition of Egypt's independence in 1922. This, however, was not entirely satisfactory to the Egyptians, for Great Britain insisted that Egypt was still an area of "special interest" to her because of British imperial communications and defence, especially the Suez Canal, and because of the Sudan. Consequently British troops were kept in Egypt and Egyptians found themselves still with British ties upon their political and economic life. Other nationalist crises followed until in 1936 a new Anglo-Egyptian Treaty of Alliance was made in which Britain agreed to withdraw British troops to the Suez Canal Zone where they would remain until Egypt was ready to take over its defence. This treaty was negotiated with Nahas Pasha, Premier of Egypt and leader of the Wafd or Nationalist Party who was in office again from May 1950, to January 1952. The 1936 Treaty was looked upon as a great advance towards Egyptian independence but the Egyptians disliked the delay over their full occupation of the Suez Canal Zone, and particularly the "permanent alliance" with Britain which they contended could involve them automatically in British wars. When, during the Second World War, Egypt was once more occupied by British and other troops, the Egyptians were convinced that their reasoning had been right. They submitted to this occupation none too graciously, and when the war was over they grew very resentful of the slowness with which the withdrawal of troops took place. When to this was added the intense exacerbation of war with Israel, wherein the Arab League, including Egypt, suffered humiliation and defeat; and when Iran successfully defied Britain at Abadan, the flood of nationalist resentment once more boiled over. In response, the Egyptian Premier denounced the same Treaty of 1936 he had helped to draw up, and demanded the immediate turning over of the Suez Canal and the Sudan to Egypt.

Perhaps the most significant aspect of this whole series of events is the very perceptible vibration of approval that has shaken the entire Arab world as it watches Egyptian action. It is a renewed notice that what is happening in Egypt is no purely local matter, that what happens anywhere in the Arab world is no longer a provincial affair but something that concerns the whole Arab community, a stage in the development of Arab national unity. In this respect it is well to remember that one of the elements in Arab nationalism is ardent Moslem feeling. The shock of these events goes beyond the Arab world. It is visible to the limits of Islam.

## STANDING COMMITTEE

## FOREIGN SERVICE OFFICER, GRADE I

Department of External Affairs  
 Department of Trade & Commerce

## WRITTEN EXAMINATION

## PAPER II

Time: 3 hours

The purpose of this paper is to test your knowledge and understanding of some of the following problems and your ability to discuss them clearly and in logical fashion within the time available.

*All candidates must answer a total of four questions.* Candidates wishing to be considered for the Department of External Affairs must answer at least one question in each of parts A and B. Candidates wishing to be considered for the Department of Trade and Commerce must answer at least one question in each of parts A, B, and C.

## PART A

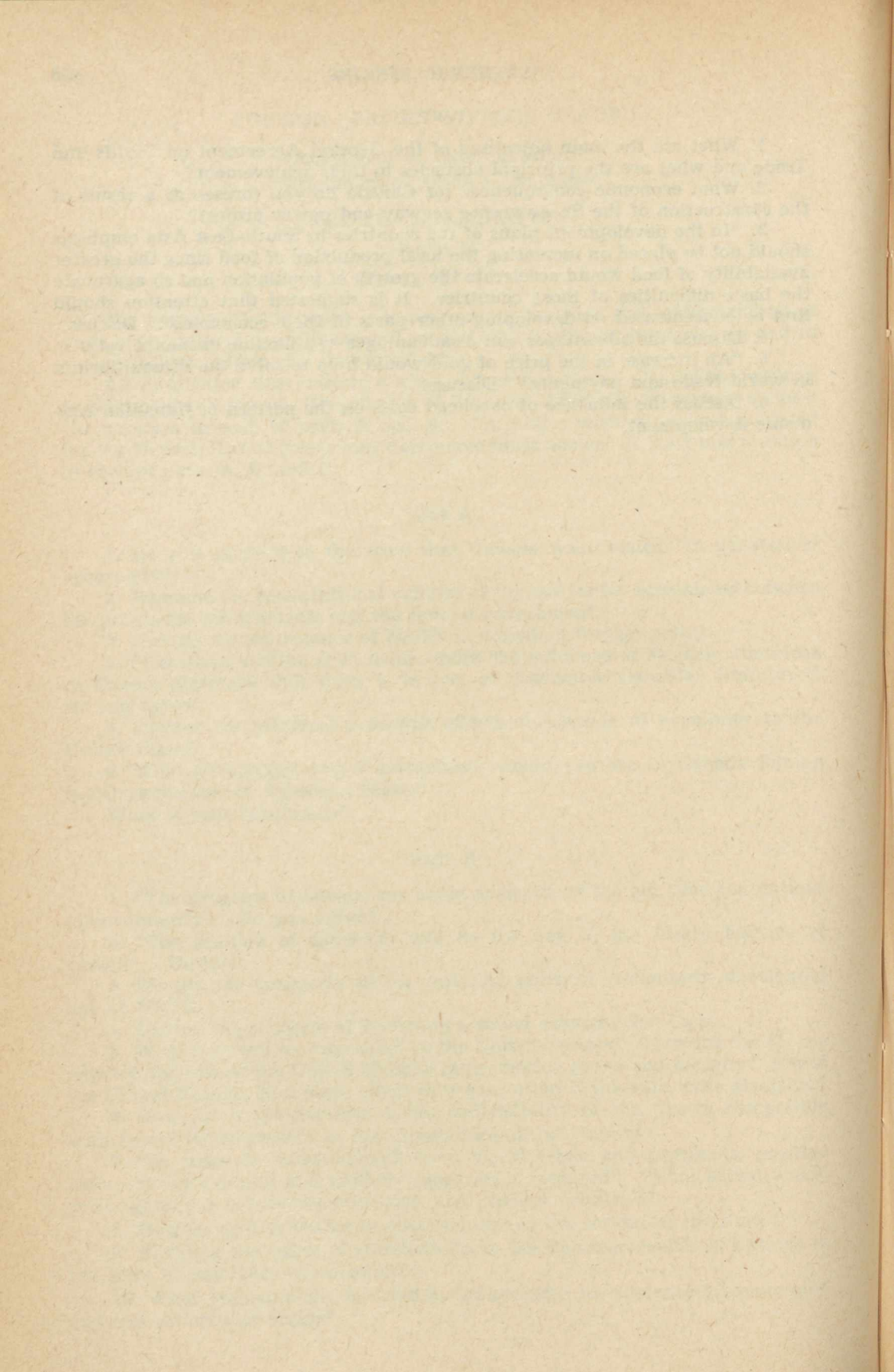
1. Do you agree with the view that Canada was created "in defiance of geography"?
2. Examine the constitutional validity of the tax rental agreements between the provincial governments and the federal government.
3. Discuss the significance of NATO in Canadian foreign policy.
4. "Canadian writing is so much under the influence of English, American or French literature that there is in fact no distinctive Canadian literature". Do you agree?
5. Discuss the principal economic effects on Canada of proximity to the United States.
6. What advantages and disadvantages would you see in Canada joining the Organization of American States?  
What is your conclusion?

## PART B

1. "The progress of science has made nonsense of the old time conceptions of sovereignty". Do you agree?
2. "The position of Germany will be the key to the future balance of power". Discuss.
3. Discuss the prospects of an enduring political community developing out of NATO.
4. Discuss the problem of achieving a sound economy for Japan.
5. What is meant by "the veto" in the United Nations? How far has its use affected the role of the United Nations in promoting peace and security? Would the United Nations be a more effective organization if the veto were abolished?
6. How far is the doctrine of the indivisibility of the Crown compatible with recent developments in the Commonwealth of Nations?
7. "In order to move toward freer world trade and payments, positive action by both debtor and creditor countries is required". What action would you suggest for (a) debtor countries; (b) creditor countries?
8. How far is it desirable to enlist culture in the service of the State?
9. Examine the value of membership in the Commonwealth of Nations in the light of post 1945 developments.
10. What problems are involved in the peaceful co-existence of communist and non-communist States?

## PART C

1. What are the main objectives of the General Agreement on Tariffs and Trade and what are the principal obstacles to their achievement?
2. What economic consequences for Canada do you foresee as a result of the construction of the St. Lawrence seaway and power project?
3. "In the development plans of the countries in South-East Asia emphasis should not be placed on increasing the local production of food since the greater availability of food would accelerate the growth of population and so aggravate the basic difficulties of those countries. It is suggested that attention should first be concentrated on developing other parts of their economies". Discuss.
4. Discuss the advantages and disadvantages of a flexible exchange rate.
5. "An increase in the price of gold would help to solve the disequilibrium in world trade and payments." Discuss.
6. Discuss the influence of overhead costs on the pattern of Canadian economic development.













HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

# EXTERNAL AFFAIRS

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

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THURSDAY, MAY 20, 1954

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ITEMS 84 to 98, 102 and 103 Inclusive—MAIN ESTIMATES  
OF THE DEPARTMENT OF EXTERNAL AFFAIRS

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WITNESSES:

Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs;  
Mr. R. M. Macdonnell, Assistant Under-Secretary.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1954.



## MINUTES OF PROCEEDINGS

THURSDAY, May 20, 1954.

The Standing Committee on External Affairs met this day at 11.00 o'clock a.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Balcer, Boisvert, Cannon, Fleming, Garland, Henry, James, Knowles, Low, MacKenzie, McMillan, Nesbitt, Patterson, Pearkes, Picard, Pinard and Stuart (*Charlotte*).—17.

*In attendance:* Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, Mr. R. M. Macdonnell, Assistant Under-Secretary, Mr. S. D. Hemsley, Head of Finance Division and Mr. Arnold C. Smith, Special Assistant to the Minister.

Mr. MacKay was called and questioned jointly with Mr. Macdonnell. Mr. Hemsley supplied answers to specific questions.

The Committee concluded its study of the following items of the main estimates, i.e. Nos. 84 to 92, 94 to 98 and Nos. 102 and 103 which were severally approved.

Item 93 was allowed to stand.

The witness undertook to bring forward at the next meeting answers not readily available.

At 20 minutes past 1.00 o'clock p.m., the examination of Mr. MacKay still continuing, the Committee adjourned until 11.00 o'clock a.m., Friday, May 21.

ANTONIO PLOUFFE

*Clerk of the Committee.*

MINUTES OF PROCEEDINGS

Thursday, May 20, 1924

The Standing Committee on External Affairs met this day at 11:00 o'clock and Mr. E. H. ... presided.

Members present: Messrs. ... Secretary of State for ...

In attendance: Mr. E. A. Mackay, Acting Under-Secretary of State for ...

Mr. Mackay was called and questioned jointly with Mr. Mackdonnell. Mr. Mackay supplied answers to specific questions.

The Committee concluded its study of the following items of the main ... estimated to ...

Item 23 was referred to ... The witness undertook to bring forward at the next meeting answers not readily available.

At 12 minutes past 1:00 o'clock part of the examination of Mr. Mackay ... continuing the Committee adjourned until 11:00 o'clock on Friday, May 21.

ANTONIO FLORIAN  
Chief of the Committee

## EVIDENCE

MAY 20, 1954.

The CHAIRMAN: Now, gentlemen, this is the eleventh meeting of the committee we have had since we started and we are still on the first item, that is, Vote No. 84 of the general estimates. I will call again this item and trust that we might go ahead with our work and try and expedite it while giving due attention to every item; otherwise we will sit longer than the session if it carries on this way.

We have completed the Colombo Plan and the International Joint Commission, items 99, 100 and 101, but we still have all the other department's estimates. If it is agreeable to the members I will carry on the same system, looking across the table all the time and seeing who wants to speak and we will try and limit each member during the sitting to about ten minutes consecutively so as to give everybody a chance to speak. We are still on Vote 84—departmental administration. Are there any other questions on that?

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
84	Departmental Administration	157	3,333,583	2,853,958	479,625	

**Mr. R. A. MacKay, Acting Under Secretary of State for External Affairs, called:**

Mr. FLEMING: There is one matter I would like to inquire about. In today's newspapers there is mention made of a new Canada building to be constructed in New York. I have just forgotten the cost. It runs in my mind it was some millions or something like that.

The CHAIRMAN: I don't think that is a government building.

Mr. MACDONNELL (*Assistant Under Secretary of State*): \$5 million to \$8 million.

The CHAIRMAN: That is not a government building.

Mr. FLEMING: I wanted to know if it has any relation to any plans which the department has for housing the consular officials of the Department of External Affairs in New York and has the department been consulted in any way in this respect, because I may say that I understood the Canadian minister in New York had made some announcement of this. At least it was said in the press he had made some announcement on this subject several months ago?

Mr. MACDONNELL: The consul general, Mr. Lawson, has made this suggestion, that money be subscribed by Canadian concerns—railways, banks and others with business interests in New York—to put up an office building which would be a centre for all Canadian activities in New York. Undoubtedly if such a building were put up it would be advantageous for the government to rent its office space there. Similarly, it could be expected that the Canadian Club would rent its space there and presumably other organizations. But it is not proposed as a government expenditure.

Mr. FLEMING: Then I take it there is no question as yet in regard to the rental by the government of space?

Mr. MACDONNELL: No, sir.

Mr. FLEMING: It is just a hope on the part of those who are promoting the idea of constructing such a building that the Canadian consul general and his staff would be accommodated there?

Mr. MACDONNELL: Yes.

Mr. FLEMING: What is the situation as regards the accommodation of our consulate in New York now?

Mr. MACDONNELL: They have rented space in Rockefeller Centre.

Mr. FLEMING: Is it satisfactory and how long does the lease run?

Mr. MACDONNELL: I think the accommodation is reasonably satisfactory. It includes not only our consulate general but the permanent delegation to the United Nations and the lease continues to April 1956.

Mr. FLEMING: Another two years?

Mr. MACDONNELL: Yes.

Mr. FLEMING: It is not dissatisfaction with the present accommodation for the Canadian consular representatives in New York that has given rise to this proposed project?

Mr. MACDONNELL: Not at all. I think it is simply a belief that it would be in the Canadian interest to have a building that would be known as a Canadian building, that would be a credit to the country, and that could be put up as suggested at the expense of private concerns rather than the government.

Mr. FLEMING: As it stands it is a private undertaking and as far as any government connection with it is concerned it is simply limited at the present to the hope that the Canadian consul general would be accommodated there under a rental arrangement when the building was constructed?

Mr. MACDONNELL: That is right.

Mr. KNOWLES: Did your department know that Mr. Lawson was going to make the suggestion?

Mr. MACDONNELL: Yes, sir.

The CHAIRMAN: As some members will recall, this was all gone into at a previous meeting so it would be highly appreciated of the members who did not attend the meeting would read the report and they would find answers in advance to some of their questions. That is without any particular reference to Mr. Fleming, but this was gone into by Mr. Green and the same answers provided.

Mr. FLEMING: What date?

The CHAIRMAN: On page 129 of our report.

Mr. FLEMING: What date?

The CHAIRMAN: On the 5th of May. We would like to expedite matters, so if members who do not attend a particular meeting could read the evidence when it comes in, it would answer in advance some of their questions.

Mr. FLEMING: I must say in extenuation, Mr. Chairman, that is one day this Committee was called at the same time as the Committee on Banking and Commerce. I was not aware that any questions had been asked about it at that time. I thought I had read all the minutes of the committee.

Let me add that there is a fresh statement in the press this morning indicating apparently some advance with the proposed project and the suggested financing of it and that has given rise to my question.

The CHAIRMAN: The chairman would not dare to imply any motives to members or to insinuate that they should be here when they are not here. It is just to expedite matters. The chairman will try and speak less and he will ask members not to ask questions that have already been asked and if they read the previous reports that could be very well accomplished.

*By Mr. Henry:*

Q. I would like to ask Dr. MacKay concerning the admission of foreign officers into the service how long they are kept in training in Canada and of what does this training consist.—A. Well, sir, normally a new officer would remain in Ottawa for one to two years although we have no definite requirement as to length of time. Indeed, in a very few cases we have sent very junior officers to missions abroad to do part of their training there—for example, Washington, New York and Paris. But normally a new officer may expect to remain in the department perhaps an average of eighteen months.

Now, for the first year or so we attach these officers to about three different divisions in succession—divisions dealing with subjects with which the officer has perhaps had no particular experience and of which he has no special knowledge. For example, if he is a lawyer we probably send him to some other division than the legal division to begin with. The reason for this practice is that we want our officers to get a general knowledge of the routine of the department before they settle down into any particular field.

Admittedly, some of this early experience is rather dull. A lad perhaps who has been in college studying history or philosophy or other subjects may find himself in our finance division dealing with accounts or he may find himself in our establishment and organization division dealing with regulations for a brief period. But we think that this routine of training is highly desirable in order to enable a new officer to become familiar with the departmental routine and also to gain some experience which he can put to practical use when he has been attached to a post abroad.

At the end of about nine months or a year an officer will be attached to a division where he seems to fit or where there is a special requirement. For example, a lad whose training has been law, at the end of nine months or a year probably will find himself in the legal division where he will do a fairly extended period, nine months to a year, before being sent abroad.

Q. I think that is very good, Dr. MacKay; that is what I wanted.—A. I may say in addition we do provide lectures and discussion groups where we bring in senior officials normally of other government departments—Trade and Commerce, Treasury Board, Civil Service Commission, Health and Welfare, and so on, so that they also get some general knowledge of the working of the whole governmental organization.

Q. I suppose during this period of training you observe the personal suitability of the applicant and the development of a sense of self-discipline for the service?—A. Yes, sir, that is quite important. We normally expect to have reports from three or four divisions on new officers before they will be given a permanent appointment.

The CHAIRMAN: Any further questions?

*By Mr. Henry:*

Q. Do you find the run-of-the-mill candidate whom you accept in the first instance can prove personally unsuitable from the standpoint of lack of self-discipline?—A. That very occasionally happens, sir, but we try to pick people pretty carefully before they come in.

Mr. PEARKES: May I ask a question regarding the position of the payment of claims against the Japanese government which have been incurred by British and Canadian residents living in the Far East at the time of the last war? I wonder if we can be brought up to date on that? If that question has been asked before when I was not attending the committee I apologize.

The CHAIRMAN: No, sir it has not but I wonder if it is not included in another vote. I wonder if this was an item under which a certain amount was voted or whether it falls under vote 84. Does this come under another vote or this vote, Mr. Macdonnell?

Mr. MACDONNELL: I don't think it would come under any other vote, sir.

The WITNESS: I think, sir, we will have to look into that. We cannot answer it offhand.

Mr. PEARKES: I would like to get some information on that. I would like to be informed particularly regarding the position of a person who was a British citizen living in the Far East at the time the claim was submitted and is now resident in Canada, because I am now informed that such a person has great difficulty, if he does not find it impossible, to get compensation for the claim. The British authorities claim that they will only pay compensation for a British citizen who is in residence in the United Kingdom and therefore if that person has moved to Canada, Canada will not pay the claim because that person was not a Canadian citizen at the time that he suffered the loss. Could that matter be cleared up for me?

The WITNESS: I am not sure whether we can clear it up but we will certainly look it up and do our best.

Mr. PEARKES: I would like to get information on that.

Mr. FLEMING: Mr. Chairman, you referred a moment ago to page 129 of the proceedings of the committee on May 5, and I draw your attention to the fact that there is apparently a mistake in the record because it referred to a \$500,000 Canada House and that should be \$5 million to \$8 million.

The CHAIRMAN: We are most interested as to your whereabouts.

Mr. FLEMING: I wanted to put the record straight on that.

The CHAIRMAN: Any further questions, gentlemen? Shall we say that Vote 84 carries?

Carried.

We pass now to Vote 85—Passport Office administration. Are there any questions on item 85?

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
85	Passport Office Administration	159	\$ 256,649	\$ 254,124	\$ 2,525	\$

Mr. McMILLAN: About how many passports are issued a year? I don't need to know accurately.

Mr. MACDONNELL: I have that figure here, sir. In 1952, 76,180 passports were issued, and in 1953, 74,275.

Mr. McMILLAN: That office, then is self-sustaining?

Mr. MACDONNELL: It earns considerable revenue.



Mr. FLEMING: I would like to say a word—it is not a question—I think we all recognize the very efficient service in that Passport Office. I think it is one of the most efficient services in the government. This year they are budgeting for a staff reduced from 75 to 68. Is there any contraction in volume of work this year?

Mr. MACDONNELL: There are two factors involved there, sir. It is expected that the number of passports to be issued will not be as great as in the past, and as the staff that has been at work microfilming old passport records has pretty well completed its work it is possible to make a saving there.

Mr. FLEMING: In other words, you have promoted a lot of clerks grade I to clerks IIA?

Mr. MACDONNELL: Yes.

The CHAIRMAN: Shall the item carry?

Carried.

Vote 86:

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
86	Representation Abroad—Operational—including payment of salaries of High Commissioners, Ambassadors, Ministers Plenipotentiary, Consuls, Secretaries and staff appointed as directed by the Governor General in Council, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments.....	160	6,301,835	5,758,874	542,961	

The CHAIRMAN: The details are on page 160. Any questions, gentlemen?

*By Mr. Pearkes:*

Q. What is the position regarding the payment of military attachés. Does this department pay any of the expenses in connection with military attachés?

—A. The Department of National Defence, as I understand it, pays the complete expenses for military attachés.

Q. Does this department ask for military attachés to be attached to the legations or does the Department of National Defence say they would like them?—A. Before I answer your question, may I make one slight amendment? If we had sufficient space in our office quarters we make that available without charge to National Defence if they have a military attaché in the area. Other than that they pay the full cost. And your second question?

Q. Does the request come from this department to have a military officer attached as a military attaché to a legation or does the Department of National Defence? What I am getting at, to be quite frank, is that it seems to me there is a tremendous number of military, naval and air force officers attached to various headquarters in Europe. Now, you have a military attaché and an air attaché on the Paris legation. At Paris you have military officers also attached to the headquarters of the NATO organization at SHAPE. It seems to me there is a great duplication between having military officers attached to the North Atlantic Treaty Organization headquarters and others attached to the various

legations throughout Europe, because I find it very hard to understand why all the information concerning the forces of a foreign power which is a member of the NATO organization cannot be obtained through NATO headquarters very much better than being obtained through the legation, and I don't understand why it is necessary to have this duplication because they are senior officers and the expense of maintaining the military attaché by the very nature of his service runs into a considerable amount of money. I don't think we are getting full value for it, and I think there is duplication?—  
A. This is, I should say, a matter for National Defence rather than External Affairs.

Q. Are you sure External Affairs do not ask for them?—A. Yes, sir, officially. I would like to make one amendment, however. It frequently happens that heads of missions may think it desirable to have a military attaché and normally we would pass that correspondence without comment to National Defence.

Q. When I try to get any information from National Defence I have always been told that this is an External Affairs matter and that External Affairs would like to have or the heads of missions would like to have a uniform around their staff. How many military attachés are there at the heads of these various missions? Have you got any idea where they are located?—A. If you give us a little time, sir, we can find out.

Q. I think it would be indicative of the danger of duplication. He is just going around there as a glorified aide-de-camp. That is not what a military attaché used to do in the old days. If he is there trying to obtain information about the forces of other countries, then I submit that information could be better obtained if it is a North Atlantic Treaty country through the headquarters of NATO—Shape.

The CHAIRMAN: I understand the answer will be given at the next meeting as to the number. Are there any comments to be made by the department as to the other aspects of General Pearkes' question?

The WITNESS: I should like to repeat, if I may, that all this is more properly a matter for National Defence. It is their decision as to whether a military attaché is sent to another country or not and that decision is approved, as I recollect, by the Treasury Board.

Mr. PEARKES: I am sure it would be approved by the Treasury Board.

The WITNESS: I mean no military attaché post is established without the approval of the Treasury Board.

Mr. PEARKES: Then, would you be able to tell me now if External Affairs have made any request to National Defence for military attachés to be attached to the heads of missions?

Mr. PINARD: You are talking about the heads of mission in Paris alone?

Mr. PEARKES: No, anywhere.

The WITNESS: Could you set a time limit on that? We have to go back through all our correspondence—five years, sir?

Mr. PEARKES: Oh, yes, that would be quite long enough.

The CHAIRMAN: You will supply that, then, at the next meeting?

The WITNESS: Yes.

Mr. NESBITT: I would like to ask one or two questions regarding the examinations which are required for foreign service officers—

The CHAIRMAN: We already had that on item 84 and it was discussed at the last meeting and added information will be printed as an appendix to the last meeting. The competition papers and all the information as to the entrance into the service were tabled at the last meeting and have been sent to the printer now.

In the report of last meeting will be printed a copy of the advertisement of positions, a report as to how the personnel is recruited, as well as questions asked in the last two competitions of 1952 and 1953. It will all be printed as an appendix to the last meeting and this matter was discussed when we were on vote 84, but it is in order if you want to put further questions.

*By Mr. Nesbitt:*

Q. There are two brief questions in this regard. The written examinations that are required in this competition, they are required, I take it, to be written on the same day, is that correct?—A. Normally, sir, yes.

Q. Regarding the oral examination or the personal interview, whichever you choose to call it, how long after the written examination does that normally take place?—A. Probably two to three months, sir. The reason for that is that we have to hold examinations abroad as well. We may have to hold an examination in, let us say for example, Tokyo, London, Paris. By the time you get those papers back and all marked, some weeks are certain to have elapsed.

Q. When you get to the personal interview how many constitute the board examining the candidate normally?—A. That varies, sir. There is, of course, always someone representing the Civil Service Commission and someone representing the department and we also try to bring in two or three people from the particular locality where a board is held—perhaps a university professor, perhaps a business man, perhaps a journalist—someone who can give us independent advice.

Q. When the candidate appears before this board is he questioned by all members of the board or just by one or two?—A. Everyone is free to ask as many questions as he likes.

Q. And what type of questions are normally asked?

The CHAIRMAN: I think that is a very tall order because the witness here, not attending himself, may not know the questions submitted.

Mr. NESBITT: That may be. I have a specific reason for asking these questions. I am trying to get a general line on what topics are discussed.

The WITNESS: That is a very difficult question to answer, sir. We try to find out the background of the candidate. We may begin by asking him what college he has attended, what courses he has taken. We may go on to discuss his special interests. We might ask him a general question on international affairs to see how he can handle it. The main purpose of the board, of course, is to get a personal impression of the candidate—see whether he is personally suitable, to see whether he is a lad of sound judgment and so on. It is very difficult to answer the question in general terms.

*By Mr. Nesbitt:*

Q. They don't very often make a practice of taking one specific subject and pursuing that for a long time, for instance?—A. Well, I should say usually a board would try to pursue some subject of which the candidate has some knowledge or might be expected to have some knowledge to see how he handles it—not to find out the answers but to find out how he handles it.

Q. The reason I am asking the question is that I had some information that one candidate who appeared before the board was questioned at length on, I believe, twentieth century poetry and literature, a subject which he did not know very much about and did not have much opportunity to discuss other subjects on which he did have some knowledge, and that is why I was wondering what the line of questioning normally was.

Mr. KNOWLES: Most examinations are that way.

Mr. PINARD: That would be the oral examination. You have had the written examination before?

The WITNESS: Yes.

*By Mr. Nesbitt:*

Q. Just one further question. How much notice is a candidate given of this oral examination? Could you give me any indication?—A. I am afraid I cannot give you any definite information on that. The notices are sent out by the Civil Service Commission. He is given plenty of notice to appear and if he cannot appear in one place arrangements can be made for him to appear in another.

Q. A week's notice or twenty-four hours' notice?—A. Well, normally I should say much more than a week.

Q. More than a week?—A. Yes. Of course, the candidate may not get his mail.

The CHAIRMAN: I think as to the notice and as to the number of marks for the oral as compared to the written we will have the department bring an answer in at another meeting.

Mr. NESBITT: Only one further comment. I understood in one case from my information the candidate received notice by telegram within twenty-four hours of the time he had to appear and it was some considerable distance to travel. That is why I was curious.

The WITNESS: I think that is most unusual.

The CHAIRMAN: Would that be under the Civil Service Commission or the department?

The WITNESS: Civil Service Commission.

The CHAIRMAN: That would be the Civil Service Commission notifying him of the date.

*By Mr. Patterson:*

Q. I think, Mr. Chairman, the question I have comes under this particular vote. I have been looking through the public accounts of the Department of External Affairs and I notice a column "allowance rate." I wonder if Dr. MacKay would enlighten me on the special purpose for which these allowances are provided and what they are supposed to cover?—A. Broadly speaking, sir, allowances are intended to cover two main purposes, first, to compensate for the differences in the cost of living abroad and second to allow officers without any private means to do their job on a scale appropriate with the position the government expects them to uphold. In order to be able to perform his duties which, apart from his normal office work, entails entering as widely as he is able into contact with officials and others in the country to which he is attached the officer must find somewhat larger quarters than he is accustomed to at home. These allowances are intended to allow him to do this and to accommodate him in a manner appropriate to an official representative of Canada. These moneys are also intended to provide for the personal and financial difficulties which are inescapable in the itinerant life of the foreign service.

I might say we have special educational allowances for officers with children. Where they have to live in a foreign country they may have to send their children to a private school or get private tuition in the country where they are living.

Q. And all those are included in the allowance rate?—A. Yes.

Q. I was wondering. They seem to be rather high. For instance, I notice in France \$64,000, Greece \$23,000, Italy \$23,000, United Kingdom \$22,000, United States \$62,000 and then the Canadian representative on the

European Economic Cooperation \$20,000. I was wondering if those amounts are not rather high?—A. Of course, allowances have to some extent to be related to the cost of living in Canada. In some countries costs are very much higher.

Mr. FLEMING: It might be helpful if Dr. MacKay would indicate how many persons in those respective embassies are in receipt of the allowance.

Mr. PATTERSON: I know there are several in some of them but it would still seem to be a rather high figure for allowances of that kind and then I think for one Canadian representative for the organization for European Economic Cooperation, I believe there is just the one listed there—\$20,000.

The WITNESS: With respect to that, sir, I think I should point out that he is also a representative to the North Atlantic Treaty Organization. He "doubles in brass," so to speak, but he does not double in allowances.

Mr. FLEMING: Is the one official in that case receiving the whole \$20,000?

Mr. KNOWLES: And if so how much of it is for cost of living and how much of it is for keeping up prestige?

Mr. MACKENZIE: What do you mean by "prestige"?

Mr. KNOWLES: It was the most polite word I could think of at the moment.

Mr. HEMSLEYS (*Head of Finance Division*): So far as the Organization for European Economic Cooperation is concerned, that is provided for in the estimates as part of the North Atlantic Treaty Organization. The allowances that would be provided for the Organization for European Economic Cooperation and North Atlantic Treaty Organization would not be for one individual, but for all the Canadian representative staff at our NATO and OEEC office in Paris.

Mr. PATTERSON: For instance, what percentage of that \$20,000 would be for the difference in living costs?

Mr. HEMSLEY: On the living representational allowances the department has made an estimate, and it is probable that 75 per cent of it goes to compensate the officer for the increased cost of living that he has to meet in the foreign post, and approximately 25 per cent for his representational responsibilities.

Mr. FLEMING: Mr. Chairman, that sum, I understand, is paid willy nilly; it is not an item on which an accounting is required from the recipient?

Mr. HEMSLEY: No, apart from the rental and educational elements which are accountable specifically. But they are all lumped together for the purpose of the estimates.

Mr. FLEMING: I understood the full \$20,000 was paid in the public accounts and I gathered that part of it was accountable and part of it was not?

Mr. HEMSLEY: I don't recall the item in public accounts, but the way the allowances are provided in the estimates are: for the mission in Paris there is a lump sum and that lump sum will include the unaccountable elements which you have for representation and the compensation of increased cost of living; and certain other elements such as rental that will be accountable and he will also have to account for the amount spent for the education of his children.

Mr. FLEMING: But those are included in the round figure totals that were mentioned?

Mr. HEMSLEY: Yes.

Mr. PATTERSON: \$64,000, France.

*By Mr. Fleming:*

Q. I go back and ask my former question as to how many persons in these various missions are in receipt of these allowances because so far as the living costs are concerned that is a matter of lively concern also to some of the junior men on the staff of these posts, perhaps not on the same scale as the head of the mission or the senior officers, but nevertheless it has been a matter of some importance to some of the junior men living abroad, especially those with young families?—A. May I take Paris as an example? In Paris there is an ambassador, one foreign service officer grade VIII, two foreign service officers grade IV.

Q. Is this sum broken down into estimates as between officials?—A. No, I am giving the number of people in receipt of allowances.

Q. Is the amount of each official's allowance included?—A. Not here.

Q. But when you make up your estimate is a fixed sum allowed for each individual or do you just make a general lump sum total for the whole mission?—A. A fixed sum for each individual.

Q. Then there is not much use having a list without the sum for each. Perhaps it could be supplied?

The CHAIRMAN: Giving the ones for one embassy only would not give us the exact situation. There is one question I would like to ask. As to the allowance to cover the increase in the cost of living, has it been the practice of the department in making their estimate for the allowances for officials to be sent abroad to determine the variations in the cost of living as between one country and another? Has it been the practice of the department in years gone by to send from time to time abroad administrative officers to determine the proportionate increase in cost of living between one country and another to determine these allowances?

Mr. MACDONNELL: That is done by the Dominion Bureau of Statistics. They conduct an annual survey of prices in each country in which Canadian employees are stationed and from time to time they send officers into the field for personal surveys. This annual review is made by the Dominion Bureau of Statistics who establish cost of living indices on the basis of returns from posts.

The CHAIRMAN: Would the departmental decision as to what is the allowance be based on these figures you get from the Dominion Bureau of Statistics or which department does that survey?

Mr. MACDONNELL: We apply automatically the index with which the Dominion Bureau of Statistics provides us.

Mr. KNOWLES: In what way, as a percentage of salary?

Mr. MACDONNELL: There is a fixed scale of allowances which has been worked out for officers and employees of all grades on the basis of what living costs were in 1946 and we apply the index to that scale.

Mr. KNOWLES: So these allowances are adjusted?

Mr. MACDONNELL: Yes.

Mr. KNOWLES: Are there any instances where it is a downward adjustment or is it always upward?

Mr. MACDONNELL: We have a few where the cost of living index is less than 100 per cent.

The WITNESS: There is one recently where it has been reduced.

Mr. KNOWLES: Would you care to tell us where it is?

Mr. MACDONNELL: Chile.

The CHAIRMAN: So your increases in cost of living or allowances are based on the figures gathered on the spot by officials of another department but by officials of the government?

Mr. MACDONNELL: Yes, sir, or gathered by staff at ports to DBS. I think it would be appropriate to point out—I am not sure that I can answer Mr. Knowles' question fully—but in a good many instances over the years the indices have gone down in some countries. In some countries they have just kept mounting steadily.

Mr. FLEMING: I notice in appendix D (estimates analysis) with which was distributed previously the allowances for living including cost of representation are up this year by approximately \$85,000 as compared with your last year's expenditure, but the allowances for meeting higher costs of living abroad are down about \$25,000 as compared with last year.

Mr. MACKENZIE: If that were worked out on a percentage basis it would be better.

Mr. KNOWLES: The cost of prestige is going up while the cost of living is going down.

Mr. HEMSLEY: I think the reason probably for the decrease in the allowances for meeting higher costs of living abroad has been the result of an investigation made by the Dominion Bureau of Statistics. These are carried out in the fall just at the time we prepare the estimates, and on the basis of the information received from them we adjust the indices. In this case they probably indicate there might be some lower indices which would call for some modification in that area; and with the increase in the number of officers abroad I think probably the first element might have gone up. I would have to look into the breakdown between these pretty carefully before I could state as to why one element has gone up and the other has gone down.

Mr. FLEMING: Perhaps we might ask Mr. Hemsley to look into that.

Mr. HEMSLEY: I will do that tomorrow.

The CHAIRMAN: I have heard the word "prestige". I would not like that to go on the record, without a proper explanation. I wonder if the departmental officials would say whether that general allowance is not more for the facility to establish contacts with people in the countries where they are stationed to gather information necessary for them in the exercise of their functions. You might in many countries in Europe at least not be able to establish contact simply by a phone call but may have to invite somebody to dinner or something. I wonder if it would be right that this should be charged to a man's own revenue or his salary. I wonder if the officials might comment on this idea of whether the allowance is more to establish contacts or get the necessary information which the department officials need to have to carry on their duties. Mr. Macdonnell, you have been posted abroad; would you care to comment on that, or would Dr. MacKay? This allowance is paid for one purpose. It is not only for the pleasure of the individual. As soon as he comes to Ottawa he loses it. Does the department consider that when he goes abroad he needs it not so much for pleasure but for contacts and to carry on his duties?

Mr. MACDONNELL: Yes, Mr. Chairman. It is the intention of our department—and this is true of other departments that have officials abroad as well, that officers should mix as widely as they can not only in governmental but in other circles in order to be as well informed as they can be about conditions in the country concerned, and that inevitably involves expense. It is an expense which a civil servant in Ottawa does not have to bear and it is our belief that value is obtained from the payment of these allowances for the additional contacts, as you put them, that our officers are able to make.

Mr. KNOWLES: Is there any accountability for these? Perhaps you have already answered that when you say that these are not accountable items.

Mr. MACDONNELL: That is right.

Mr. KNOWLES: May I ask then: do you just allot to an officer a certain sum for the year as—call it what you will—a representational allowance or do you wait until the end of the year and then give him the amount he spent without it actually being itemized?

Mr. MACDONNELL: This is a yearly sum which is payable in monthly instalments.

Mr. KNOWLES: And how do you determine the variation in it if there is a variation between different posts?

Mr. MACDONNELL: The variation between posts is entirely a matter of the Dominion Bureau of Statistics index.

Mr. KNOWLES: But does the Dominion Bureau of Statistics maintain an index on what I have called prestige costs or representational costs?

Mr. MACDONNELL: They include among the factors which they use in framing their indices such things as costs of domestic service, costs of transportation and costs of clothing—which are larger in the kind of work the officer is supposed to do abroad than they are for a civil servant in Ottawa.

Mr. KNOWLES: Do the costs of refreshments come in that index too?

Mr. MACDONNELL: Yes.

Mr. BALCER: How do the allowances paid to our representatives compare with allowances paid by other governments to their own staffs—generally?

Mr. MACDONNELL: Generally I think that we are somewhat lower than some foreign services, that we are probably in something of a middle grade. Undoubtedly the allowances paid in some foreign services are higher.

Mr. NESBITT: Mr. Chairman, I was just wondering if perhaps the department could give us a little idea—I notice the operational costs for France, for example—

The CHAIRMAN: Are you going to another point? I think Mr. Fleming had a question to ask on this point.

Mr. FLEMING: May I just ask this? It has been made clear that there is no accountability in respect of this particular type of allowance, but does the head of mission attempt to ascertain whether the allowance that is provided for the purpose that has been described is used by the individual for that purpose? There may be some individuals who are active in promoting their contacts. There may be others who are not so active. Is there a responsibility on the head of mission to see, if this is a duty on the part of his staff for which they receive an allowance, that the duty is discharged?

The WITNESS: Our whole system of promotions is built up really on a system of ranks of officers throughout the whole service and we require reports periodically from our heads of missions on each officer in the mission. If the officer is not fulfilling his responsibilities in that respect we normally hear about it.

Mr. FLEMING: But is this one of the things in which the head of mission interests himself in respect of the discharge of this responsibility?

The WITNESS: He is supposed to. In fact he is supposed to give us a full report on them.

Mr. PEARKES: Does the head of mission comment on whether the allowance is adequate?

The WITNESS: We get complaints frequently. I think we might say that throughout the service there are very few people who really think the allowance is adequate, or at least from what they tell headquarters.



Mr. KNOWLES: Could you tell us today or tomorrow when you bring in the figures what the maximum representation allowance is that is paid to any officer and what the minimum one is?

Mr. FLEMING: I think that would be included in the answer to my earlier question. If we are going to take Paris perhaps we could have the allowances of heads of other missions.

Mr. KNOWLES: I was not asking for all of them; I was asking for the top figure and the bottom figure.

The CHAIRMAN: That would be included in the general report I imagine that is to be supplied. I am quite sure that Mr. Fleming, and I think other members of the committee who have travelled abroad in the last years, would admit that our heads of missions in mostly all the places they visited are carrying on their duties very well and surely at no personal monetary advantage to themselves because I am quite sure that the allowance paid—and I am giving a personal opinion because I visited many—is much lower than they actually have to spend, not only on prestige, as my friend Mr. Knowles said, but on the actual necessity of entertainment of one kind or another to carry on their duties properly in a comparable manner to heads of missions of other countries and I don't mean the largest ones like the United States or Britain or France but the heads of missions of other smaller countries.

Mr. KNOWLES: I don't want to suggest that no such allowance should be paid, but I think it is our duty to find out what is going on and impose checks on unnecessary spending that might arise.

The CHAIRMAN: Yes, that is the reason for me asking my questions previously to try in some way to get the truth out in a better perspective.

Mr. FLEMING: I think we want to be fair with all persons who have an allowance and we are interested in the distribution among the various levels of the service abroad.

The CHAIRMAN: I am far from criticizing it. I am just trying to bring the picture in to cover the whole aspect of it.

Mr. KNOWLES: I was also very pleased to note one more example of federal aid to education.

Mr. PATTERSON: For instance, what is the personnel, how many in the mission to Japan, that receive the benefit from this allowance?

The WITNESS: Could we answer that question tomorrow?

Mr. PATTERSON: That would be fine. Just take a definite illustration, for example. I would like to know how many there are in the Japanese mission and the amount that they receive and possibly the relative cost of living.

The CHAIRMAN: I think the intended answer was to work it out for everybody and not pick out one embassy in particular, and to give us the full picture for everybody and I think that is what the deputy minister has agreed to bring.

Mr. PATTERSON: I think there is quite a difference between different missions, is there not?

The WITNESS: Yes.

The CHAIRMAN: We would be able to find out from that table.

Mr. PATTERSON: There are differences in numbers and personal staff and so on.

The CHAIRMAN: Any further questions on this item?

Mr. NESBITT: Mr. Chairman, with regard to operational expenses, France, I see that the item is \$415,000-odd as compared to the United Kingdom which is \$426,000-odd—

The CHAIRMAN: I think that is the next item, sir. I mean it is on 87, isn't it?

Mr. NESBITT: No, representation abroad.

The CHAIRMAN: But representation abroad is divided into two items, 86 and 87. No. 86 is for salaries, grants, allowances, etc.; 87 is for construction, acquisition and so on.

Mr. NESBITT: I beg pardon.

The CHAIRMAN: If we are through with item 86—

Mr. FLEMING: No, I have two or three questions on item 86 based on the breakdown in appendix D on the same page we have been working on, Mr. Chairman. The fifteenth item on that page—relates to rentals of buildings and works \$507,955, which is an increase of about \$92,000 or roughly 20 per cent over last year. What accounts for that substantial increase?

Mr. MACDONNELL: After the war a number of buildings were requisitioned for our use, provided to us at no cost or low rental cost. As we get farther and farther away from the wartime period those conditions disappear and we pay more in rentals and then, of course, there is some increase in the number of offices.

Mr. FLEMING: Is it a lengthy list? Would it be difficult to bring us just a list for our information?

Mr. MACDONNELL: Well, I can give you this sort of example. For instance, in Indonesia we actually have a decrease there because premises are being purchased and rent will be paid for a portion of the year only. As a matter of fact, there are several decreases in particular places.

Mr. FLEMING: Is it a lengthy list? We don't want to spend a lot of time on it now. Could the list be easily compiled and handed to us tomorrow or is it a long list, Mr. Macdonnell?

Mr. MACDONNELL: You mean the main increases in rentals?

Mr. FLEMING: Yes, I was thinking of the larger items, just to give us the location of the larger items and the amounts.

Mr. MACDONNELL: I would say this, that some \$60,000 is due to the necessity of providing for residences and office accommodation in new missions and an increase of approximately \$17,000 resulting from a more firm estimate for rentals on premises leased for missions opened during 1953.

Mr. FLEMING: Now, the \$60,000 for new missions, I will have to ask you where they are?

Mr. MACDONNELL: Well, I am afraid I can only make the same comment—

Mr. FLEMING: Does this take us into the Dominican Republic again?

Mr. MACDONNELL: That would include the Dominican Republic and Haiti.

The CHAIRMAN: I think I ought to apologize to Mr. Nesbitt. His question was in order on this item, so if he wants to put his question on operational expenses now it will be in order. I am very sorry, I only realized it after I gave my ruling.

Mr. FLEMING: Can you give us the breakdown between these two new missions that were mentioned, the Dominican Republic and Haiti? I say again, Mr. Chairman, if this sort of thing will take a while to look up I would be quite content to have the information brought back tomorrow with a breakdown to give us the explanation of these substantial increases.

The CHAIRMAN: It will facilitate our work if it is brought in as an answer at the next meeting. Now, Mr. Nesbitt?

Mr. NESBITT: Mr. Chairman, I notice the operational item for France is \$415,000, for the United Kingdom \$426,000 and for the United States \$474,000. I fully realize that the operational expense items for the United States and the United Kingdom would obviously be the largest ones. I was wondering if some of the officials from the department would care to comment as to why the operational figures for France, for example, should be relatively as high as they are compared to some of the other operational items.

Mr. MACDONNELL: Mr. Chairman, one fairly important reason is the difference in the cost-of-living index for the two countries. The present index for London is 111 and for Paris 157, and there is a fairly large staff in Paris.

Mr. NESBITT: What is that index related to—Canadian cost of living?

Mr. MACDONNELL: Yes.

Mr. NESBITT: Canada represents 100, I presume?

Mr. MACDONNELL: Yes, as of 1946.

Mr. NESBITT: Why is there a necessity for having apparently such an extra large sized staff in Paris?

Mr. MACDONNELL: Well, there is a good deal of business done by the embassy with the French government, a good deal of information work, quite a lot of consular work. There are a good many Canadian residents and Canadian travellers in France. We have also included in these estimates for Paris the expenses of our departmental architect whose field covers pretty well the whole of Europe. He and his staff are in these estimates.

Mr. NESBITT: In other words, certain operations, I take it are carried on through the embassy in Paris that relate directly to other embassies in Europe?

Mr. MACDONNELL: Yes.

Mr. NESBITT: And that will account for part of the increase?

Mr. MACDONNELL: Yes.

Mr. NESBITT: Several members have used the embassy in Paris as an example. I realize that all embassies, of course, have to have a certain amount of entertainment to keep up with the Joneses so to speak. I am not criticizing that, but could you give us an idea of the number of receptions and things of that nature which would be held each year, for instance, in an embassy such as in France?

Mr. MACDONNELL: We have no statistical information on that. We do not require our heads of posts, nor our officers, to supply that information in detail. I might say that as a matter of personal experience, having been posted in Paris for some years and having watched with admiration the responsibilities discharged by our ambassador, he was exceedingly busy in that field right through the year. The numbers, if there were any existing, of the guests that had been entertained would be really pretty impressive.

Mr. NESBITT: Could you give us any idea of the cost of entertainment?

Mr. MACDONNELL: No, I could not.

Mr. NESBITT: There would be no way of obtaining those figures?

Mr. MACDONNELL: No. The ambassadors and other officers are given the allowances we discussed earlier, and they are expected to make them go as far as they can.

Mr. NESBITT: Under this item "Operational expenses", would large receptions come under that?

Mr. MACDONNELL: No, there is no provision anywhere in our estimates for entertainment and representational activities except in the allowances.

Mr. NESBITT: It in no way comes under these operational expenses?

Mr. MACDONNELL: That is right.

The CHAIRMAN: If anyone has been to Rome, London, or Paris, or to any of our embassies he would realize that even the allowance they get does not cover the amount they have to spend on entertainment.

Mr. NESBITT: I fully realize that and that is why I was wondering if there was no other item under which entertainment could come.

The CHAIRMAN: The only item for official hospitality is 88 and it is not for the embassies.

Mr. MACDONNELL: That is for expenditure in Canada.

Mr. NESBITT: What exactly do operational expenses include—the salaries and care and maintenance?

Mr. MACDONNELL: I can perhaps answer most broadly by saying they include everything except capital expenditures. Such items for example, as salaries, allowances, travelling expenses, freight, service charges, telephones, and all the normal administrative expenses of an office.

The CHAIRMAN: It is in appendix D of the memorandum we have before us. It is all given in detail.

Mr. FLEMING: I have a couple of questions on the items at the bottom of appendix D, "municipal and public utility services" an increase of \$25,000. Are those payments for municipal services abroad, and how is it that municipal services are paid for in the light of the diplomatic immunity?

Mr. MACDONNELL: Where we own property we very frequently are exempt from taxes, but not from what would be regarded as service charges, for water for example. We have to pay our normal public utility bills.

Mr. FLEMING: What are "Benefits", \$23,140?

Mr. MACDONNELL: That provides for the departmental share of social security payments for locally engaged employees, nationals of the countries concerned.

Mr. FLEMING: Are those payments made voluntarily? There would be no question of obligation under the law of those countries to make deductions from salaries, would there?

Mr. MACDONNELL: No, but I think it would put a Canadian government office in a very invidious position if it refused to make what were the going contributions under any social security system.

Mr. FLEMING: I take it that these are voluntary?

Mr. MACDONNELL: Yes. Certain benefits in the way of retiring gratuities are compulsory by law in some countries. It is true that we are not under an obligation to pay them, but it has been the feeling of the government that it would be a very invidious thing, in a country whose law says that on discharge an employee is entitled to say a month's pay, if we did not do the same as business firms and everybody else.

Mr. FLEMING: I take it that these are payments made, not to the individual concerned, but on his behalf into some social security fund?

Mr. MACDONNELL: That is right.

Mr. FLEMING: To what countries do these apply?

Mr. MACDONNELL: They are widely distributed throughout the world.

Mr. KNOWLES: Does the reverse happen? Do some missions here employing Canadians pay unemployment rates for them?

Mr. FLEMING: They are not under the Unemployment Insurance Act.

Mr. MACDONNELL: I cannot answer that question.

Mr. FLEMING: I can. They do not come within the scope of the Unemployment Insurance Act. I suppose stenographers would, but people doing diplomatic work would not.

Mr. KNOWLES: I was referring to stenographers, chauffeurs, and other such Canadians engaged here for foreign missions.

Mr. MACDONNELL: I just do not know the answer.

Mr. FLEMING: I have one question on the last item, Sundries, \$40,000. What type of expenditure are they?

Mr. MACDONNELL: It includes such things as the normal annual gratuities to trades people. In some countries it is almost an obligation, and certain provisions have been made for that. It also includes provision for a worldwide insurance coverage that we have on departmental motor vehicles. We have a policy with one company.

Mr. FLEMING: Could we have a breakdown between the insurance premium and the other payments?

Mr. MACDONNELL: We have not got the figures broken down.

Mr. FLEMING: Can you tell us the premium?

Mr. MACDONNELL: It was \$45 per vehicle in 1953 with a no-claim bonus reducing the charge 15 per cent. The premium for 1954 will be \$40.

Mr. FLEMING: It is not a blanket policy with a set premium, but a premium determined according to the number of cars?

Mr. MACDONNELL: Yes.

Mr. FLEMING: What will it amount to out of this total of \$45,000?

Mr. MACDONNELL: About \$4,000.

Mr. FLEMING: That is normal coverage against public liability, property damage, fire and theft?

Mr. MACDONNELL: Third party only.

Mr. FLEMING: You say that is all with one company? What company?

Mr. MACDONNELL: Caledonian.

Mr. FLEMING: There leaves roughly \$36,000 for these emergency gratuities?

Mr. MACDONNELL: And for a great many other things—drinking water, registration, night watchman service, cleaning of uniforms, and other sundries.

Mr. McMILLAN: I notice one item in the estimates is up by \$50,000 for security guards. We have 25 this year against none last year.

The CHAIRMAN: That has been covered at a previous meeting and a full explanation was given as to the numbers and the new policy adopted.

Are there any other questions on 86?

Shall vote 86 carry?

Carried.

Now, 87.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
87	Representation Abroad — Construction, acquisition or improvement of buildings, works, land, new equipment and furnishings, and to the extent that blocked funds are available for these expenditures, to provide for payment from these foreign currencies owned by Canada and provided only for governmental or other limited purposes....	162	1,945,480	2,063,850	.....	118,370

Mr. FLEMING: On 87, how much have we left in blocked funds to our national credit abroad? We are proposing this year, as I understand, to spend \$730,000 of that total as indicated on page 4 of the appendix. I was wondering how much we have in total credit abroad?

Mr. HEMSLEY: I am afraid that the figures I have are a little sketchy, but as far as the French credit is concerned, we have about \$3½ million in French francs, and in the Netherlands around 2,500,000 guilders, which would be about \$600,000; and in Italy around \$100,000. But, Italy I had better look up. The main ones are the francs and the guilder credits.

The CHAIRMAN: Shall Vote 87 carry?  
Carried.

Vote 88

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
88	To provide for official hospitality.....	167	20,000	20,000		

Mr. KNOWLES: Is that in this country or in foreign countries?

Mr. MACDONNELL: In Canada.

The CHAIRMAN: Shall Vote 88 carry?  
Carried.

## Vote 89.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
89	To provide for relief of distressed Canadian citizens abroad and their dependents and for the reimbursement of the United Kingdom for relief expenditures incurred by its Diplomatic and Consular Posts on Canadian account (part recoverable).....	167	15,000	15,000		

Mr. JAMES: What is 89 all about?

Mr. MACDONNELL: As the vote indicates it is to assist in the relief of distressed Canadians abroad, people who for one reason or another find themselves stranded without funds. Undertakings to repay are taken from those to whom relief is extended. Reimbursements made during the same fiscal year in which relief was extended are returned to the vote, and any money recovered in later fiscal years is credited, not to the external affairs vote, but to the consolidated revenue fund. This vote has stayed at the same figure for a good many years.

Mr. JAMES: Who would press those people for repayment?

Mr. MACDONNELL: Initially our department, and if repayment is not made we obtain an option from the Department of Justice as to whether legal action should be taken to recover.

Mr. FLEMING: What is the percentage of recovery over a period of time?

Mr. MACDONNELL: In the most recent full fiscal year, 1952-53, \$11,000 was advanced from that fund and \$2,600 in refunds were credited to the vote, a net expenditure of \$8,400.

Mr. FLEMING: A recovery of about 23 per cent of all you lay out?

Mr. MACDONNELL: The figures indicate that over the years there is an increase in the amount of money recovered.

Mr. FLEMING: I suppose that it takes time for these people to get on their feet?

Mr. PEARKES: Would that include people who were in the concentration camps in Asia who are now escaping or being allowed to come out of communist China, for transportation back to this country?

Mr. MACDONNELL: I do not think very many people of that class have applied for this, particularly in China, where we have no offices.

Mr. FLEMING: I think some did right after the war.

Mr. PEARKES: Some of those who came back from Japanese concentration camps I believe had their passage paid and then were requested to refund the money. Is that included in this?

Mr. MACDONNELL: Yes, there were expenditures from this fund on those people.

Mr. PEARKES: And that would account possibly for the small return in those early years and the larger return in some subsequent years?

Mr. MACDONNELL: Yes.

Mr. PEARKES: I think that is the class of people who were very largely assisted?

Mr. MACDONNELL: Yes.

Mr. JAMES: Suppose a man and his wife and family go to France; possibly that man has a good job there or is running a small business; he goes broke and wants to come back to Canada and has no visible means of support; would the Canadian government assist him to come home?

Mr. MACDONNELL: Yes, if there were no other funds available from his relatives or friends. That side is explored first.

The CHAIRMAN: Shall Vote 89 carry?

Carried.

Vote 90.

No. of Vote	Service	De-tails on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
90	Canadian Representation at International Conferences....	168	175,000	225,000	.....	50,000

Mr. KNOWLES: Have you any comment on the reduction?

Mr. MACDONNELL: A little worried comment perhaps. We have as you see reduced our estimate for this year; our reason for doing so was that the pattern of expenditures over previous fiscal years indicated that we might be able to get by with less. It is an extremely difficult thing to try to forecast 18 months in advance how many international conferences there will be. For example the political conference which is now going on in Geneva was not in our minds when this estimate was made up. We can only hope that this sum will be sufficient.

Mr. FLEMING: Eventually there will be a supplementary estimate.

Mr. MACDONNELL: I think that that is possible.

Mr. FLEMING: Can you tell us what international conferences are planned for the balance of this year?

Mr. MACDONNELL: There is of course the General Assembly of the United Nations. There will be this year a general conference of UNESCO. There will be the GATT review next fall, the general agreement on tariffs and trade, and the International Labour Organization. All the specialized agencies have their annual or bi-annual meetings.

Mr. FLEMING: The special ones this year would be the trade conference of GATT, and the UNESCO, although UNESCO is a periodic meeting.

Mr. MACDONNELL: It did not happen to take place last year, and, of course, this conference at Geneva is a somewhat special one.

The CHAIRMAN: Shall Vote 90 carry?

Carried.



## Vote 91.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
91	Grant to the United Nations Association in Canada.....	168	11,000	10,000	1,000	

Shall Vote 91 carry?

Carried.

## Vote 92.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
92	Grant to the International Committee of the Red Cross	168	15,000	15,000		

Shall Vote 92 carry?

Carried.

## Vote 93.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
93	To authorize and provide for the payment from foreign currencies owned by Canada and available only for governmental or other limited purposes, in France, The Netherlands and Italy, of fellowships and scholarships and travelling expenses to enable Canadians to study in those countries, and for payment to the Royal Society of Canada of amounts not to exceed \$10,000 in all to meet travelling and other administrative costs incurred by the Society for those it may designate to act on its behalf in selecting persons to receive fellowships and scholarships.....	168	125,000	125,000		
			12,198,547	11,340,806	857,741	
	Total, Department and Missions Abroad.....		12,210,547	11,352,806	857,741	

Mr. FLEMING: I wonder if Dr. MacKay could bring us up to date on the methods that are followed in respect to these awards of scholarships?

The WITNESS: Could you leave that until tomorrow?

Mr. FLEMING: I would like to know the basis on which they are made, the basis of selection and the terms.

The CHAIRMAN: Shall Vote 93 carry?

Mr. FLEMING: We had better let it stand.

The CHAIRMAN: Vote 93 will stand.

Vote 94.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
	B—GENERAL					
94	To provide for the Canadian Government's Assessment for Membership in International and Commonwealth Organizations, as detailed in the Estimates, including authority to pay the amounts specified in the currencies of the countries indicated, notwithstanding that the payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is.....	169	2,893,012	2,706,097	186,915	

Mr. FLEMING: On this one we have been furnished with certain information about the breakdown and I suppose all we are concerned about is the Canadian percentage of assessment. Of course, it varies from organization to organization and will naturally be so because the membership in the different organizations have not always been uniform. But I wonder if any other factor explains the difference in percentage than the different membership as amongst the different organizations on which we are being assessed membership fees?

Mr. HEMSLEY: There is one factor, and that is that the Canadian government's interest in the organization is taken into consideration, the value of the organization to Canada. Two of these organizations might be used as examples: our rather more than usual interest in FAO and ICAO. Canada's agricultural interest and her interest in international aviation is taken into consideration in the compilation of the percentage. So that in those two organizations there is that element that would result probably in a different percentage from what would be arrived at in others.

Mr. FLEMING: I suppose that a certain amount of bargaining goes on in these United Nations organizations in establishing the percentages that the various countries are prepared to accept. There is quite a variation between the U.N. percentage of 3.3 and F.A.O. of 5.7 and ILO of 3.98; ICAO of 5.4, which shows an increase; UNESCO is 3.54% which is about the same as the previous year; WHO is 3.97; and GATT is 4.27, which is the same as the previous year. I do not know whether the officials here representing the department could make any comment as to the view taken by the department as to the fairness of assessment on Canada of these various organizations?

Mr. MACDONNELL: We think, Mr. Chairman, that it would be fair to say that every effort is made in the negotiations that precede the drawing up of these assessments to reach a figure that would be fair to Canada. There are probably cases where we might have preferred a somewhat lower assessment but it is not always possible to have your own way. I think that the two factors which have been mentioned, the size of the organization and the extent of Canadian interest, probably account for these variations.

Mr. FLEMING: We have always been concerned in this committee about the contribution of the USSR particularly to the United Nations, and this committee has made recommendations on this in other years. I notice that the contribution made by the USSR this year in the 1954 budget of the United Nations is 14.15 per cent. How does that compare with their contributions in previous years?

Mr. MACDONNELL: A good deal of that is included in the statement which Dr. MacKay introduced to the committee.

Mr. FLEMING: Are the percentages set out here in detail?

Mr. MACDONNELL: We indicated the increases for the Soviet Union and the other members of the Soviet bloc and that their assessments have gone up over the years.

Mr. FLEMING: Are those figures presented year by year?

The CHAIRMAN: That has already been published as an appendix.

Mr. FLEMING: The figures are given year by year?

The CHAIRMAN: Yes, the whole figures were included.

Mr. FLEMING: We are given the figure for 1953 as being 12.28 per cent, so this year there is an increase of 1.83 per cent.

Mr. KNOWLES: In view of your comment—and I do not want to put any words in your mouth—that in some instances the percentages that Canada is prepared to pay is related to the value that Canada attaches to the organization. I am sorry to note that our lowest percentage is to the World Health Organization. Does that have any significance in the light of your previous statement?

Mr. MACDONNELL: Could I put it this way: in considering assessments for the Food and Agricultural Organization I think it is inevitable that as one of the principal agricultural producers we should pay perhaps a bit more than we do in other organizations. I do not know that the same considerations apply in the field of the World Health Organization.

Mr. FLEMING: In the case of the World Health Organization in any event the budget of the organization is being met and you have enough other countries willing to make up the balance?

Mr. MACDONNELL: Yes.

Mr. KNOWLES: I hope that it does not mean any lack of interest on Canada's part in the work of that organization?

Mr. MACDONNELL: There is certainly no lack of interest.

Mr. KNOWLES: There is a slight decrease.

Mr. FLEMING: Have not two communist countries that had not previously been members of the World Health Organization have come in this year?

Mr. MACDONNELL: I think it is only so far with respect to ILO and UNESCO that they have definitely announced their intention of becoming members.

Mr. FLEMING: It runs through my mind two of the communist countries had lately joined WHO?

Mr. MACDONNELL: I would not be sure, but I think so far it is only ILO and UNESCO, but that may be establishing a pattern. The assessments will, of course, be changed in any organization that gets new members.

The CHAIRMAN: At any rate our percentage is only 1/10th of one per cent lower than that of the United States, so I do not think that there is quite a marked difference in this; they are 3.07 per cent and we are 2.97 per cent.

Mr. FLEMING: That was Canada's percentage in 1947. For the United States you have to look in the other column; they are 4,306 units against Canada's 384 units. That makes twelve times as much as we are.

The CHAIRMAN: They have twelve times as much population and are more than twelve times wealthier than we are.

Shall Vote 94 carry?

Carried.

Vote 95.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
95	To provide for the Canadian Government's Contribution to the United Nations Expanded Program for Technical Assistance to Under-Developed Countries in an amount of \$872,354 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is.....	169	\$ 850,000	\$ 850,000	\$	\$

Now, that technical assistance has been discussed at length when Mr. Cavell was here.

Mr. KNOWLES: Does Mr. Cavell's work include this along with the Colombo Plan?

Mr. MACDONNELL: This is a contribution which we make to the United Nations. It is simply paid to them. Mr. Cavell's concern with technical assistance is in helping to place the people who come to this country for training, and who do come in quite large numbers, from the United Nations program.

Mr. FLEMING: Actually the provision for the expense of Mr. Cavell's office does not come under this item at all. Does it not come under an item of Trade and Commerce?

Mr. MACDONNELL: Yes. This vote is a block contribution we make to the United Nations.

The CHAIRMAN: I mentioned that we had touched on it and discussed it when Mr. Cavell was here.

Mr. FLEMING: This is a contribution which has nothing to do with the service?

Mr. PINARD: There is another amount in the supplementary estimates. I think the amount has been increased to a million and a half.

Mr. FLEMING: There was a discussion on that at UN and Canada agreed to accept a larger proportion.

Mr. MACDONNELL: Yes, if other nations would agree to increase their contributions. When it was found that a number had agreed it was decided that we should increase ours.

Mr. FLEMING: Is the increase proportionate among the nations?

Mr. MACDONNELL: There has been a very satisfactory response to this year's campaign for pledges from other countries. A new high has been reached in pledges; the government announced that it would make an additional contribution if other countries came along, and that is what has happened.

Mr. FLEMING: I think Senator McKeen made the statement at the United Nations.

Mr. MACDONNELL: Yes, he said last November that he was authorized to announce that the government of Canada was prepared to raise its contribution to the 1954 program to a maximum of \$1½ million, provided that support from other contributors would warrant such action and provided that total contributions would be maintained at a level which the government of Canada regarded as sound.

Mr. PINARD: What nation is the largest contributor outside of the United States? Are we the largest contributor?

Mr. MACDONNELL: We would have to look that figure up.

Mr. KNOWLES: When students are brought to Canada for training under the United Nations Technical Assistance Program, is this money transferred for their expenses, or are their expenses paid by the head Office?

Mr. MACDONNELL: They are paid by the head office.

Mr. KNOWLES: Do we pay anything in addition by way of allowances or do we make any provision for them in Canada out of other resources?

Mr. MACDONNELL: No, I think the assistance that we give there consists purely of trying to put them in touch with institutions or industries or business firms which might be able to provide the training that they need, but not a financial contribution.

Mr. KNOWLES: The only financial contribution we make at the present time training people in Canada then is through this contribution to the fund?

Mr. MACDONNELL: As far as the United Nations Plan is concerned. The Colombo Plan is separate.

The CHAIRMAN: Shall Vote 95 carry?

Carried.

Vote 96.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
96	Contribution to the United Nations Children's Fund....	169	500,000	500,000		
			4,234,012	4,056,097	186,915	

Mr. CANNON: What is the total amount contributed in all to that fund and who is it administered by?

Mr. MACDONNELL: The fund is a United Nations organization which seeks contributions from governments and from others. It has raised a good deal of money through private subscription in various parts of the world and the target figure for contributing governments this year is \$20 million.

Mr. CANNON: It might be of interest if you would mention some of the total contributions.

Mr. MACDONNELL: Of other contributors?

Mr. CANNON: That would be interesting.

Mr. MACDONNELL: These take us only up to August 1953, the most recent accurate figures available. The United States, \$97 million; Australia \$11 million; Canada \$8 million; France, \$3 million; Switzerland, \$2,800,000; and New Zealand \$2 million.

Mr. CANNON: These are total contributions over a period of how long?

Mr. MACDONNELL: That is since 1947. We started out in that year with a contribution of \$5,200,000; in 1949 a little over a million; in 1950 \$600,000; and for the years since it has been \$500,000 a year.

Mr. CANNON: You said that this is a United Nations organization. What is the name of the organization or the board that administers it?

Mr. MACDONNELL: They call themselves the United Nations Children's Fund, and there is an executive board on which Canada has been represented.

Mr. CANNON: That is what I was going to ask.

Mr. MACDONNELL: And we have provided the chairman on more than one occasion.

Mr. CANNON: I am very glad to have this information because I think that is one of the most important works that the UN is doing, the rehabilitation of children.

Mr. JAMES: As I remember it, they set this board up on a permanent basis. They changed it from the United Nations Children's Emergency Fund and put it on a permanent basis whereas before it had been on a more or less temporary basis and it could have been dropped.

Mr. MACDONNELL: That is right.

Mr. JAMES: Now it is definitely established.

Mr. PATTERSON: I think Mr. Macdonnell said that contributions are solicited from governments and other agencies?

Mr. MACDONNELL: Yes.

Mr. PATTERSON: And you gave \$20 million as the goal for this year. Will that be just from the governments?

Mr. MACDONNELL: That is the goal for government contribution only. Quite a number of campaigns have been organized in different countries.

Mr. PATTERSON: They will be in addition to the \$20 million goal.

Mr. PINARD: There are quite a lot of individuals in Canada who have contributed to that fund over the years.

Mr. MACDONNELL: I have a figure here, Mr. Chairman, of private contribution over the years from Canada totalling a million and a half dollars.

Mr. JAMES: There is one organization especially which is a professional women's club, an international organization in Canada, which is very active on this children's fund organization.

The CHAIRMAN: Shall Vote 96 carry?

Carried.

Vote 97.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
	NORTH ATLANTIC TREATY ORGANIZATION					
97	To provide, subject to the approval of the Governor General in Council and notwithstanding anything to the contrary in the Civil Service Act, for special administrative expenses, including payment of remuneration, in connection with the assignment by the Canadian Government of Canadians to the international staff of the North Atlantic Treaty Organization (part recoverable from the North Atlantic Treaty Organization).....	170	51,000	52,000	.....	1,000

Mr. KNOWLES: Would the witness explain the way in which certain amounts are recoverable?

Mr. MACDONNELL: The position is this: We make available to the international staff of NATO a number of Canadian officials. The officials are paid from this fund at salary scales comparable to those prevailing in Canada. We get back from NATO their normal salary payment at NATO scales and the balance comes out of this fund.

Mr. FLEMING: This has nothing to do with the payment to our own officials at Paris?

Mr. MACDONNELL: No. There is an assistant commissioner of the Royal Canadian Mounted Police, for example, who is on the international staff.

The CHAIRMAN: Shall Vote 97 carry?

Carried.

Vote 98.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
	INTERNATIONAL CIVIL AVIATION ORGANIZATION					
98	To provide the International Civil Aviation Organization with office accommodation at less than commercial rates	170	200,218	200,596	.....	378
	PENSIONS AND OTHER BENEFITS					
(S)	Annuity to Mrs. Helen Young Roy (Chap. 15, Statutes of 1949).....	170	1,667	1,667		

Mr. FLEMING: Has the storm that developed over the future location of ICAO subsided somewhat and perhaps in part as a result of this contribution?

Mr. MACDONNELL: I think the first part of your question would be difficult to answer. The second part—yes, this contribution has helped.

Mr. FLEMING: Quite apart from our own assessment?

Mr. MACDONNELL: Yes, this is an effort to provide ICAO with office accommodation at rentals comparable to what other specialized agencies are paying in other parts of the world—ILO in Geneva, UNESCO in Paris, etc.

Mr. FLEMING: It is pretty hard to calculate that. Actually it was a bit of bargaining, wasn't it?

Mr. MACDONNELL: Well, some figures were obtained about the rent per square foot paid by other international organizations and this payment brings ICAO's rental into line with those other organizations.

The CHAIRMAN: And that rental is paid to the Canadian National Railways for office occupation?

Mr. MACDONNELL: Yes, they rent their space from the Canadian National.

Mr. FLEMING: It is not paid to ICAO? Is that a payment to ICAO or a payment to the landlord?

Mr. HEMSLEY: This is a payment to the landlord.

Mr. CANNON: On this item has the department any information in regard to the rumour that came out some time ago that this organization was thinking of removing its offices from Montreal because of the provincial income tax?

Mr. KNOWLES: Here we go.

Mr. MACDONNELL: I think it would be preferable if members of the committee would agree to let us rest on the statement that was given by Dr. MacKay at one of the earlier meetings.

The CHAIRMAN: Well, it is a touchy question and I think we don't want to rouse ICAO too much about it.

Mr. CANNON: As we are providing over \$200,000 I think we ought to take an interest in it.

Mr. MACDONNELL: Well, an active interest is being taken, and I think all I can say at the moment is that a good deal of consideration is being given to what is a somewhat complicated problem.

Mr. FLEMING: If Mr. Cannon's suggestion is that ICAO transfer its headquarters to Toronto we would be glad to give it consideration.

Mr. CANNON: I am not suggesting that; I am suggesting that it remain in Montreal.

Mr. KNOWLES: Mr. Chairman, I am not objecting at all to this payment. I think it is worth something for Canada to have an international organization like this in the country, but I am rather struck by this fact: a while ago we were discussing allowances to persons who have to live in foreign countries where the cost of living is higher there than it is in Canada, but now when we have a foreign body coming into Canada we have to supplement them because the cost of living here is higher than elsewhere. Which way are we going?

Mr. FLEMING: Both ways.

The CHAIRMAN: It is the rental in that type of building that is higher, not the cost of living. It is the cost of rental in one building.

Mr. FLEMING: Isn't it just an inducement to persuade ICAO to remain in Canada? They were receiving inducements to move their head office to other



countries and Canada wanted to retain in Canada this organization which had been in Montreal, and that is the reason Canada decided to put up this money—as an inducement.

Mr. MACDONNELL: And the inducements elsewhere included free office space.

Mr. KNOWLES: So the answer is it is more of an inducement than a recognition of higher costs?

Mr. MACDONNELL: I think that is a fair statement.

The CHAIRMAN: Shall Vote 98 carry?

Carried.

Vote 102:

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
102	To provide for the Canadian Government's Assessment for Membership in the Intergovernmental Committee for European Migration in an amount of \$172,349 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1954, which is.....	172	167,933	188,683	.....	20,750

Mr. FLEMING: Have we had any statement on that, Mr. Chairman? This is a payment of an assessment. Did we have any statement on the work of the inter-governmental committee for European migration?

The CHAIRMAN: No, we did not have.

Mr. MACDONNELL: No, sir, not this year.

The CHAIRMAN: Would you care to comment?

Mr. MACDONNELL: Yes, sir. The organization was established in 1951. Its general objective was to provide for the transportation of migrants who could not otherwise be moved, by keeping available for migrants some of the ships which had been used for this service by the International Refugee Organization which ceased operation on January 31, 1952.

In October 1952 it was decided that the life of the organization should be extended until the end of 1953 and that a shorter name, happily, should be found. It started out as the Provisional Intergovernmental Committee for the Movement of Migrants from Europe, which was perhaps a new high in international titles. It has been shortened to this Intergovernmental Committee for European Migration.

I might say a word about its budget. ICEM is authorized to provide transportation for all classes of migrants including refugees at the request of member governments. Normally these facilities are given on a reimbursable basis with each government paying for the services rendered by the committee. However, the organization may make loans or grants and each government

may make non-reimbursable contributions. There is an administrative budget for 1954 of \$2,400,000 to which we have been asked to contribute 8.51 per cent or \$172,000, which is a slight decrease from the previous contribution.

The operational budget for the organization amounts to \$34 million, which is to be made up of contributions by the United States and Australia, totalling \$7 million, payments of countries' contributions toward special schemes of \$9 million, income from services \$7 million, and another contribution from the United States. So I think the significant thing as far as Canada is concerned is that we are making a payment toward the administrative budget of this organization but we are not contributing to the operational program.

The CHAIRMAN: Shall vote 102 carry?

Mr. KNOWLES: Before you leave 102 may I ask for a comment from a treasury standpoint on that phrase—

“—notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars—”

What does that mean in Treasury Board terms?

Mr. HEMSLEY: This is a device, Mr. Chairman, to avoid the conflict of changes in the rate of exchange between the time the estimate was prepared and the time we pay the contribution. What we do is to estimate the amount of the U.S. dollar contribution, select a rate of exchange that is reasonable at that time and put the Canadian dollar equivalent in as the amount to be voted. It is possible there may be a deterioration between the time the estimate is prepared and the time we have to pay this contribution.

One year I remember all our international organizations fell into that difficult position, and we had to come forward with supplementary estimates for a few hundred dollars. This is to avoid that. It is a means to meet the contingency of paying an international contribution in foreign currency.

Mr. KNOWLES: If there is a rate of exchange such that it requires more Canadian dollars than is listed here then this enables you to do that?

Mr. HEMSLEY: That is the device. That is the wording in the estimate. It has been ruled that we are guided by the amount of the United States dollar contribution.

Mr. FLEMING: Rather than the Canadian?

Mr. HEMSLEY: Yes.

Mr. KNOWLES: What lawyer brought that out?

The CHAIRMAN: Does Vote 102 carry?

Carried.

## Vote 103:

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
103	To provide for a Gift of Canadian Fish for Relief Purposes in Korea.....	172	300,000	.....	300,000	
			25,867,933	25,588,683	279,250	
	Total, General.....		30,563,905	30,129,133	434,772	
	SUMMARY					
	To be voted.....		42,760,785	41,468,272	1,292,513	
	Authorized by Statute.....		13,667	13,667		
			42,774,452	41,481,939	1,292,513	
(S)	Minister of Finance — Salary and Motor Car Allowance...	173	12,000	12,000		

Mr. FLEMING: That is the United Nations relief agency?

Mr. MACDONNELL: The United Nations Korean relief agency.

Mr. FLEMING: And what is the total of which this is a part?

Mr. MACDONNELL: I am wrong, it is not the United Nations Korean relief agency but an emergency program which is being carried out by the United Nations command in Korea. Twenty-five member countries together with four non-members are participating in this program. Other major governmental contributions as of September last are as follows:

United States .....	\$395,000,000
Thailand .....	4,300,000
Philippines .....	3,200,000
United Kingdom .....	1,200,000

Mr. KNOWLES: Is this frozen fish or salted fish or canned fish?

The WITNESS: Salted fish, I understand.

The CHAIRMAN: Shall the item carry?

Carried.

We are left with item 93, which stood, and the answers are to be brought at the next meeting by the witnesses on many of the questions. Do you feel you would have time, Dr. MacKay and Mr. Macdonnell between now and tomorrow morning to file the answers to the other questions?

The WITNESS: I think so, sir.

Mr. FLEMING: May I ask, Mr. Chairman, if the officials would be in a position at the next meeting to give us a statement on what has been done in the past several years with reference to the maintenance of the Canadian buildings in China? At Chungking I believe there are some.

Mr. CANNON: This small item (S) to item 98, annuity to Mrs. Helen Young Roy—

The CHAIRMAN: That is statutory.

The meeting stands adjourned until tomorrow morning at 11.00.



HOUSE OF COMMONS

First Session—Twenty-second Parliament

1953-54

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STANDING COMMITTEE

ON

**EXTERNAL AFFAIRS**

*Chairman:* L.-PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 11

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FRIDAY, MAY 21, 1954.

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ITEM 93—Fellowships and Scholarships overseas awards, etc. (Main Estimates of the Department of External Affairs).

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WITNESSES:

Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs.  
Mr. R. M. Macdonnell, Assistant Under-Secretary.



## MINUTES OF PROCEEDINGS

FRIDAY, May 21, 1954.

(12)

The Standing Committee on External Affairs met this day at 11.00 o'clock a.m. Mr. L.-Philippe Picard, Chairman, presided.

*Members present:* Messrs. Boisvert, Coldwell, Fleming, James, Jutras, Knowles, Lusby, MacDougall, MacKenzie, Patterson, Pearkes, Picard, Pinard, Stick and Studer—15.

*In attendance:* Mr. R. A. MacKay, Acting Under-Secretary of State for External Affairs, Mr. R. M. Macdonnell, Assistant Under-Secretary, Mr. M. H. Wershof, Acting Assistant Under-Secretary, Mr. S. D. Hemsley, Head of Finance Division, Mr. J. P. Sigvaldason, Mr. Arnold C. Smith, Special Assistant to the Minister.

Mr. MacKay was called. He read into the record answers to questions asked at previous meetings and was examined on

1. Canadian Service Attachés to missions abroad,
2. Study of Canadian territorial waters,
3. Gut Dam claims for property damage and expenditures for professional services.

Mr. Macdonnell read and tabled the following answers and was questioned on

4. Table showing types of allowances to all personnel of Canadian Embassies in Paris and Tokyo,
5. Table showing maximum and minimum allowances to posts including high and low cost of living for missions in Caracas and Pretoria for F.S.O. Grade I to VI.

On motion of Mr. Patterson,

*Ordered*,—That the said tables be printed as appendices.

*(See Appendices "L" and "M" and "N" to this day's evidence).*

The Committee requested that information on allowances to personnel of the Embassies in London and New Delhi be forwarded to the Clerk of the Committee.

On motion of Mr. Boisvert, the tables for London and New Delhi were ordered incorporated as appendices. *(See Appendices "O" and "P" to this day's evidence).*

A further table was requested on cost of living index for countries where Canada has posts, same to be incorporated in the record. *(See Appendix "Q" to this day's evidence).*

Mr. Macdonnell was questioned on

6. The increases and decreases of allowances,
7. The Canadian Government buildings and maintenance costs in Nanking and Shanghai.

The Committee agreed to incorporate in the record a table showing increases and decreases in rentals abroad, same to be forwarded to the Clerk of the Committee. (*See Appendix "R" to this day's evidence*).

The Committee then reverted to Item 93 of the main estimates referred—Canadian Government Overseas Awards, etc.—

In this regard, Mr. Macdonnell outlined the history of the plan and gave the total of awards to date. He quoted from a leaflet entitled "Canadian Overseas Awards" which he tabled and which was ordered printed as an appendix. (*See Appendix "S" to this day's evidence*).

Item 93 was approved.

The Committee having concluded its study of Items 84 to 103 inclusive, they were adopted and the Chairman was authorized to report them to the House.

The examination of Messrs. MacKay, Macdonnell and Hemsley being concluded, the Chairman expressed the Committee's appreciation to them and they retired.

Reference was made to the suggested appearance of the Secretary of State for External Affairs before the Committee following his return from Geneva.

The Chairman called the attention of the Members of the Committee to a reception to which they are invited and which the Speaker of the House will hold on June 4 in honour of the Emperor of Ethiopia.

At 12.00 o'clock noon, the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*



## EVIDENCE

MAY 21, 1954.

11.00 a.m.

The CHAIRMAN: Gentlemen, I think the Acting Under Secretary of State has some answers to questions asked yesterday and we will proceed with those first and then revert back to vote 93, which was the only one left standing after our meeting yesterday.

Now, we will proceed as we did at the previous meetings. After each answer is brought in should there be a question on that point it will be in order then so that we may proceed in an orderly manner and then pass on to the next answer. Perhaps members might signal as they do usually so that we will give everyone a chance.

**Mr. R. A. MacKay, Acting Under Secretary of State for External Affairs, called:**

The WITNESS: Mr. Chairman, a question was asked yesterday about service attachés. The following is a list of Canadian service attachés:

Belgium—naval, military and air attaché. This officer—a single officer—is also accredited as air attaché to Denmark and Norway.

Czechoslovakia—military and air attaché—one officer.

Denmark—naval attaché. This officer is also accredited as naval attaché to Norway and the Netherlands.

France—military attaché; air attaché.

Germany—service relations adviser at Bonn and member military mission at Berlin. I should say their functions are similar to those of attachés although their titles are somewhat different in view of the special status of the German government.

Mr. PEARKES: One in Bonn?

The WITNESS: One in Bonn and one in Berlin.

*By Mr. Knowles:*

Q. I wonder if Dr. MacKay would explain the use of the word "military"? I notice he is saying military, naval and air.—A. I should say "army".

Q. "Military" means "army" in this instance?—A. Yes.

Mr. STICK: No, under the Act "military" means all the services. Under the new Act we passed several years ago "military" means all services.

The WITNESS: I am sorry I did not make that clear. In this memorandum "military" means "army".

Mr. STICK: It would be better if you would specify "army".

The WITNESS: Italy—naval, army and air attaché, one officer.

Japan—air attaché.

The Netherlands—army and air attaché, one officer.

Sweden—naval attaché; army attaché; air attaché.

*By Mr. Stick:*

Q. Before you go on, Dr. MacKay, you said The Netherlands, military and air attaché?—A. Yes.

Q. And then you said one man?—A. Yes.

Q. Does he act for both?—A. Yes. May I repeat Sweden—naval attaché, military attaché and air attaché, and these three attachés are also accredited to Finland.

*By Mr. Pearkes:*

Q. That is, three there?—A. Yes, sir.

Q. Is Italy only one or one of each?—A. No, sir, one officer.

Turkey—military attaché.

U.S.S.R.—military attaché, air attaché.

Yugoslavia—military attaché, air attaché.

In addition the commander of the Canadian Military Mission in Tokyo also performs the duties of a military attaché. The service members of the Canadian joint staff in Washington and their deputies also perform the functions of attachés and assistant attachés for their respective services.

Since the chief function of service attachés is to provide information that is useful for the Department of National Defence, it is that department which is chiefly concerned with the number and location of attachés. These questions are considered in the Joint Intelligence Committee, on which the Department of External Affairs is represented, so that there is consultation with our department and an opportunity to put forward our views. There may be considerations of a non-military nature that affect the creation or abolition of service attaché posts, but they do not often arise and for the most part the considerations for or against the posting of a service attaché are military. I should add that the Joint Intelligence Committee reviews these questions from time to time and considers whether, from the point of view of their usefulness, existing attaché posts should be continued or eliminated and whether any need exists for new ones.

The recommendations of the Joint Intelligence Committee are considered by the chiefs of staff, who make recommendations to the Minister of National Defence. As previously mentioned, the pay and allowances of service attachés are the responsibility of the Department of National Defence.

The CHAIRMAN: Any questions on this?

*By Mr. Stick:*

Q. When you are talking of attachés have you totalled them up there, the total number of attachés? You have one man there doing two or three jobs and it is difficult to get a total.—A. Eighteen service attachés, sir.

*By Mr. Pearkes:*

Q. May I ask if you have any information as to the number of Canadian officers who are attached to the headquarters of NATO which is in Paris?—A. No, sir, I am afraid we have not that information.

The CHAIRMAN: Any further questions on this matter? Now, the next question, Dr. MacKay?

The WITNESS: A question was asked at an earlier meeting about the study being made on Canadian territorial waters. It may be recalled that in the debate on the Convention for Preservation of the Halibut Fishery of the North Pacific Ocean and Bering sea on May 4, 1953, Mr. Sinclair, the Minister of Fisheries, stated that Dean Curtis was engaged in a study of Canadian territorial waters.

Dean Curtis was retained by the government in October of 1952 to work in consultation with the Interdepartmental Committee on Territorial Waters which was studying Canadian territorial waters. Dean Curtis was asked to make a study of Canadian territorial waters, in particular to examine the principal changes of doctrine during the past few years and the possible significance these changes may have for Canada.

This study is still in progress and no conclusions have yet been reported to the government. It will be appreciated that studies by experts are continuously required by the government to assist it in considering policy matters and that normally such studies have to be treated as confidential.

The CHAIRMAN: Any questions on this subject?

Mr. STICK: I could speak for an hour on the territorial water business. There is no international agreement and there is none in sight and has been none for the last fifty years. It is not an international law.

The CHAIRMAN: Any questions to the witness?

Mr. STICK: That is all I have to say on the matter.

The CHAIRMAN: Next answer, Dr. MacKay?

The WITNESS: Another question was raised at an earlier stage about the Gut dam claims and particularly with reference to the expenditures for professional services.

Since October 1952 a number of United States citizens, property owners along the south shore of Lake Ontario, have sought to bring lawsuits against Canada in the United States courts with a view to obtaining compensation for property damage which the claimants allege was attributable to the construction and operation of Gut dam in the international rapids section of the St. Lawrence river. The Canadian view on the lawsuits, which is based upon well established principles of international law and which has been brought to the attention of the court, is that no existing court in the United States can properly render a decision binding upon the government of Canada without its consent. None of the lawsuits has proceeded beyond the filing of these initial pleadings.

2. Irrespective of the question of sovereign immunity, the government stands ready to compensate United States citizens for any damage directly attributable to Gut dam but Canada does not admit, on the basis of evidence now available, that the dam was a material cause of the injury alleged to have been suffered by the claimants. The government is prepared to cooperate in an appropriate investigation and adjudication of the claims. To this end, through diplomatic channels and in discussions with representatives of the claimants, the government has made known its willingness to have the claims determined by an international arbitral tribunal, which would be established by an agreement between the United States and Canada. Negotiations are continuing.

3. Because questions of United States law are involved and because of possible attempts to pursue the lawsuits in the United States courts, the government retained Messrs. Sullivan & Cromwell of New York city. While the government has no intention of filing a general appearance, its attorneys in the United States may be authorized to appear *amicus curiae* for the sole purpose of presenting to the court the Canadian contentions on immunity for jurisdiction. These attorneys have also rendered valuable assistance in connection with the proposed agreement on arbitration.

4. The expenses thus far have consisted mainly of legal fees and amounted, to March 31, 1954, to about \$20,000. The present estimate for 1954-55 of \$55,000 is to meet, if required, legal fees of \$25,000; a further \$25,000 for

expenses of the arbitration, if it is proceeded with; and \$5,000 for travelling expenses, in the event that it becomes necessary for a representative of the department to pay protracted visits to the United States to assist in preparing the Canadian case before the courts.

Mr. KNOWLES: Mr. Chairman, if in the view of the law officers of the department the case is so clear, namely, that our sovereign immunity protects us from any action of this kind and if, as Dr. MacKay says, nothing has happened beyond the initial proceedings is it necessary to spend this money?

The CHAIRMAN: It does not mean it will be spent. It is put in the estimates to foresee the necessity of spending it.

*By Mr. Knowles:*

Q. We have already spent \$20,000, I take it, in the previous year. Perhaps I might ask this interlocutory question. Has any money been spent in this fiscal year out of the \$55,000 that has been appropriated?—A. As far as I know, no money has been spent but there have been certain services which presumably the government will want pay for.

Q. That is, the lawyers are being retained and held ready in the event the case is proceeded with, but I gather from your statement that the chances of that are just about nil?—A. Oh, no, sir, I would not like to suggest that. The government has offered among other things to have the claims adjudicated before a properly constituted arbitral tribunal. It may well be that this will be set up.

Q. Then this money might be spent in appearances before that tribunal rather than United States courts?—A. Yes.

Mr. FLEMING: Part of it—\$25,000.

Mr. BOISVERT: Was the Gut dam government property or private property?

The WITNESS: Well, it was erected by the Canadian government in the St. Lawrence by agreement, I should have explained, with the United States.

The CHAIRMAN: Does that conclude that series of answers?

The WITNESS: Yes.

The CHAIRMAN: Mr. Macdonnell?

Mr. MACDONNELL: We were asked, Mr. Chairman, at yesterday's meeting for some information about allowances and we have prepared tables which can be printed if the committee so wish, showing the types of allowances paid to all personnel in Paris and Tokyo which, I think it was agreed at yesterday's meeting, might be taken as samples.

We also have a table showing the maximum allowances and the minimum allowances payable. We have taken a post with a high cost-of-living index, 191, and another with a low cost-of-living index, 97.

Mr. KNOWLES: Does your table show which posts these are?

Mr. MACDONNELL: Yes, the first in Caracas, Venezuela, and the second in Pretoria, South Africa.

The CHAIRMAN: Would that cover each grade of official or only the ones who happen to be stationed in Paris or Tokyo? Does it apply to an officer grade 1 up to grade 10?

Mr. MACDONNELL: On our table of maximum and minimum allowances we have shown every grade of officer from 1 to 6. In the case of Paris and Tokyo we have taken the personnel actually there, from the ambassador down through the foreign service officer grades to the clerks, stenographers and so on.

Mr. PATTERSON: Will these tables be included in the minutes?

The CHAIRMAN: All right, if you so move. Mr. Patterson moves that these be printed as appendices to today's proceedings.

(For table showing types of allowances paid to all personnel in Paris and Tokyo, see appendix L and M).

—(For table showing maximum allowances and minimum allowances, see appendix N.)

Mr. FLEMING: May I ask a question, Mr. Chairman? I notice on the first table for Paris that the allowances grade from a low of \$1,980 for the head clerk (F.S.) up to \$23,016 for the ambassador. Are those typical of the spread in other embassies also?

Mr. MACDONNELL: I think you would find them typical except that the figure for an ambassador is higher than in a good many posts. As I mentioned yesterday the clerical and stenographic personnel who do not have representational duties are paid allowances to cover only the cost-of-living element.

Mr. FLEMING: I notice that in addition to the total for the approximately twenty categories of personnel which total \$154,829 there is a figure of board and subsistence \$8,000 as well. What does that represent?

Mr. HEMSLEY: That, Mr. Chairman, takes care of a new arrival at a post who may have difficulty in getting into his accommodation and going on to a normal basis of living—within maybe two or three weeks or a month of arrival at the post. Therefore, he does not go on allowances. He remains on a board and lodging basis until he can establish himself.

Mr. FLEMING: It is simply a temporary provision for new arrivals?

Mr. HEMSLEY: That is right.

Mr. FLEMING: And in the case of the Tokyo embassy, the allowances grade from a low for two security guards for six months each of \$2,202 for the year up to \$12,624 for the ambassador. That, you indicated, Mr. Macdonnell, is also typical. It is typical also of a considerably lower level than the Paris allowance. Is that because the cost of living and other kinds of allowances are considered to be higher in the case of Paris than Tokyo?

Mr. HEMSLEY: The index for Tokyo is 135; the index for Paris is 154.

Mr. FLEMING: That of itself would not explain the very substantial difference between Paris and Tokyo.

Mr. HEMSLEY: Paris has a higher index—20 points.

Mr. FLEMING: But it certainly is not commensurate with the spread in the figures given for allowances. There may be other reasons to explain it.

Mr. MACDONNELL: Well, there is a special arrangement which has been in effect for some years for the security personnel in Paris. I do not think there is anything absolutely comparable in the Paris list to the security guard positions in Tokyo.

Mr. KNOWLES: Mr. Chairman, I wonder if it would not be a good idea for Mr. Macdonnell to include in the record by way of comments some remarks on these tables. The tables are to be printed as an appendix to the record and I am sure questions will arise amongst those who see them. Some of the questions which occurred to me are these: why is it in the case of ambassadors there is one lump sum? In Paris it is \$23,016, whereas in the case of other people there these allowances are broken down among living and representation, rental, education, club, terminable, and other.

Another question: I think we might have an explanation on what club allowances are, and also what the terminable allowance is in one case. I presume you still have a copy of the table?

Mr. MACDONNELL: I gave them all away.

Mr. KNOWLES: I can return this one. Then at the bottom of the table on Paris after all the totals, \$154,829, there is another allowance listed as board and subsistence which does not seem to be attached to any one of these officers. Who or what is that for?

Mr. MACDONNELL: Mr. Chairman, the method of fixing allowances for heads of posts differs from that employed in the case of foreign service officers and other personnel. A head of post is given what in the jargon of the trade is called a basic aggregate, and that is fixed by the Treasury Board taking into account a number of factors such as the amount of representational work that must be done, the closeness of the country's relations with Canada, and so on. And those factors vary a good deal. As you have pointed out it is a lump sum. In the case of foreign service officers and employees there is a regular scale of allowances which is multiplied by the index.

On the question of club allowances a small payment is available to officers for the amount actually spent on fees of clubs approved by the head of post. It only goes up to \$100 maximum a year. It is intended to make a little easier the establishment of connections in the foreign country. The terminable allowances are paid to clerks and stenographers lower in rank than grade 3 in order to bring their total remuneration into line with that of a clerk or a stenographer grade 3.

The final question, I think, was covered by Mr. Hemsley a moment ago, in that board and subsistence is paid to a new arrival while he is living in a hotel before he gets established in his accommodation, and during that period no allowances are paid.

Mr. PATTERSON: With respect to Tokyo it is board and lodging. I suppose that is the same thing?

Mr. MACDONNELL: Yes. The board and lodging I think is apt to be fairly high in Tokyo because of difficulty in getting living accommodation and the longer periods which may have to be spent by personnel in hotels.

Mr. KNOWLES: Should not that be a plus sign instead of a minus sign at that point on the table?

Mr. MACDONNELL: Yes.

The CHAIRMAN: You are a good auditor.

Mr. KNOWLES: You said that the amount for the ambassador is a lump sum determined by the Treasury Board. In the case of the ambassador to Paris it is \$23,016 and for Tokyo it is \$12,625. Is there any breakdown on the part of the Treasury Board in computing? Are the educational requirements of the children of the ambassador taken into consideration? How is a lump sum figure arrived at which is such an odd figure?

Mr. MACDONNELL: The reason it may look odd is that there is fixed a basic amount calculated in terms of Canadian dollars; the cost of living index is then applied to that figure and the total is sometimes an odd sum. The fixing of the basic aggregate is necessarily somewhat arbitrary. It takes into account such factors as I have mentioned but they are not broken down statistically.

Mr. KNOWLES: Which of these allowances are accountable, or in other words, which of the columns of allowances are accountable?

Mr. MACDONNELL: Rental, educational, club and "other".

Mr. KNOWLES: Could you give us some examples of what are included under the column "Other"?

Mr. MACDONNELL: That would include allowances for tropical clothing for people proceeding to posts where it is necessary.

Mr. KNOWLES: You have put that on the Tokyo table but not on the Paris one.

Mr. STICK: Paris is hardly a tropical place.

The CHAIRMAN: What is the question, Mr. Knowles? Is there a question?

Mr. KNOWLES: There was an aside over here. And it is clear that these allowances are in addition in all cases to the salaries provided in the estimates?

Mr. MACDONNELL: Yes.

The CHAIRMAN: I think to have this matter in proper perspective we might have, as a comparative basis, to put in the same information for London, for instance, which is another important post in Europe and a Southeast Asian country like India so as to be able to have it in the record on a comparative basis. That can be added as an appendix to the same breakdown between ambassadors and watchmen, for, let us say London and India. I suggest those posts because India is a post that is not perhaps more important than Tokyo but on a par with Tokyo; and London is on a par with Paris. Therefore, I think that would give us a better perspective of what the expenses would be on that account.

Mr. BOISVERT: I so move.

The CHAIRMAN: The department can send it to the clerk of the committee so that it may be added.

Mr. MACDONNELL: I understand that we are to do similar tables for London and New Delhi.

The CHAIRMAN: If that is agreed.

(see appendices O and P).

Agreed.

Mr. PATTERSON: I think I asked yesterday if the witness could give us any idea of the comparison between the cost of living say in Tokyo and in Canada?

Mr. MACDONNELL: The cost of living index for Tokyo is 135 at present.

Mr. KNOWLES: Would it be fair to say that one of the reasons for the difference between the amount of allowance for the ambassador at Paris and the amount for the ambassador at Tokyo is that the embassy at Paris probably has more visitors from Canada than the embassy at Tokyo?

Mr. MACDONNELL: Yes. And probably more responsibilities vis a vis French officials and other persons in France than the ambassador in Tokyo has with Japanese officials.

Mr. PATTERSON: More entertaining?

Mr. MACDONNELL: Yes.

The CHAIRMAN: I might say that the official life in the large capitals of Europe demands more of a head of post than it would in smaller countries or some of the far east countries where there is perhaps less official duties or less entertaining to be done.

Are there any more questions on that item? What is the next item.

Mr. HEMSLEY: There was one other question. Mr. Fleming was wondering why one element of allowances showed an increase and the other showed a decrease. With the increased number of positions we are providing it would seem logical that both elements of this would go up. However, the higher cost of living abroad has in some cases gone down. Out of 50 posts there has actually been an index drop in 25 of them this year.

Mr. FLEMING: On the cost of living index?

Mr. HEMSLEY: The cost of living index has gone down in 25 posts.

Mr. FLEMING: The increase in the other cases is attributable to the increase in the number of personnel?

Mr. HEMSLEY: Yes.

The CHAIRMAN: Perhaps it would make the record more complete if we had a list of the cost of living index for each country where we have posts.

Mr. HEMSLEY: I have it here. It can be tabled.

(See Appendix Q).

The CHAIRMAN: Are there any other answers?

Mr. MACDONNELL: Yes, Mr. Chairman, we were asked about the Canadian government's buildings in China. The embassy property in Nanking is made up of three buildings. One is used as a chancery and two as residences; then there are servants' quarters, garage, pump house and gatehouse all in a compound. There is a caretaker staff that is paid by the Canadian government. Since there is no diplomatic representation in Nanking there is no way of ascertaining how our property is being maintained. However, reports are relayed to us from time to time from representatives of a foreign nation who occasionally pass through Nanking and from those reports and from the maintenance items included in the monthly accounts forwarded by the caretaker, we consider it a fairly safe assumption that Canadian government property is being fairly adequately maintained.

There is also a certain amount of property in Shanghai. The consulate-general was closed there in 1952. One room is rented for the storage of furniture. It now costs about \$300 per annum. With the assistance of the United Kingdom Consulate General the department is looking into the matter of disposing of the furniture and equipment much of which belongs to the Department of Trade and Commerce.

Mr. FLEMING: Is there any property in Chungking?

Mr. MACDONNELL: No. It has been disposed of.

Mr. FLEMING: What provision are you making for the caretaking of the properties at Nanking?

Mr. MACDONNELL: For the fiscal year 1953-54, salaries \$3,500; repairs and upkeep, \$125; utilities, \$790; miscellaneous expenses, \$95; a total of approximately \$4,500.

Mr. FLEMING: Is the caretaking staff composed of natives?

Mr. MACDONNELL: Yes.

Mr. FLEMING: When did you last have a report from the representatives of the foreign power on the condition of the property?

Mr. MACDONNELL: One of our own officers was in Nanking in January 1952.



Mr. FLEMING: When did you have a similar report on the properties at Shanghai?

Mr. MACDONNELL: About a month ago.

Mr. FLEMING: Is it not possible to obtain a more up to date report on these properties at Nanking?

Mr. MACDONNELL: It is very difficult for people to travel.

Mr. MACKENZIE: No friendly nations have any representation in Nanking at all?

Mr. MACDONNELL: No, sir. As far as we know no country has diplomatic representation in Nanking. We do not know whether there are any consulates or not.

Mr. FLEMING: Has consideration been given to the possible sale of those properties at Nanking?

Mr. MACDONNELL: I think we have considered it, but there is not as far as I know any likely purchaser at a reasonable figure.

Mr. FLEMING: You have no property in Peking?

Mr. MACDONNELL: No.

Mr. PATTERSON: This question may be a little bit out of order, but I was wondering do we have any official contact at all with the nationalist government of China?

Mr. MACDONNELL: Mr. Chairman, we have no representation in Formosa, but the nationalist government of China has representation here.

The CHAIRMAN: So your contacts are through the Chinese representatives here in Ottawa?

Mr. MACDONNELL: Yes, sir.

The CHAIRMAN: We still recognize the government of China that is at present at Taipeh?

Mr. MACDONNELL: Yes.

Mr. MACDOUGALL: That is the nationalist government?

Mr. MACDONNELL: Yes.

Mr. PEARKES: Does the nationalist government have any representatives at Peking?

Mr. MACDONNELL: No.

Mr. KNOWLES: Does DeValera recognize Costello.

Mr. MACDONNELL: Mr. Chairman, we were asked yesterday for information about the increases and decreases in rentals paid for official properties abroad and if it is the wish of the committee we could submit a table showing these increases and decreases.

Agreed.

The CHAIRMAN: I think it could be printed as an appendix.

(See Appendix R)

Mr. MACDONNELL: Now, Mr. Chairman, I think the other outstanding question relates to the Canadian government overseas awards.

The CHAIRMAN: Then we will call item 93 that was left standing yesterday. Item 93.

No. of Vote	Service	Details on Page No.	1954-55	1953-54	Compared with Estimates of 1953-54	
					Increase	Decrease
			\$	\$	\$	\$
93	To authorize and provide for the payment from foreign currencies owned by Canada and available only for governmental or other limited purposes, in France, The Netherlands and Italy, of fellowships and scholarships and traveling expenses to enable Canadians to study in those countries, and for payment to the Royal Society of Canada of amounts not to exceed \$10,000 in all to meet travelling and other administrative costs incurred by the Society for those it may designate to act on its behalf in selecting persons to receive fellowships and scholarships.....	168	125,000	125,000		
			12,198,547	11,340,806	857,741	
	Total, Department and Missions Abroad.....		12,210,547	11,352,806	857,741	

Mr. MACDONNELL: Before speaking of the selection and qualification for awards, I might summarize briefly the history of this plan. In 1952 the government established scholarships and fellowships to enable Canadians to study in France and the Netherlands. These awards are paid from blocked currency balances owed to the Canadian government in the countries mentioned. The plan was proposed to the government in March, 1952, by the Royal Society of Canada. The Department of External Affairs administers the fund and attends to travel arrangements.

I might just give the totals of awards made so far. In 1952-53, nine fellowships and twelve scholarships; in 1953-54; twelve fellowships and sixteen scholarships; this year, 1954-55, thirteen fellowships and fourteen scholarships.

Mr. FLEMING: Will you explain the difference in amount and other terms between the fellowship and scholarship?

Mr. MACDONNELL: Yes, sir. I thought I might read from the announcement issued by the Royal Society which describes the qualifications and the amounts.

(See Appendix S)

Mr. FLEMING: It is quite clear that the selection of the winners of the scholarships and fellowships is made by the Royal Society?

Mr. MACDONNELL: Yes.

Mr. FLEMING: That function is delegated to the Royal Society of Canada entirely?

Mr. MACDONNELL: Yes.

Mr. FLEMING: I suppose it is too early yet to estimate any results because I suppose very few have completed their course of study or travel with the assistance of any of the awards or scholarships thus far granted.

Mr. MACDONNELL: I know the Royal Society is pleased with the calibre of the people who are coming forward and being given awards. The plan is attracting very capable people in a wide variety of fields.

Mr. FLEMING: What efforts are being made to disseminate widely throughout Canada, particularly the universities, the knowledge of the availability of these awards?

Mr. MACDONNELL: The National Conference of Universities, the Canadian Arts Council, the Canada Foundation and other organizations that are in touch with possible candidates have been advised of this. I think it is fairly widely known. The number of applications is large.

Mr. FLEMING: It is too early yet to arrive at any conclusion as to the number of those who have been assisted through these awards who are coming back to make their future careers in Canada?

Mr. MACDONNELL: I think so. The program has only been in operation for two years and on a rather restricted basis for the first year.

The CHAIRMAN: Shall item 93 carry?

Mr. KNOWLES: Since this is the last item, before you carry it I wonder Mr. Chairman if you have given any thought to the suggestion made yesterday by the Prime Minister that the Secretary of State for External Affairs might appear before this committee and make a statement arising out of his attendance at the Geneva Conference? I ask this question now because I think that after we carry this last item there may be nothing else before us.

The CHAIRMAN: We do not necessarily close our meetings just now. We would have to meet further at the convenience of the members for a discussion on the drafting of the report, and we can always have a further meeting if necessary. The adoption of vote 93 closes our study of the estimates but we still have to meet to prepare our report and should we at any time decide before the report is brought up in the House to have a further meeting to obtain more evidence then the request can be made. The committee itself has not been informed of any intention of the minister or anybody else to come before the committee. But, should the minister decide to speak to the committee rather than to the House, the committee will extend all possible facilities to him to do so.

Mr. KNOWLES: I just wanted to be sure that the door was not closed.

The CHAIRMAN: It is up to the minister to decide whether he makes his statement in the House or comes before this committee.

Mr. FLEMING: If there is information of such importance to be shared with members, I would think that there would probably be very strong objection on the part of the members of the House who were not members of this committee to the sharing being confined to the members of this committee.

The CHAIRMAN: There is no rule in this parliament which prevents any member from attending any committee even when it is sitting in camera. Every member of the House has the right, according to my knowledge of the rules, to attend any meeting of any committee even if it is in camera, except that they may not ask questions.

Mr. MACDOUGALL: I think on the point raised by both Mr. Fleming and Mr. Knowles that actually the situation is this: that until such time that the committee has finally drafted its report there is nothing in the world to stop the minister or any one else from making a statement in the Committee, particularly the minister, and everyone is concerned with this and the assurance that nothing is signed, sealed and delivered until the House is notified.

The CHAIRMAN: A committee is a creature of the House so the House is the deciding authority as to such matters.

Shall vote 93 carry?

Carried.

Now, of course, it is agreed that votes 84 to 103 are approved and shall be reported to the House, but not at this moment, only after we have drafted our report.

Agreed.

Before we adjourn to the call of the Chair, the honourable, the Speaker, asked me to inform the committee that on June 4, in the morning he will hold a reception in his chambers for His Majesty, the Emperor of Ethiopia, and that all members of the External Affairs committee are invited to attend.

The Speaker took this precaution in case we had scheduled a meeting for that morning, with the request that it be not held on that morning so that we could attend and be present, those who cared to be present, to be presented to His Majesty.

With the consent of the committee, we now stand adjourned to the call of the Chair.

Since this might be the last meeting at which the present witnesses may be present, I think, as chairman, I should express the views of all the committee and that a vote of thanks is in order for their cooperation and the help they have given to the committee in carrying out its task.

Agreed.

With the consent of the committee we now stand adjourned to the call of the chair.

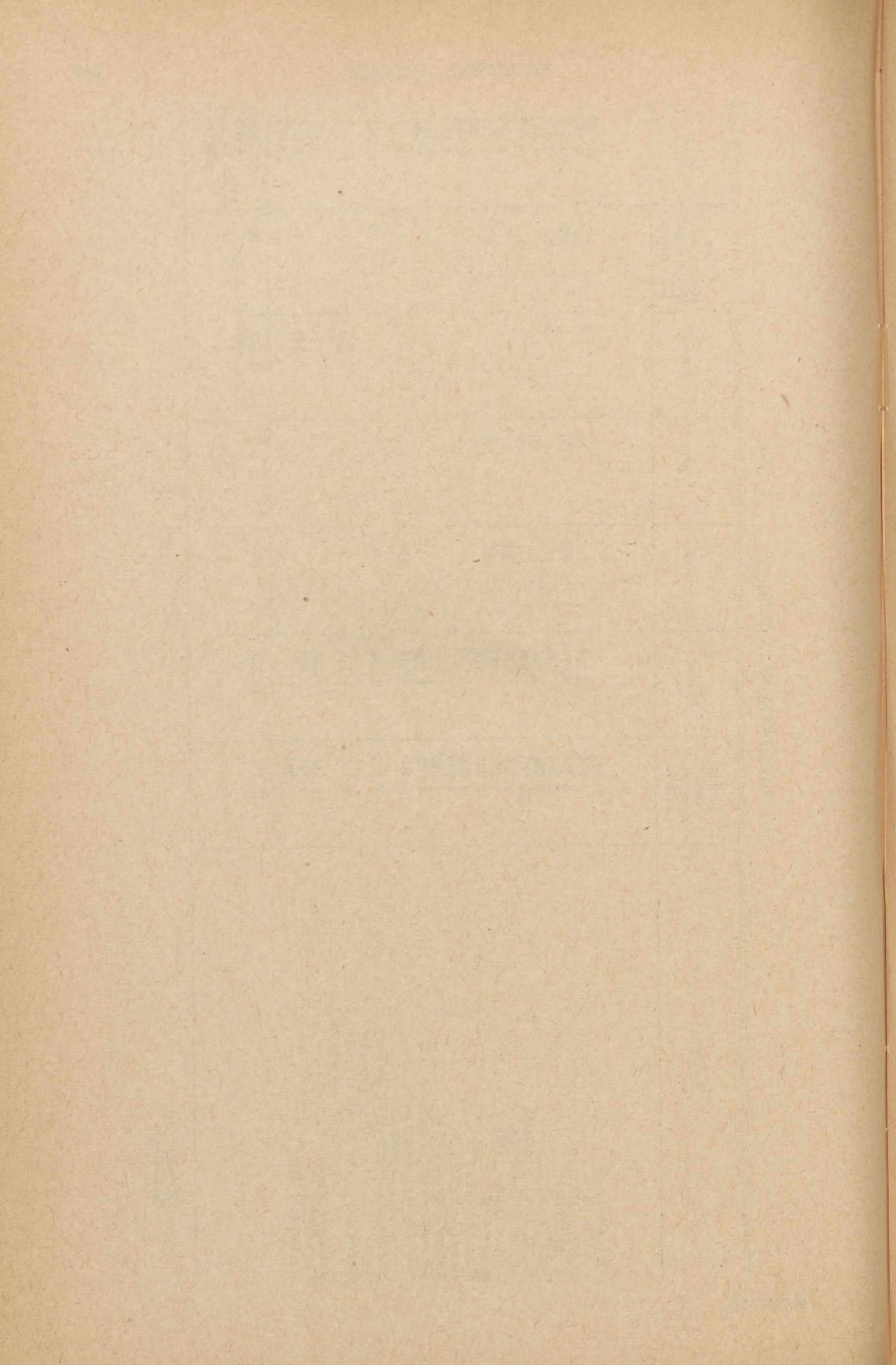
**APPENDIX "L"**

APPENDIX

## ALLOWANCES IN PARIS

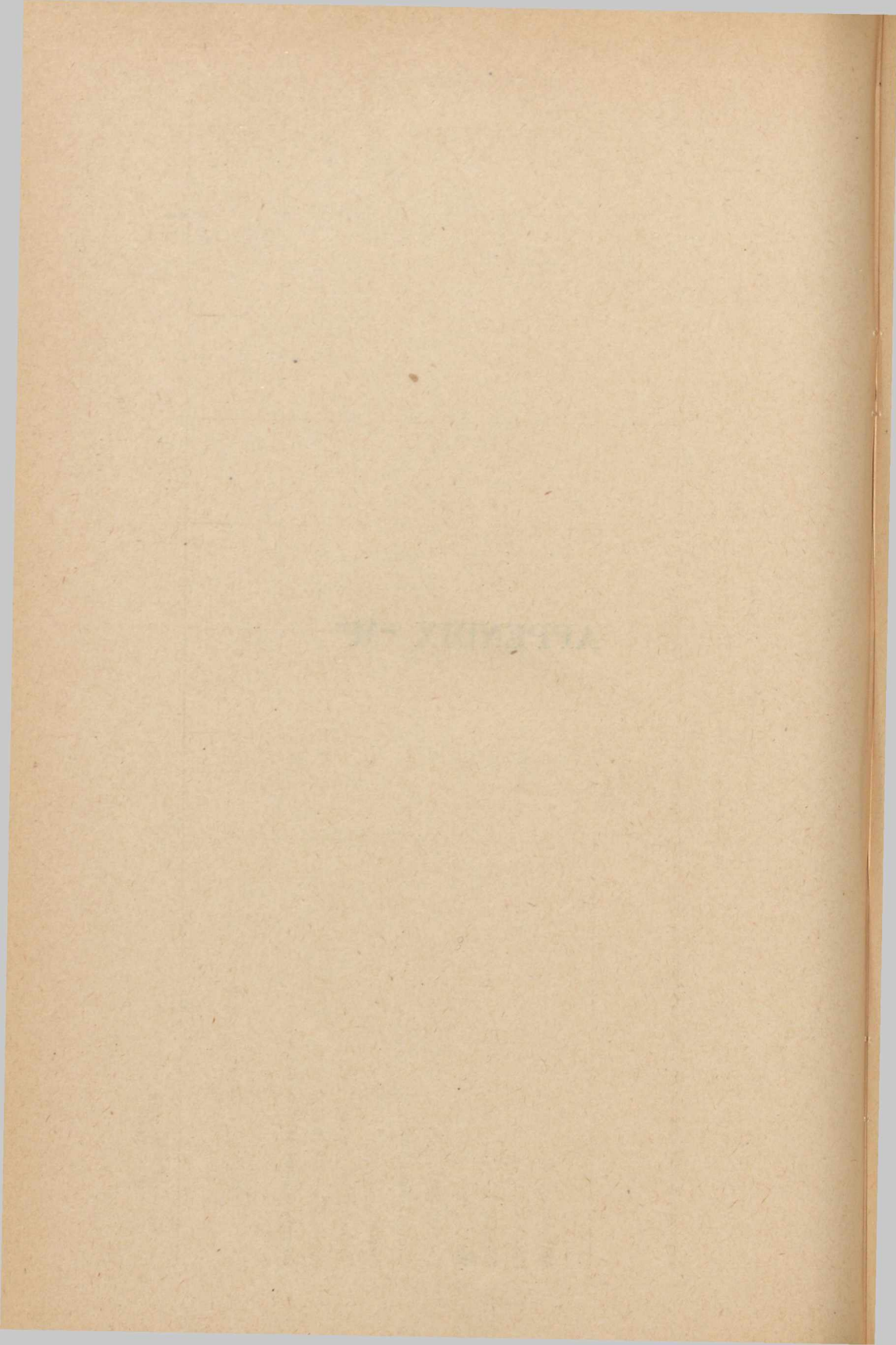
PARIS	Living and Representation	Rental	Educational	Club	Terminable	Other Home Leave, Tropical and Differential	Total
	\$	\$	\$	\$	\$	\$	\$
Ambassador (M).....	23,016						23,016
F.S.O. 6 (M).....	5,916	3,204		60			9,180
F.S.O. 5 (M).....	8,844	2,424	400	60		160	11,888
Architect 8 (M).....	5,088	744					5,832
F.S.O. 4 (M).....	7,428	2,040		60			9,528
F.S.O. 3 (M) (2 persons).....	12,600	3,924		120		160	16,804
Admin. Officer 4 (M).....	3,756	1,776	200				5,732
Admin. Officer 2 (M).....	4,332	864	100	60		160	5,516
F.S.O. 1 (M).....	4,332	600					4,932
Clerk of Works 4 (M).....	2,880	780					3,660
Head Clerk (F.S.) (M).....	1,980						1,980
Special Messenger (M).....	2,520	1,080					3,600
Technician 1 (M) (2 persons).....	4,056	1,800					5,856
Clerks 4 (M) (2 persons).....	7,488	4,344	150			35	12,017
(S) (2 persons).....							
Stenos and Clerks 3 (M) (3 persons).....	7,620	4,488	100			95	12,303
(S) (1 person).....							
Stenos and Clerks 2B (M) (1 person).....	9,816	4,532			1,232	70	15,650
(S) (6 persons).....							
Teletypist 1B (S).....	1,284	960					2,244
Clerk 2A (S).....	1,116	660			240		2,016
Watchmen 3 (M).....	3,075						3,075
	117,147	34,220	950	360	1,472	680	154,829
					Board and Subsistence:.....		8,000
							162,829

Key—(M)—Married  
(S)—Single





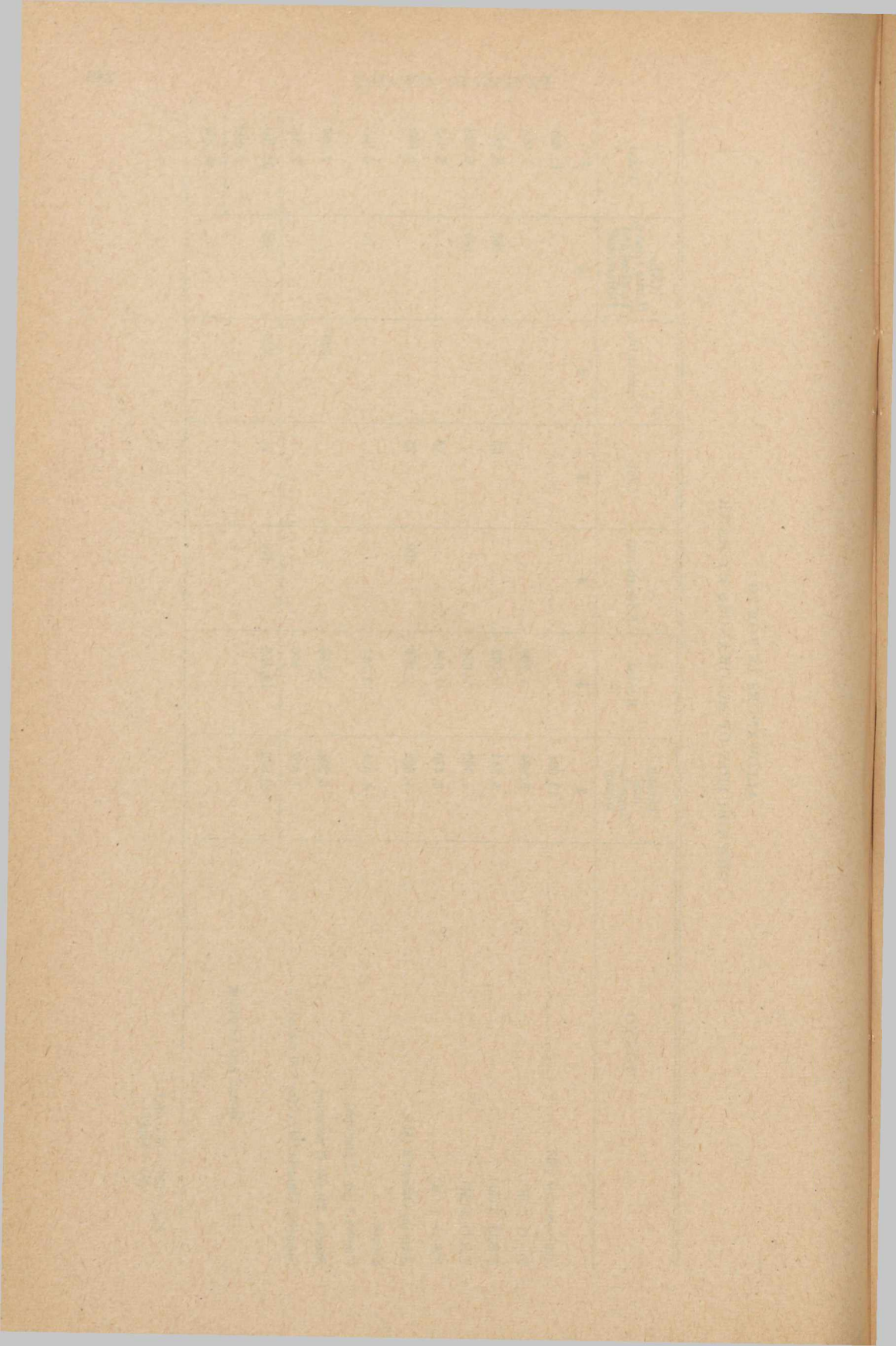
**APPENDIX "M"**



ALLOWANCES IN TOKYO  
DISTRIBUTION OF ALLOWANCES BY RANK

TOKYO	Living and Representa- tion	Rental	Educational	Club	Terminable	Other Home Leave, Tropical and Differential	Total
	\$	\$	\$	\$	\$	\$	\$
Ambassador (M).....	12,624						12,624
F.S.O. 7 (S).....	5,894	1,200					7,094
F.S.O. 3 (M).....	5,244	2,592		25		160	8,021
F.S.O. 2 (M).....	4,392	2,076				160	6,628
F.S.O. 1 (M).....	3,576	1,944		25			5,545
Admin. Officer 2 (M).....	4,392	2,076	400	25			6,893
Stenos.....	1,944	2,544				70	4,558
Clerks 3 (S) (2 persons).....							
Stenos. 2B (2) (3 persons).....	3,204	6,120			220		9,544
Security Guards (M) (2 for 6 months).....	1,602	600					2,202
	42,872	19,152	400	75	220	390	63,109
Board and Lodging.....							3,000
							66,109

Key—(M)—Married  
(S)—Single

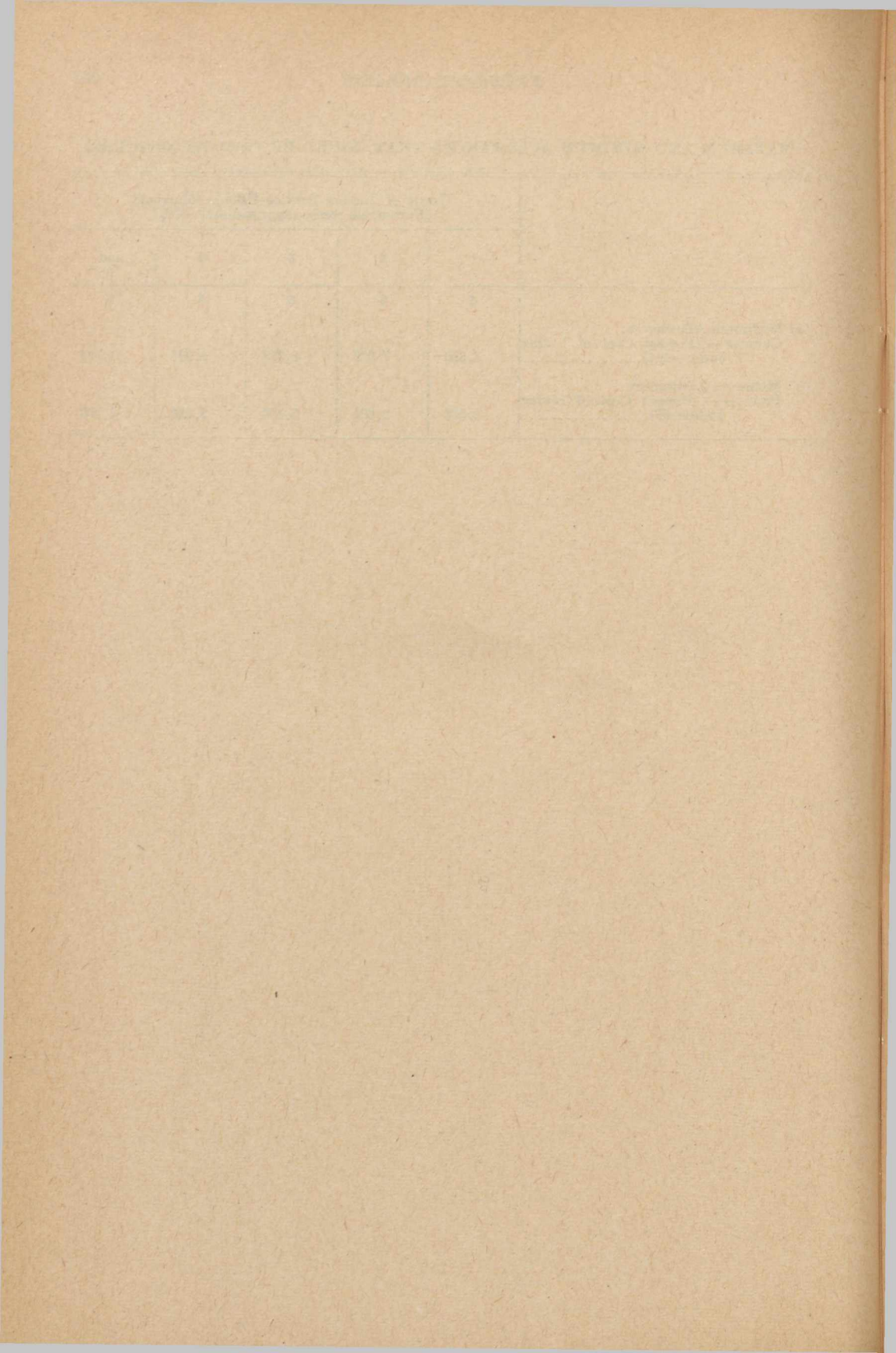


**APPENDIX "N"**



## MAXIMUM AND MINIMUM ALLOWANCES THAT COULD BE PAID TO OFFICERS:

	Grade of Foreign Service Officer (Married) (Unmarried receive approximately 67%)				
	1	2	3	4	5 and 6
	\$	\$	\$	\$	\$
(a) Maximum Allowances: Caracas — (Present Cost of Living Index—191).....	5,820	7,032	8,328	9,804	11,664
(b) Minimum Allowances: Pretoria — (Present Cost of Living Index—97).....	2,052	2,604	3,156	3,780	4,500





**APPENDIX "O"**

ATLANTA

DISTRIBUTION OF ALLOWANCES BY RANK:

LONDON	Living and Representation	Rental	Educational	Club	Terminable	Other Home Leave, Tropical and Differential	Total
	\$	\$	\$	\$	\$	\$	\$
High Commissioner .....	21,624						21,624
F.S.O. 8 (S).....	3,720	930		40			4,690
F.S.O. 5 (M) (2 persons).....	10,680	2,496	50	80		160	13,466
F.S.O. 4 (S).....	2,928	1,620		40			4,588
I. O. 7 (M).....	4,488	732		40			5,260
F.S.O. 3 (M).....	3,768	1,092		40			4,900
F.S.O. 2 (M) (2 persons).....	6,240	1,836	100	90			8,266
Admin. Officer 2.....	2,496	1,236	100	40			3,872
Civil Aviation.....	2,500						2,500
Adviser.....							
Librarian 2 (S).....	792					35	827
Principal Clerk (M).....	1,200	840	100				2,140
Special Messenger (M).....	1,200	516					1,716
Technician 1 (M).....	1,200	792					1,992
Clerk 4 (M-1 person; (S)-2 persons).....	2,352	1,632					3,984
Clerk 3 (M-2 persons; (S)-3 persons).....	3,720	3,108	50				6,878
Steno. 3 (S-3 persons).....	1,656	1,776					3,432
Clerk 2B (M-2 persons; (S)-1 person).....	2,616	1,908			353		4,877
Steno. 2B (S).....	552	360			290		1,202
Messenger (M).....	924						924
	74,656	20,874	400	370	643	195	97,138
				Board and Subsistence.....			2,000
							99,138

Key—(M)—Married  
(S)—Single



**APPENDIX "P"**

APPENDIX "B"

DISTRIBUTION OF ALLOWANCES BY RANK:

NEW DELHI	Living and Representation	Rental	Educational	Club	Terminable	Other Home Leave, Tropical and Differential	Total
	\$	\$	\$	\$	\$	\$	\$
High Commissioner (M).....	13,368						13,368
F.S.O. 5 (M).....	6,180		600	100		560	7,440
F.S.O. 3 (S).....	2,820	780		50			3,650
F.S.O. 2 (M) (2 persons).....	7,272	1,332	200	200		160	9,164
Principal Clerk (M).....	1,428	636	150			1,125	3,339
Clerk 4 (S).....	756	600				898	2,254
Clerk 3 (S).....	684	840				693	2,217
Steno. 3 (S) (2 persons).....	1,368	1,068				1,386	3,822
Steno. 2B (S).....	684	684			180	575	2,125
Clerk 2B (M).....	684	684			35	562	1,965
Security Guard 1 (M) (For six months).....	513	300				465	1,278
	35,757	6,924	950	350	215	6,424	50,620
				Board and Subsistence.....			8,000
				Educational Travel.....			800
							59,420

Key—(M)—Married  
(S)—Single

STATE OF NEW YORK

NAME	RESIDENCE	OFFICE

THE STATE OF NEW YORK

1891



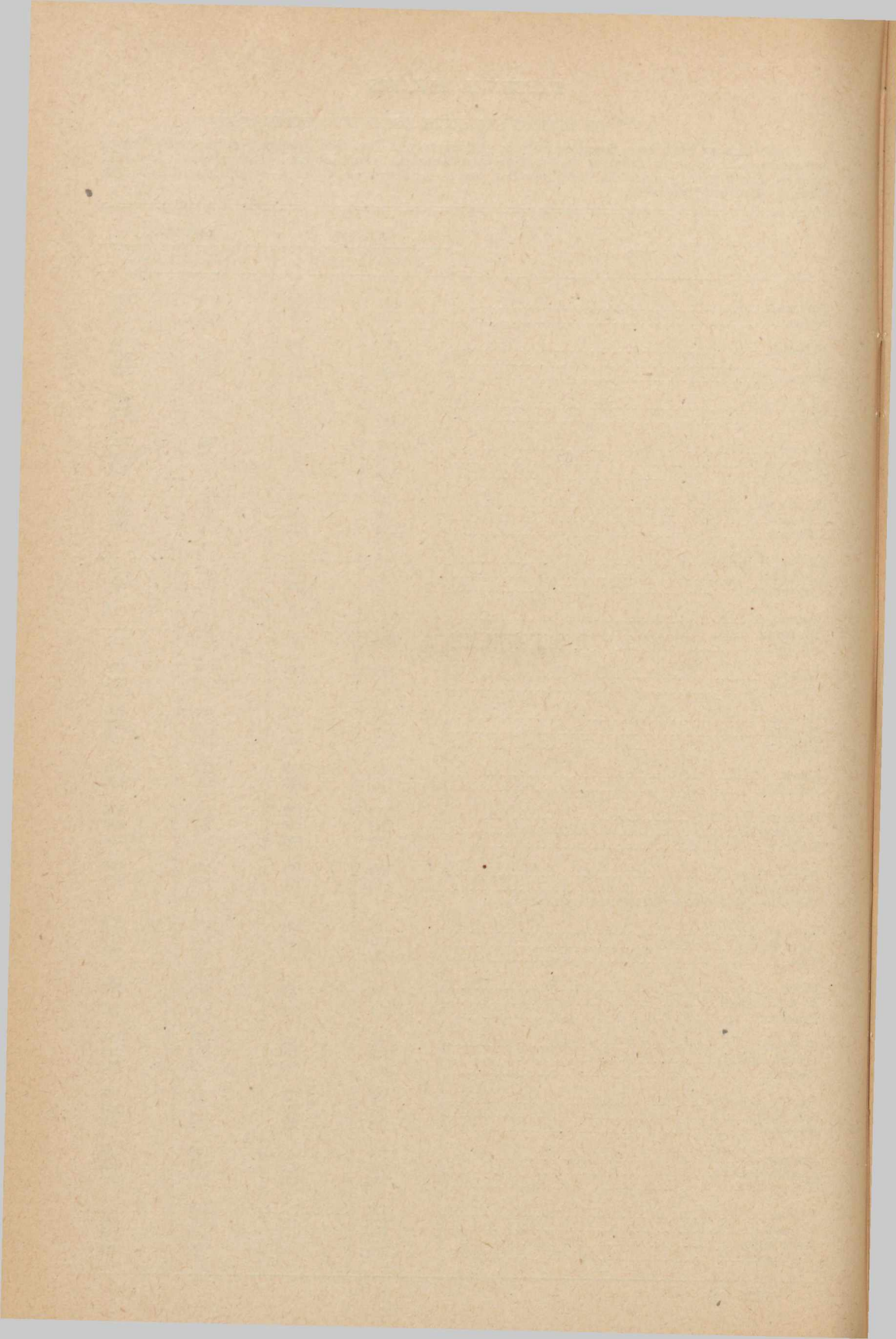
APPENDIX "Q"

APPENDIX OF

## COST OF LIVING INDEXES USED FOR ESTIMATES

These Indexes have been based on criteria peculiar to the Canadian Foreign Service; and different factors are taken into consideration in compiling the Officer and Administrative Staff indexes. It should be noted also that they are based on 1946 levels of purchasing power: i.e. Officers—Washington (1946) = 100; Clerical—Ottawa (1946) = 100.

	OFFICERS		CLERICAL	
	1954-55	1953-54	1954-55	1953-54
Ankara.....	136	136	179	179
Athens.....	122	171	150	230
Belgrade.....	129	122	161	158
Berne.....	139	149	185	201
Bogota.....	159	165	208	214
Bonn.....	131	135	171	182
Boston.....	131	128	170	173
Brussels.....	138	150	184	202
Buenos Aires.....	144	150	198	200
Canberra.....	101	89	129	113
Capetown.....	99	94	128	123
Caracas.....	186	205	257	291
Chicago.....	124	122	162	165
Ciudad Trujillo.....	124	.....	172	.....
Colombo.....	105	108	141	146
Copenhagen.....	117	123	158	163
Detroit.....	130	125	170	170
Djakarta.....	137	.....	182	.....
Dublin.....	100	102	133	144
Geneva.....	139	149	185	208
The Hague.....	117	141	156	201
Havana.....	143	148	190	205
Helsinki.....	116	101	151	136
Karachi.....	135	132	183	180
Lima.....	133	149	175	201
Lisbon.....	118	123	156	162
London.....	108	107	151	156
Los Angeles.....	127	125	167	168
Madrid.....	123	144	167	203
Mexico City.....	120	124	161	167
Montevideo.....	144	170	190	220
Moscow—No index—special rates authorized.				
New Delhi.....	119	124	161	170
New York.....	130	128	172	174
Oslo.....	121	118	160	157
Paris.....	154	171	210	239
N.A.C Paris.....				
Prague.....	174	149	220	197
Pretoria.....	93	85	121	110
Rio de Janeiro.....	135	210	183	295
Rome.....	134	147	182	197
San Francisco.....	132	123	175	165
Sao Paulo.....	132	215	176	284
Santiago.....	133	127	182	176
Seattle.....	130	.....	169	184
Stockholm.....	125	125	163	165
Tokyo.....	135	156	192	236
Vienna.....	124	.....	159	.....
Warsaw.....	219	195	287	261
Washington.....	126	124	166	164
Wellington.....	102	94	129	120



**APPENDIX "R"**



## STATEMENT OF RENTALS PROVIDED IN THE ESTIMATES FOR LEASED PREMISES AT EXTERNAL AFFAIRS POSTS ABROAD DURING 1953-54 AND 1954-55

(X) Denotes External Affairs portion of total rental of premises shared with other Canadian Government Departments.  
 (G) Denotes ground rent paid for properties owned by the Canadian Government.

	1953-54	1954-55	Decrease	Increase
<b>THE ARGENTINE</b>				
Office.....	1,395	3,000	.....	1,605
Residence.....	10,200	9,900	300	
<b>AUSTRALIA</b>				
Office.....	1,076	3,000	.....	1,924
Residence (G).....	73	75	.....	2
<b>AUSTRIA</b>				
Office.....	nil	1,100	.....	1,100
<b>BELGIUM</b>				
Office (X).....	6,370	1,400	.....	30
Residence.....	7,500	7,500		
<b>BRAZIL</b>				
Office (X).....	5,400	5,400		
Residence.....	8,740	19,200	.....	10,460
Staff Summer Residence.....	2,655	2,650	5	
<b>CEYLON</b>				
Office.....	nil	4,200	.....	4,200
Residence.....	nil	2,520	.....	2,520
<b>CHILE</b>				
Office (X).....	1,950	3,000	.....	1,050
Residence.....	8,387	8,400	.....	13
<b>COLOMBIA</b>				
Office (X).....	nil	4,200	.....	4,200
Residence.....	nil	7,100	.....	7,100
<b>CUBA</b>				
Office (X).....	5,820	6,000	.....	180
<b>CZECHOSLOVAKIA</b>				
Office.....	1,135	5,000	.....	3,865
Residence.....	3,925	5,000	.....	1,075
<b>DENMARK</b>				
Office.....	5,350	1,500	3,850	
<b>FINLAND</b>				
Office.....	3,500	4,200	.....	700
<b>FRANCE</b>				
Office (Embassy).....	4,320	4,900	.....	580
Office (NATO).....	9,720	nil	9,720	
Residence (NATO).....	4,985	7,150	.....	2,165
<b>GERMANY</b>				
Office (X).....	3,710	3,750	.....	40
Residence.....	3,600	3,400	200	
<b>GREECE</b>				
Office (X).....	3,510	3,500	10	
Residence.....	5,540	5,600	.....	60
<b>INDIA</b>				
Office and Official Residence (G).....	nil	100	.....	100
Summer Staff Residence.....	5,000	.....	5,000	
<b>INDONESIA</b>				
Office.....	nil	1,000	.....	1,000
Residence.....	nil	2,000	.....	2,000
<b>IRELAND</b>				
Office.....	1,090	2,250	.....	1,160

## STANDING COMMITTEE

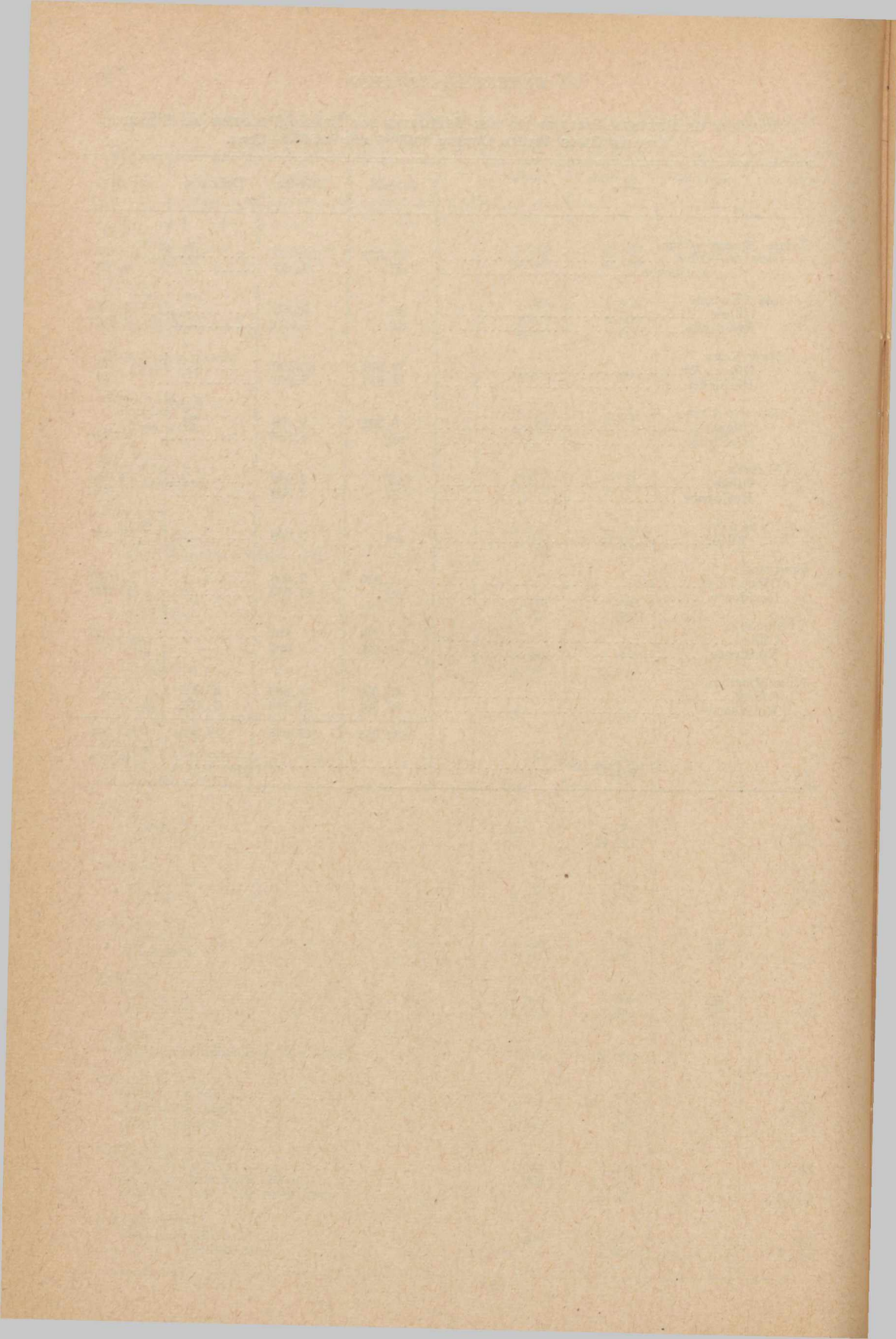
STATEMENT OF RENTALS PROVIDED IN THE ESTIMATES FOR LEASED PREMISES AT EXTERNAL AFFAIRS POSTS ABROAD DURING 1953-54 AND 1954-55—*Con.*

	1953-54	1954-55	Decrease	Increase
<b>ITALY</b>				
Office (X).....	9,950	8,700	1,250	
Residence.....	10,200	10,200		
<b>MEXICO</b>				
Office (X).....	3,390	4,000		610
Residence.....	6,050	6,300		250
Staff Summer Residence.....	2,885	3,000		115
<b>THE NETHERLANDS</b>				
Office (X).....	1,170	1,200		30
<b>NEW ZEALAND</b>				
Office (X).....	3,080	3,200		120
Residence.....	4,800		4,800	
<b>NORWAY</b>				
Office (X).....	1,075	1,100		25
Residence.....	2,750	4,150		1,400
<b>PAKISTAN</b>				
Office.....	4,445	6,300		1,855
Residence.....	4,927	5,000		73
Staff Summer Cottage (G).....	66	70		4
<b>PERU</b>				
Office (X).....	1,110	1,350		240
Residence.....	7,725	9,000		1,275
<b>POLAND</b>				
Office.....	7,500	7,500		
Residence.....	7,500	7,500		
<b>PORTUGAL</b>				
Office (X).....	nil	2,100		2,100
<b>SOUTH AFRICA</b>				
Office (Pretoria).....	1,985	2,000		15
Office (Capetown) (X).....	2,570	3,400		830
Residence (G).....	nil	100		100
<b>SPAIN</b>				
Office (X).....	nil	9,000		9,000
Residence.....	nil	13,200		13,200
<b>SWEDEN</b>				
Office (X).....	1,705	1,850		145
Residence.....	2,525	2,700		175
<b>SWITZERLAND</b>				
Office (X).....	2,550	2,150	400	
Residence.....	7,720	7,700	20	
<b>TURKEY</b>				
Office.....	4,035	3,900	135	
Residence.....	11,575	11,600		25
<b>U.S.S.R.</b>				
Combined Office and Residence.....	29,500	29,500		
<b>UNITED KINGDOM</b>				
Residence (G).....	685	700		15
Storage Rental.....	nil	2,000		2,000
Staff Canteen.....	1,510	1,600		90
<b>UNITED NATIONS</b>				
CDUN Geneva.....	2,152	2,200		48
CDUN New York Office.....	10,300	10,300		
CDUN New York Residence.....	nil	6,000		6,000
<b>UNITED STATES</b>				
BOSTON—Office.....	5,400	5,500		100
Residence.....	nil	5,000		5,000

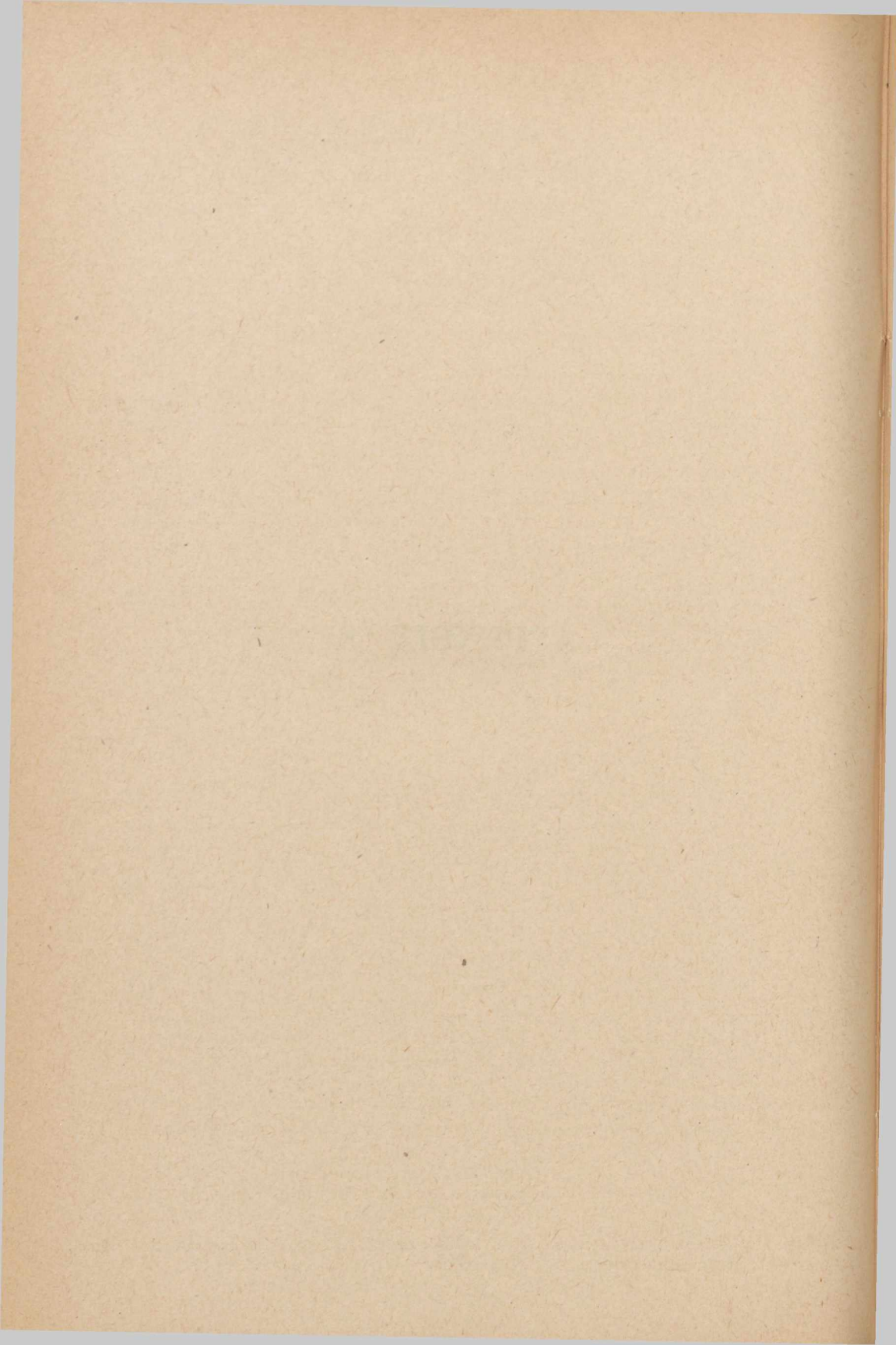


STATEMENT OF RENTALS PROVIDED IN THE ESTIMATES FOR LEASED PREMISES AT EXTERNAL AFFAIRS POSTS ABROAD DURING 1953-54 AND 1954-55—*Conc.*

	1953-54	1954-55	Decrease	Increase
<b>UNITED STATES—<i>Conc.</i></b>				
CHICAGO—Office.....	13,415	13,550		135
Residence.....	nil	6,000		6,000
LOS ANGELES				
Office.....	nil	9,600		9,600
Residence.....	nil	4,800		4,800
NEW YORK				
Office (X).....	32,018	32,500		482
Residence.....	4,975	5,500		525
SAN FRANCISCO				
Office.....	8,322	8,300	22	
Residence.....	nil	4,500		4,500
SEATTLE				
Office.....	nil	8,000		8,000
Residence.....	nil	3,900		3,900
URUGUAY				
Office.....	nil	3,900		3,900
VENEZUELA				
Office (X).....	6,520	7,000		480
Residence.....	nil	11,000		11,000
YUGOSLAVIA				
Office.....	785	800		15
Residence.....	600	600		
NEW MISSIONS				
Offices.....	45,000	19,500	25,500	
Residences.....	92,534	24,440	68,094	
	481,955	507,955	119,306	145,306
Total Increase.....				26,000



**APPENDIX "S"**



ANNOUNCEMENT  
of the  
CANADIAN GOVERNMENT OVERSEAS AWARDS  
for

THIRD SERIES

1954 - 1955

ADMINISTERED BY THE  
ROYAL SOCIETY OF CANADA  
OTTAWA, CANADA

CANADIAN GOVERNMENT OVERSEAS AWARDS

The Government of Canada will use part of the blocked balances standing to its credit in France and The Netherlands to provide fellowships and scholarships tenable in those countries in 1954-55.

The awards will be of two kinds:

*FELLOWSHIPS* having a value of \$4,000 for one year, for advanced work and study in the arts, humanities, social sciences, sciences, and professions.

Candidates must be over 30 years of age, and must already have achieved distinction in their art or profession.

Persons receiving these awards will not be required to register for any formal or academic course of study, unless they wish to do so. The purpose of the fellowships is to give Canadian men and women of proven ability an opportunity to spend a year abroad and devote their time to whatever programme they feel will be of most benefit to them professionally. This programme must be approved initially by the Awards Committee.

*SCHOLARSHIPS* having a value of \$2,000 for one year, for advanced students in the arts, humanities, social sciences, and sciences.

Candidates must normally have received an M.A. degree, or its equivalent from a university of recognized standing, and must have the prerequisites necessary for the course of study they propose to pursue. The purpose of the scholarships is to enable them to continue their studies and work towards a higher degree. A limited number of awards may be made to students of the creative arts who are without these academic qualifications, but who wish to secure further training in their art.

The stipends will be adjusted in accordance with the cost of living in the country in which the award is held. Travel expenses will be provided to cover the cost of tourist ocean fare from the port of embarkation in North America and rail fare from the port of landing to the destination in Europe. Similar grants will be made for the return journey. No provision has been made to supply Canadian funds for travel in Canada or for other expenses.

The awards will be made on the recommendation of the Awards Committee of the Royal Society of Canada and administrative facilities will be provided by the Awards Office of the National Research Council.

All inquiries, applications and Correspondence should be addressed to:

Awards Committee,  
The Royal Society of Canada,  
National Research Building,  
OTTAWA, Canada.

N.B. The Royal Society issues this announcement subject to approval of the necessary expenditure by Parliament.

REGULATIONS GOVERNING THE CANADIAN GOVERNMENT  
OVERSEAS AWARDS

## Regulations applying to both Fellowships and Scholarships

1. *Applications:* Applications, made on the approved form obtainable from the Awards Committee of the Royal Society of Canada, must be received by the Committee not later than March 15, 1954. Every effort will be made to announce the names of successful candidates early in May.

2. *Value:* Fellowships and scholarships will have values equivalent to \$4,000 and \$2,000 respectively in Canada. They will be paid in the currency of the country in which they are held and will not be convertible into Canadian dollars. Since the cost of living in France and The Netherlands varies, the precise amounts received by holders of awards will vary in accordance with the cost of living in those countries as related to the Canadian index.

3. *Travel Grants:* Tourist ocean fare will be provided from the port of embarkation in North America and rail fare from the point of landing to the destination in Europe. Two-thirds of this total amount will be allowed towards the travel expenses of wives who accompany their husbands; no travel expenses will be granted for children. The refundable portion of the travel expenses advanced for wives and children must be repaid in Canadian dollars, preferably before departure from Canada.

4. *Travel Arrangements:* Fellows and scholars will travel in ships of the country in which they are to study; reservations, etc., will be arranged through the Awards Committee and cannot be made privately. Persons receiving awards must report to the Canadian Embassy in the country in which they are to study *not later than November 15th, 1954*. They may travel to Europe at any time convenient to them prior to that date, providing accommodation can be secured, but stipend payments will be made only as stated in paragraphs 12 and 19.

5. *Insurance:* Fellows and scholars will be expected to assure the Awards Committee before departure that they are adequately insured against accident, sickness and death; appropriate documents must be presented at the Embassy in the country where their awards are tenable before payment of the first stipend. Families must also be adequately insured if they accompany fellows and scholars. This insurance is required as a safeguard that recipients of awards and their dependents will not become public charges abroad.

6. *Other Awards:* Recipients of fellowships or scholarships will be required to relinquish any other monetary award that they may receive that is applicable to the period covered by their Overseas Awards.

7. *Publication:* Results of research carried out during tenure of an award may be published, with acknowledgment of the assistance received.

*Regulations applying only to Fellowships*

8. *Qualifications:* Applicants must be Canadian citizens and must have reached their 30th birthday by March 31st of the year of application. They must already have achieved distinction in their art or profession, and evidence to this effect should be included in or accompany applications.

9. *References*: Applicants must furnish the names of four persons familiar with their work, who may be consulted by the Awards Committee.

10. *Programme*: Candidates should supply an outline of the study or work they propose to do in sufficient detail to permit the Awards Committee to reach a decision.

11. *Tenure*: Fellowships will normally be held for twelve months.

12. *Payment of Stipends*: Payments will be made through the Canadian Embassy in the country in which the Award is held: an initial payment of two-thirteenths of the total award, on arrival in France or The Netherlands, and eleven subsequent monthly payments, each one-thirteenth of the total. The first payment will not be made before 1 August or after 15 November, 1954.

13. *Reports*: Any reports that may be required by the Awards Committee, i.e., in support of an application for renewal of a fellowship, should be submitted through the Canadian Embassy in the country where the award is held.

14. *Leave of Absence*: Candidates who are employees should provide evidence that their employers will grant them leave of absence if a fellowship is awarded to them.

#### *Regulations applying only to Scholarships*

15. *Qualifications*: Applicants must be Canadian citizens. Those wishing to pursue advanced academic studies must have received an M.A. degree or its equivalent from a university of recognized standing, and must have the prerequisites necessary for the course of study they propose to follow. Those wishing to secure further training in creative arts must have sufficient training and experience to enable them to enroll in an institution abroad which offers advanced work in their art (see also paragraph 17.)

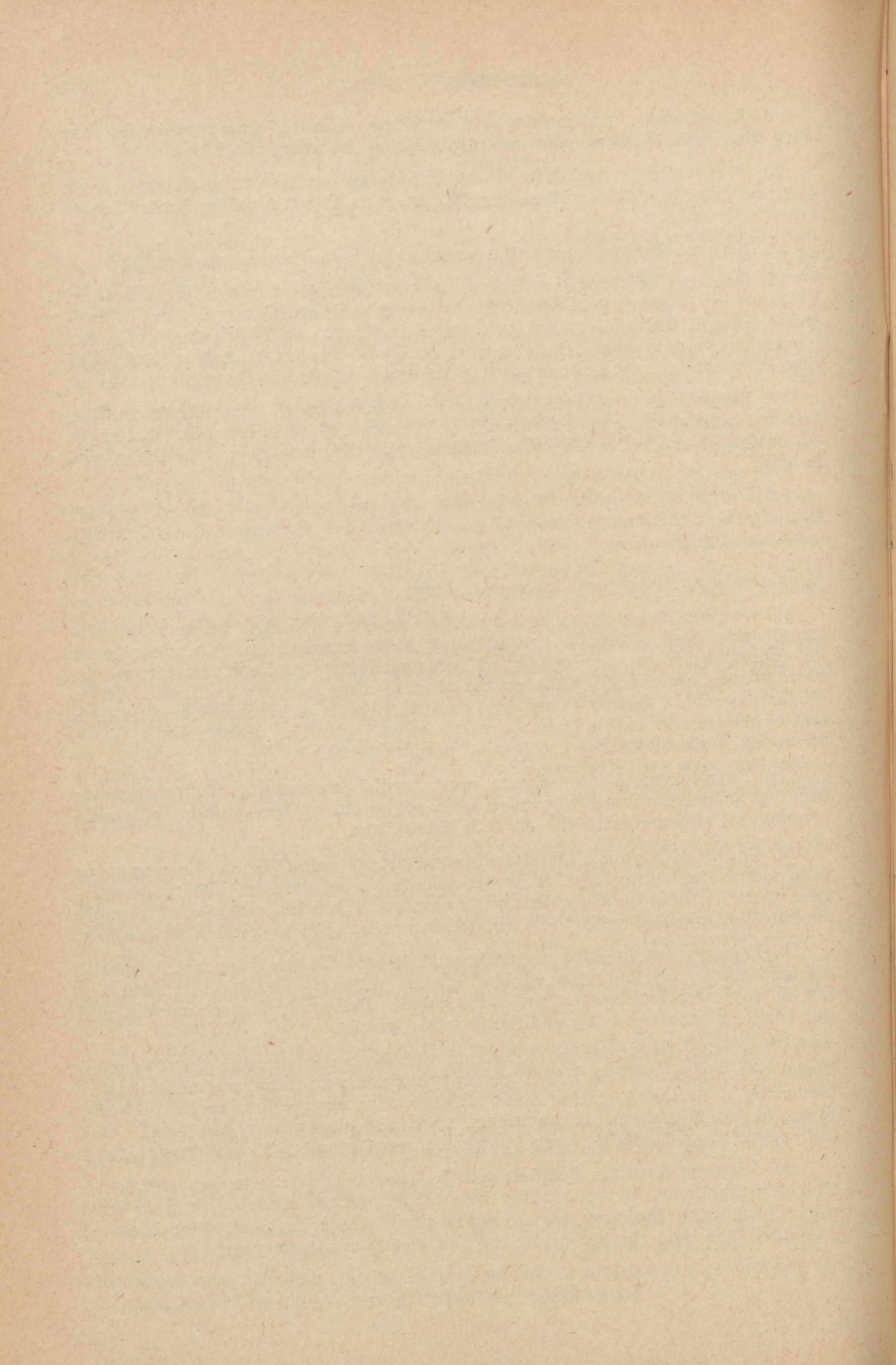
16. *References*: All applicants must furnish the names of four persons familiar with their work who have been requested by the candidates to send confidential statements to the Awards Committee.

17. *Course of Study*: Candidates should supply an outline of the courses or programme they propose to follow if awarded a scholarship. Written assurance that they will be accepted by the institution in which they wish to study should be submitted with their application or as soon thereafter as possible.

18. *Tenure*: Scholarships normally will be held for one year, but in special circumstances may be renewed for further periods. The total tenure may not in any circumstances exceed three years. Renewal of a scholarship will not entitle a scholar to any additional travel grants.

19. *Payment of Stipends*: Payments will be made through the Canadian Embassy in the country in which the Award is held: an initial payment of two-elevenths of the total will be made on arrival in France or The Netherlands, followed by nine monthly payments, each one-eleventh of the total. The first payment will not be made before 1 August or after 15 November, 1954.

20. *Progress Reports*: Scholars will be expected to keep in touch with the Canadian Embassy in the country in which they are studying, and to submit through the Embassy two progress reports, the first not later than 15 January, 1955, and the second at the end of the academic year.





HOUSE OF COMMONS

First Session—Twenty-second Parliament,  
1953-54

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STANDING COMMITTEE

ON

**EXTERNAL AFFAIRS**

*Chairman:* L. PHILIPPE PICARD, ESQ.

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MINUTES OF PROCEEDINGS AND EVIDENCE

No. 12

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*Witness:* Mr. C. Delafield, Director, International Service, Canadian  
Broadcasting Corporation.

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THURSDAY, JUNE 10, 1954

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Liaison between the Canadian Broadcasting Corporation and the  
Department of External Affairs—*International Service.*

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INCLUDING

1. Second report to the House.
2. List of appendices.
3. List of witnesses.

STANDING COMMITTEE  
ON  
EXTERNAL AFFAIRS

Chairman: L. PHILIPPE PICARD, ESQ.,  
and Messrs.

Aitken, Miss	Green	Macnaughton
Balcer	Henry	McMillan
Boisvert	James	Nesbitt
Cannon	Jutras	Patterson
Cardin	Kirk ( <i>Shelburne-</i>	Pearkes
Coldwell	<i>Yarmouth-Clare</i> )	Pinard
Cresthol	Knowles	Richard ( <i>Ottawa East</i> )
Croll	Low	Starr
Decore	Lusby	Stick
Fleming	MacDougall	Stuart ( <i>Charlotte</i> )
Garland	MacInnis	Studer—35.
Gauthier ( <i>Lac-Saint-</i> <i>Jean</i> )	MacKenzie	

(Quorum 10)

ANTONIO PLOUFFE,  
Clerk of the Committee.

NOTE A

No. 9—*Evidence of May 18:*

A complete statement relating to the Colombo Plan Aid to India, Pakistan and Ceylon (as of May 14, 1954) as received by the Clerk on May 20, appears on page 259 as *Appendix G*.

The following words should be added on page 260 of said *Appendix G*, after paragraph numbered 3 on MAYURAKSHI: "MAYURAKSHI—allotted \$2,500,000. See paragraph 3—1951-52".

NOTE B

No. 9—*Minutes of proceedings of May 18:*

Appendices listed on page 238 as G, H, I, J, should now read H, I, J and K.

(For complete list of appendices see No. 12—*Minutes of Proceedings and Evidence*).

## REPORT TO THE HOUSE

THURSDAY, May 27, 1954.

The Standing Committee on External Affairs begs leave to present the following as its

### SECOND REPORT

On Thursday, April 1, 1954, the House referred to your Committee for consideration Votes Nos. 84 to 103 inclusive of the Main Estimates 1954-55.

Your Committee has held fourteen meetings, three of which were devoted to the statements and evidence of the Secretary of State for External Affairs, The Honourable L. B. Pearson.

On departmental administration, your Committee heard Dr. R. A. MacKay, Acting Under-Secretary of State for External Affairs and Mr. R. M. Macdonnell, Assistant Under-Secretary, while Mr. Arnold C. Smith, Special Assistant to the Minister, Mr. S. D. Hemsley, Head of Finance Division, Mr. H. Wershof, Acting Assistant Under-Secretary, Mr. J. P. Sigvaldason, Head of Supplies and Properties Division were in attendance.

On Votes 99 to 100—International Joint Commission—your Committee heard General A. G. L. McNaughton, Chairman Canadian Section of the International Joint Commission, while Mr. C. K. Hurst, Engineering Adviser, Miss E. M. Sutherland, Secretary and Mr. David Chance, Assistant Secretary were in attendance.

On Vote 101—Colombo Plan—your Committee heard Mr. R. G. Nik Cavell, Head of the International Economic and Technical Co-operation Division, Department of Trade and Commerce and Administrator of the Canadian participation in the Colombo Plan, while Mr. Frank Pratt, Chief Projects Officer and Mr. D. W. Bartlett, Chief of the Technical Assistance Office were in attendance.

Your Committee having carefully considered the items of the Main Estimates referred to it and, relating to the Department of External Affairs, approves them and recommends them to the House for approval.

Your Committee was impressed with the valuable work being done under the Colombo Plan and is of the view that this aid is of considerable importance to help the growth of democracy and it also approves of the increase in the Canadian contribution to the United Nations Program for technical assistance to under-developed Countries.

Your Committee wishes to express its satisfaction with the steps taken and the assurance given by the Government concerning the inception of the St. Lawrence Waterways project.

Your Committee views with approval the continued care exercised by the Canadian section of the International Joint Commission in regard to the retention for Canada of the water powers derived from the Northern watershed and recommends that the Canadian members of the Commission continue to uphold the application of the Treaty of 1909.

## STANDING COMMITTEE

Your Committee also approves of the stand taken by the Canadian Section of the International Joint Commission concerning recompense for down stream benefits on the Columbia River System.

Your Committee approves of the exploratory negotiations being carried on between the Department of External Affairs and the Department of Public Works concerning the liaison to be established between these departments as to the purchase of properties, the erection and maintenance of buildings occupied by the Department.

Your Committee intends to obtain evidence from the Director-General of the International Service of the Canadian Broadcasting Corporation, as to the liaison existing between that service and the Department of External Affairs and as to the effectiveness of its broadcasts.

A copy of the Minutes of Proceedings and Evidence of the Committee is appended.

All of which is respectfully submitted.

L.-PHILIPPE PICARD,  
*Chairman.*

## MINUTES OF PROCEEDINGS

TUESDAY, May 25, 1954.

(13)

The Standing Committee on External Affairs held an executive meeting this day at 3.30 o'clock p.m. The Chairman, Mr. Picard, presided.

*Members present:* Messrs. Boisvert, Cannon, Cardin, Croll, Decore, James, Jutras, Knowles, Low, MacDougall, MacKenzie, Macnaughton, Patterson, Pearkes, Picard, Richard (*Ottawa East*), Stick—18.

Pursuant to notice, the Chairman informed the members that the purpose of the meeting was to discuss the report to be made to the House and he invited members to put forward any suggestion which could serve as a basis for a draft report.

Having received some suggestions and, after discussion, at 4.15 o'clock p.m., the Committee adjourned until Thursday morning at 10.30 o'clock a.m. to consider a draft report.

THURSDAY, May 27, 1954.

(14)

The Standing Committee on External Affairs held an executive meeting at 10.30 o'clock a.m. this day. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Messrs. Boisvert, Cannon, Coldwell, Crestohl, Fleming, Green, Henry, James, Jutras, Knowles, MacDougall, Patterson, Pearkes, Picard, Pinard, Richard (*Ottawa East*), Stick and Stuart (*Charlotte*)—18.

As agreed at the last meeting, the Chairman presented a draft report.

The Committee considered the said draft report.

On motion of Mr. Boisvert,

*Resolved*,—That the Chairman present the draft report, as amended, as the Committee's Second Report to the House.

(See Second Report in this day's minutes of proceedings and evidence).

At 11.15 o'clock a.m., the Committee adjourned to the call of the Chair.

THURSDAY, June 10, 1954.

(15)

The Standing Committee on External Affairs met at 11.30 o'clock a.m. this day. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Miss Aitken, Messrs. Balcer, Boisvert, Cannon, Cardin, Crestohl, Decore, Garland, Gauthier (*Lac St-Jean*), Henry, James, Jutras, Low, MacDougall, MacKenzie, Macnaughton, McMillan, Nesbitt, Patterson, Pearkes, Picard, Richard (*Ottawa East*), Starr, Stick and Stuart (*Charlotte*). (25)

*In attendance:* Mr. C. Delafield, Director, International Service, Mr. A. D. Dunton, Chairman, Board of Governors, Canadian Broadcasting Corporation, and Mr. R. M. Macdonnell, Assistant Under-Secretary of State for External Affairs.

Pursuant to an agreement reached in the course of the Committee's study of the estimates of the Department of External Affairs in respect of the International Service of the Canadian Broadcasting Corporation, the Committee heard evidence on the broadcasts of this service.

Mr. Delafield was called. He read a prepared statement referring to various charts which appear immediately following this day's evidence as appendix "T". Copies of this statement were distributed forthwith.

Sample monthly programme schedules (European and Latin America) in various languages tabled by witness were mailed to the members of the Committee.

At 1.05 o'clock p.m., Mr. Delafield having concluded the reading of his statement, the Committee adjourned until 3.00 o'clock p.m. this day.

#### AFTERNOON SITTING

(16)

The Committee resumed at 3.00 o'clock p.m. Mr. L. Philippe Picard, Chairman, presided.

*Members present:* Miss Aitken, Messrs. Cardin, Coldwell, Crestohl, Decore, Fleming, Gauthier (*Lac St-Jean*), Henry, James, Jutras, Low, Lusby, MacKenzie, Macnaughton, Patterson, Picard, Pinard, Starr, Stick and Stuart (*Charlotte*). (20)

*In attendance:* Same as listed at the morning sitting and Mr. Arnold C. Smith, Special Assistant to the Secretary of State for External Affairs.

Mr. Delafield was recalled. He was questioned at some considerable length on C.B.C. policy in respect of language broadcasts and the liaison between C.B.C. and the Department of External Affairs.

Questions were also directed to Mr. Dunton and Mr. Macdonnell.

The examination of Mr. Delafield was concluded.

On motion of Mr. Crestohl,

*Resolved,*—That the Chairman express the Committee's appreciation to the witness for his presentation.

Before adjournment, the Chairman referred to a previous discussion on the possible benefits to be derived by Members of Parliament from visits to Canadian missions abroad. He tabled an article which appeared in *The American Foreign Service Association Journal* in April, 1952. He pointed out that this Association was an unofficial and voluntary one of active and retired members of the Foreign Service of the United States and the Department of State.

On motion of Mr. Boisvert,

*Ordered,*—That a copy of the above article intituled "The Benefits of Congress Foreign Travel" by Jack K. McFall, be printed as an appendix. (*see Appendix "U" to this day's evidence.*)

Mr. Delafield was retired.

At 4.40 o'clock p.m., the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,  
*Clerk of the Committee.*

## Appendices

## A-U

- A—Statistical Summary of technical co-operation Program (1950—March 31, 1954) as prepared by the Department of Trade and Commerce. (See No. 4, page 103)
- B—Text of the references of the Columbia River system. p. 197
- C—Storage capacity of the system. p. 201.
- D—Extract of a report dated January 15, 1954 of Columbia Interstate Compact Commission Power Committee. p. 295  
(see No. 7 for B, C and D)
- E—Note No. 79, dated February 1, 1954, on Chicago diversion. p. 231
- F—Note No. 169, dated March 10, 1954, on Chicago diversion. p. 235  
(see No. 8 for E and F)
- G—Colombo Plan Capital Aid to India, Pakistan and Ceylon. p. 259
- H—Civil Service Commission announcements of competitions for Foreign Service Officers. p. 267
- I—Reprint of an article which appeared in External Affairs Bulletin of August, 1953, entitled, The Canadian Foreign Service. (E F). p. 273
- J—Reprint of an article from External Affairs Bulletin which appeared in July, 1953, entitled, The Foreign Service Officer Competition. (E F). p. 281
- K—Sample examination papers. p. 289  
(see No. 9 for G, H, I, J and K)
- L—Table showing types of allowances to all personnel of Canadian Embassy in Paris. p. 345
- M—Table showing types of allowances to all personnel of Canadian Embassy in Tokyo. p. 349.
- N—Table showing maximum and minimum allowances to posts including high and low cost of living for missions in Caracas and Pretoria for F.S.O. Grade I to V. p. 353
- O—Table showing types of allowances to personnel of the Canadian Embassy in London. p. 357
- P—Table showing types of allowances to personnel of the Canadian Embassy in New Delhi. p. 361
- Q—Table showing cost of living for countries where Canada has Posts. p.365
- R—Table showing increases and decreases in rentals abroad. p. 369
- S—Leaflet intituled "Canadian Overseas Awards". p. 375  
(see No. 11 for L to S)
- T—Set of charts showing coverage of C.B.C. International Service, p. 421 to p. 425
- U—Article published by The American Foreign Service Association, Washington, D.C., intituled "The benefits of Congress Foreign Travel by Jack K. McFall, April, 1952. p. 429 to p. 434.  
(see No. 12 for T and U)

## WITNESSES

1. Honourable L. B. Pearson, Secretary of State for External Affairs,
2. Dr. R. A. MacKay, Acting Under-Secretary of State for External Affairs,
3. Mr. R. M. Macdonnell, Assistant Under-Secretary,
4. General A. G. L. McNaughton, Chairman, Canadian Section, International Joint Commission,
5. Mr. S. D. Hemsley, Head of Finance Division, External Affairs,

6. Mr. R. G. Nik Cavell, Administration, Canadian Participation to the Colombo Plan,
7. Mr. C. Delafield, Director, International Service, Canadian Broadcasting Corporation.

## REPORTS TO HOUSE

First report—April 6—page 5, Number 1.

Second report—May 27—page 379, Number 12.



## EVIDENCE

JUNE 10, 1954.

The CHAIRMAN: Gentlemen, during the course of our previous meetings on a few occasions questions were asked from the officials of the Department of External Affairs concerning the international service of the Canadian Broadcasting Corporation. It had been agreed that we would suspend questions and that at a later date we would have as a witness the director of the international service, and most members were kind enough, when I made the suggestion, to have the report on the main estimates submitted to the House that we should do so on the condition that at a later date we would call the director before the committee. Today we have with us Mr. Charles Delafield, the director of the international service. As you know this is the second time we have had the first official of this body come before us. Last year we had Mr. Desy who is now ambassador in Paris and this year Mr. Delafield has taken over from Mr. Desy and is with us to submit a brief and then to submit himself to questioning by the members.

Mr. Delafield, if I may say so, to give you an idea of his background as is customary with new witnesses who appear before the committee, is a graduate of the University of Toronto (M.A. 1931). After a year of university teaching he was secretary of Hart House for six years. In 1938 he joined the C.B.C. national program office in Toronto and later became national supervisor of religious broadcasts. In 1947 he was transferred to Montreal to the position of assistant general supervisor of the international service. He became director several months ago, when Mr. Desy resigned to assume another post. Gentlemen, Mr. Delafield has a brief, copies of which will be distributed to the members. I think according to previous practice it would be in order to listen to Mr. Delafield until he has finished reading his brief and then to start our period of questioning in an orderly fashion taking the first page in order not to mix the subjects. I would ask the cooperation of members so far as this is concerned. I will look around as I did in previous meetings, and if any member intends to talk on any particular subject I wish he would signal so that I can establish a list and keep the discussion in an orderly fashion.

Mr. DECORE: Did you say that Mr. Delafield has a brief? Will it be distributed?

The CHAIRMAN: Yes, it is being passed around at this very moment. I thought as a courtesy to the witness and to everybody it should not be distributed until the meeting started and the witness was prepared to give evidence. Now that the distribution is complete we will call on Mr. Delafield. We will ask the witnesses and members, due to that terrible noise which is going on outside the building, to speak loud enough so the reporters may be able to catch every word.

**Mr. Charles Delafield, Director International Service of the Canadian Broadcasting Corporation, called:**

The WITNESS: Thank you, Mr. Chairman.

In this report I would like to summarize the activities of the service since the last report presented March 12, 1953 by Mr. Jean Desy then director

general of international service. This report will cover, among other things, the increased liaison with the Department of External Affairs and a summary of the effectiveness of the service. Appendices and charts are attached for fuller explanation of some of the points made and these are referred to in the text at the appropriate places.

### 1. *Purposes and Objectives*

The general purposes of shortwave broadcasting from Canada are considered to be in essence the following:

- (a) To secure general political and social goodwill and understanding for Canada in European, Latin American and commonwealth countries.
- (b) To project abroad Canada's aims and policies and the life and culture of the people.
- (c) To provide a reliable source of international and Canadian news for the peoples of eastern Europe; to counteract communist propaganda about the western world; through news, factual information and a vigorous statement of our views on current topics to encourage the soviet people to question their governmental policies and to oppose its aggressive tactics; and in the satellite countries to keep alive their contact with western democratic life and seek to frustrate the efforts of soviet domination.
- (d) To provide an appropriate climate for diplomatic and trade relations with other countries and to promote the general activities of government departments in their work abroad.

### 2.—*General Organization*

To carry out the above purposes the service is organized to provide both wide scope and appropriate controls for the activities of the individual language services. Under the director a small group of senior officials are responsible for separate broad areas of operation as follows:

General supervision of program section, supervision and control of all political material, supervision and control of all non-political material, personnel and administrative requirements, supervision of engineering services, production and development of program schedules, audience research and overseas publicity.

Under the direction of these key officials the language section heads are responsible, as program specialists, for the development and presentation of daily program service to their respective language areas.

### 3.—*Liaison with the Department of External Affairs*

As Mr. Desy explained last year, the Department of External Affairs had just then created a special section to improve and strengthen the close relationship with the international service. The purpose of this section, as Mr. MacKay explained on April 28 of this year before this committee, was to give special attention to maintaining general liaison and giving us guidance on a continuing basis in the field of Canadian policy on international affairs. We have benefited tremendously from the assistance of this special section. We feel that this section should be fully maintained since the need of a day-to-day continuing link is most essential in our broadcasting generally, and of course particularly to eastern Europe. This operation is completely two-way and is supplemented by regular personal contact and telephone communication with and from the senior members of the international service staff. It is also supplemented by the provision, regularly to this section, of all international service scripts dealing with international affairs. This section in turn makes copies available with international affairs. This section in turn makes copies available to the

diplomatic missions in the field. Much useful comment and guidance is contained in the comments on the material, from the missions. The result is the growth of a much closer understanding of policy on the one side and of the requirements of shortwave broadcasting on the other, between the Department and ourselves.

The guidance as received is discussed by the senior members of the service at the regular morning meetings on policy. This information is then passed on to the language heads through the policy coordination department. A word about this department. The policy coordination department under its head is concerned with three closely related central functions—the control of the preparation of daily news bulletins for use in the individual section, the assessment and control of political material written in the sections and lastly, the preparation and circulation of scripts written centrally. The process affords freedom for the sections to specialize in the approach to their own audience and at the same time provides the necessary coordination of material and supply of basic scripts.

Apart from the specific information from the department, we are also in touch with BBC and Voice of America through the circulation of daily BBC monitoring reports received by air mail and the VOA flash news monitoring received by teletype. There is also an interchange of script and research material.

#### 4.—*Program Service*

(a) *Operations.*—This is just a brief summary of what we do. The international service broadcasts regularly to Europe, Latin America and Australasia, as well as serving the Canadian armed forces establishments in northern Canada and overseas (Korea and Europe). This is shown on chart 1, which you will note also has marked on it the technical monitoring stations from which reports are regularly received. Chart 2 shows the European area in greater detail.

Now, attached to this brief is a set of charts. At this point, if you would look at chart 1 which is a very simple chart it shows you the present coverage of our beams and also it has marked on the one side down in the lower left hand corner a little cross in a circle, monitoring station. You will see this mark on various places on the table in Latin America, Northern Canada, Australia and New Zealand. These are monitoring stations which listen to our signal and provide us with technical information as to how our signal is received and if we are using the right frequency and so on. That is a technical way of checking on our signal entirely apart from reports from listeners and so on.

Chart 2 shows you the European area in more detail and the monitoring stations are marked more clearly there. You will see an arc of a circle. It does not necessarily mean that the shortwave beams end at that particular point; they keep on going; but in drawing a chart of this kind the engineers felt that they had to limit the thing somewhere so they drew an arc of a circle there.

The international service operates two 50 kilowatt transmitters located at Sackville, N.B. and broadcasts in 16 languages—English, French, Dutch, Norwegian, Danish, Swedish, Finnish, German, Italian, Czech, Slovak, Russian, Ukrainian, Polish, Spanish and Portuguese. It also has regular Austrian and Greek service on disc relayed locally in Austria and Greece. It currently broadcasts some 115 hours weekly (including program repeats, relays, program announcements, etc.). A list of weekly broadcast time totals is attached as appendix A.

Appendix A, if I may draw your attention to it for a moment shows on the left hand side the year the various language services began. It shows the extent of the English transmissions, those we broadcast not only to Great Britain and Europe but also in English to Latin America, Australia and New Zealand, and of course to the forces. French is to France and to Latin America, and, of course, there are French programs also for the Canadian troops both in Germany and Korea. The times on the right are in hours and portions of hours. For instance, 8.45 means eight hours and forty-five minutes. There is one further point in this connection. You will note a footnote at the bottom of the page referring to the German and Czechoslovak broadcasts. There is a separate weekly half hour not listed in these times which is prepared and transmitted from London and Sackville in Czechoslovak and German which is picked up by the B.B.C. by air and then relayed by them over their continental transmitters to Czechoslovakia and Germany. We have tried to extend that service, but, of course, one of the difficulties is that the B.B.C. have only a certain number of transmitters which they built primarily for their own services and the possibility of getting additional time on their facilities is a matter which is very difficult to achieve. The Voice of America have transmitters too located on continental Europe but naturally they were built for their own programming and it has not been possible to arrange any relays on their transmitters. However, we are trying to secure additional time, even if limited, on B.B.C. transmitters to Germany and Czechoslovakia.

The relative position of Canada in the field of shortwave broadcasting in December, 1952, is shown in chart 3 attached. This shows Canada in 32nd place. Not all the countries were put in. We just put in various larger countries. This actually means that there is a compilation by various organizations, including the United States Information Agency, from which we obtained this information, of weekly broadcasts of various countries by shortwave, and this shows, of course, that the Soviet Union leads by a great deal. The position with regard to the satellites has changed somewhat since this chart was compiled. This chart was compiled on the basis of information as at December, 1952. We were not able to make a chart for December, 1953, but it is mentioned here in the brief: as at December, 1953, Canada was in 29th place with 70 countries broadcasting. This does not include broadcasts within the country, but broadcasts by shortwave. A list of the external broadcasting hours of some of these countries is attached as appendix B (as at December, 1953). That is the next long sheet. This report, appendix B, is taken from the report of the United States Information Agency of last year. It really came out about a month ago and the list here of countries is only a partial list. It is not the complete list as found in this report. We have just taken some of the larger countries and listed the amount of broadcasting they do. You will see from this that the U.S.S.R. remains at the top position. You will also see a great increase in satellite broadcasting in 1953. Poland, which originally in 1952 was in 7th place has now moved up to 3rd place.

I go on in the brief to summarize some of the comments that the information agency in the United States has made on this report

(1) The U.S.S.R. has consistently increased its international broadcasting from 1948-1952, but suffered a decline in 1953, more than compensated, however, by an increase in combined satellite output. It took the world lead in 1951, and still leads.

(2) The European satellites and communist China have stepped up their broadcasts consistently. "Stepped up" means increased in amount of time.

(3) The BBC has maintained a steady position.

(4) The VOA has declined from 1951.

(5) The European satellites have increased by 22 per cent in 1953, in terms of broadcasting hours, and include all European languages in their transmissions. Broadcasts in Spanish to Latin America and English to North America have been increased.

That summarizes the position of shortwave broadcasting in the international field generally.

(b) *Program Content*—The pattern of national shortwave broadcasting is based first and foremost on news—international news and (in our case) Canadian news. This is the core of the program service in each language transmission and the other items of the program are related, directly or indirectly, to it.

The news is presented straight, without editorialising or slanting. Naturally for an overseas audience, it must include more background and explanation than for a domestic audience—because the listeners do not know very much about the country—but this has to be done objectively. All this does not mean that each story used must not be checked to ensure that it is factually accurate and given the proper Canadian perspective. Attention must also be paid to selection of items and their appropriate order in the make-up of the particular news bulletin. Such are the necessary tasks of a responsible shortwave broadcasting organization. They bring their own reward—the listener, coming to believe in your news, comes to believe in the other things you want to say to him. The stature of the BBC, based on this fact, needs no amplification. It is also, of course, the basic fact which must guide western broadcasts, particularly in the current world situation.

In each language transmission the news is followed by news comment or commentary. Here are presented the reasoned comments based on a major item in the day's news—international or Canadian. It is the place to present Canadian editorial opinion, which originates or reinforces a western viewpoint; which makes a clear and sharp comment on communist activity; which explains and expands a vital Canadian topic; which expounds a Canadian position on international affairs.

The individual language transmission then proceeds to features on Canadian ways of life, the arts and sciences, business and commercial development, industrial life, etc., presented in radio form using interviews, actualities, sound pictures. Each language section follows the pattern best related to the listening habits of the particular audience. In short, it is the job of each language section to keep the listeners listening.

Naturally, the pattern of broadcasts varies from section to section. Eastern European broadcasts give more space and emphasis to news and information, more attention to communist activities, more news to one satellite country about conditions in other satellites. Transmissions to western Europe do not overlook the large communist parties in France and Italy, pay close attention to the close relationship of government, labour and business in the Canadian scene. Canadian developments in science and culture, in industry, agriculture and commerce become lively topics for western Europe and Latin America. Canadian education and medicine have stimulated wide interest and an increasing flow of students from Latin America, by reason of our transmissions.

Every day then, we present a picture of what we think, how we live, as Canadians—and not as seen solely in Montreal but from coast to coast.

(c) *Relays*—Apart from direct transmissions, we also have relays. Relay programs are programs prepared on disc or tape—that is, in Montreal—and shipped out for domestic playing by another broadcasting organization. Sometimes, as in news features, they are picked up from shortwave transmissions and so relayed. They are a valuable supplement to the transmitted service.

They do not replace it. Relay of Canadian programs by other radio organizations are necessarily subject to many limitations: can the other organization find the time, does it think its listeners will like it, is it consistent with their general exchange policy, will it create awkward precedents in dealing with other powers, etc.

For instance, in that connection, some of the smaller western European countries prefer to have programs from us directly, by our own direct approach rather than receiving them through the Canadian missions in those particular countries, because they feel that if they receive from an official agency of the government of this country, they may have awkward precedents in dealing with requests from other countries. Programs are therefore in the main limited to descriptive or entertainment material. It is difficult to use relay programs for the presentation of opinion or comment on international events and so on.

Here is a summary of recent international service activities in this field:

1—*Music Transcription Service*: We do very little music by shortwave transmission, as it is not received well. It is better to use a transcription, because then the local audience can get it more easily.

Packaged programs of 15 and 30 minutes' duration, with appropriate language continuity, presenting the works of Canadian composers and/or featuring Canadian artists. The Transcription Service, begun several years ago, now features over 100 programs covering a wide range of material from classical to popular, from folk song to barn-dance. This Transcription Service is distributed to national radio organizations and Canadian missions abroad and is currently in use in some 85 countries around the world. It is also used in the transmitted service, where required, replacing live music—naturally, because it is a less expensive way of doing music on the air. The transcription service also prepares special programs for use abroad for Christmas and in connection with our national holiday, July 1. This year, for instance, in our transcription service, the special program that has been sent out in connection with July 1 is a program made up of the Coronation Suite by Healy Willan, with the orchestra conducted by Ettore Mazzoleni of Toronto, and that has been sent to many countries around the world as a sample of Canadian musical development and also in commemoration of July 1 this year.

2.—*Relays in Individual Countries 1953*: During 1953 the English Language Service has extended its relays within the commonwealth and the English-speaking world. Nearly 200 individual Canadian items were rebroadcast overseas. These were carried in 13 countries: BBC approximately 100 program items; U.S. National Association of Educational Broadcasters stations (an organization comprised of the station managers of university and school system radio stations in the United States, with a membership of over 65 stations, covering various parts of the United States fairly well and representative of the whole of the United States) approximately 60 items; the remainder in Australia, New Zealand, South Africa, Ceylon, Eire, Jamaica, Trinidad, Barbados, British Guiana and Hong Kong.

Among the feature programs rebroadcast were *Prairie Schooner*, a western barn-dance program (carried by BBC Scotland on eight occasions). As a matter of fact, the Scotch listeners gained quite an interest in this type of Canadian music during the war, because when the Canadians were established in England during the war various national network programs were sent over for relay in their local establishments, and one of the most popular, both inside the service and among the listeners in Scotland, was this particular program. And after the war was over they asked at various times for other programs in the same series.

"Coronation Canada" was done in advance of the coronation last year, featuring the town of Coronation in Alberta.

"Shakespeare's other Stratford"; that was rebroadcast by the B.B.C. Midland Region. "The Canadian International Trade Fair"; of course, that is a major item of our service each year. "Stories and interviews rebroadcast" in various countries and four B.B.C. services; "Over the Bank Fence"; that is a program of Canadian editorial opinion, with editorials of Canadian papers from coast to coast upon subjects of joint Canadian-American interest. This program is put together each week as a 15-minute editorial comment from Canadian newspapers for rebroadcast in the United States.

Forty-seven Canadian news reports were used by the B.B.C. in its domestic services; 27 on B.B.C. overseas services. In this way United Kingdom listeners to the B.B.C. heard shortwave reports from Canada on the federal budget, Prime Minister St. Laurent's visit to Washington, the opening of Canada's first television network, the Calgary Stampede, the Stratford Shakesperian Festival, the Canadian harvest, the voices of Prime Minister St. Laurent and President Eisenhower as they spoke before parliament in late November.

We are currently working on the development of relay outlets in Southeast Asia, particularly in Ceylon, where two Canadian features are now broadcast each month. We shall perhaps be aided in developing a Canadian market in India and Pakistan through our coverage of the Colombo conference in Ottawa this September.

Here are a few examples of relays presented in French and the various foreign language services during 1953:

Just an example from each of the sections is given here.

*French:* December 6, 1953, Cardinal Leger's message on the Marian Year, opening December 8, to the following stations: Radio Haiti, Radio Monte-Carle, Society Suisse de Radiodiffusion, Radio-Maroc, Radio St-Pierre, Radio Luxembourg, Institut National Belge de Radiodiffusion, Radio-Vaticane, Radiodiffusion Francaise.

*Dutch:* February 20, 1953, commentary on the Netherlands Flood Relief fund in Canada (confirmation by Dutch radio authorities of use in Netherlands the same day). That was actually shortwaved and not put on discs.

*German:* 10 talks on science; 7 talks on economic and educational subjects, 3 school broadcasts, used by RIAS, Berlin (Radio in the American Sector of Berlin) which has a vast audience in Eastern Germany. RIAS is the Berlin station. The title RIAS stands for "Radio in the American Sector".

And an example in Norwegian:

*Norwegian:* November 30, 1953, interview with General Lambrechts, Commander-in-Chief, Norwegian Air Force.

That brings us to the topic of NATO.

In planning relays for NATO countries, the international service has underlined where possible the ties between Canada and these countries.

For example, the international service's Christmas relays included messages home from 132 NATO air trainees in Canada at that time. These were distributed as follows:

Dutch, 27	French, 28	Norwegian, 18
Danish, 12	English, 29	Italian, 18

One interesting result of the Italian broadcast is a reciprocal program by the parents of the pilots broadcast on January 18 of this year from Italy. Arrangements were made to record this broadcast and it was relayed by the RCAF stations in Edmonton and Winnipeg, on their own equipment and in their own bases.

The following letter has been received from one of the parents in England who heard the broadcast direct by shortwave. This letter was from a man who actually does not listen to shortwave broadcasts from Canada; but we advised him that his son would be broadcasting, and by dint of fixing extra aerial wire to his radio, he said that he had excellent reception.

77, The Vale,  
Acton,  
London, W.3.,  
England.

Dear Sir:

It gives me very much pleasure to write and thank you for your telegram and the opportunity for my wife and I to hear our son, Acting Pilot Officer A. P. Abbott, who is now at Penhold, Alberta, on station CKNC 16.84 meters yesterday at 1525 GMT.

By dint of fixing extra aerial wire to our radio, we had excellent reception and heard all the lads very clearly.

This sort of thing is, I know, an everyday affair for you radio people, but were you to realize how much pleasure it brings to the parents of lads away from home just to hear their son's voice, you would feel well rewarded for your efforts.

Please thank all concerned for making this possible.

Yours very truly,

L. J. ABBOTT.

Going on with NATO:

We consider NATO as one of the major continuing topics of the service, particularly in transmissions to NATO countries. Whenever the news warrants it, we cover NATO items in the news, and discuss them in commentaries. Whenever possible, we give NATO events coverage in actuality broadcasts. Interviews with NATO pilots training in Canada are, in our thinking, a very effective means of underlining Canada's support to NATO. They provide the foreign-language services in particular with a direct personal link between Canada and the NATO country concerned. They also give us an opportunity to show what Canada is doing in a practical way to support NATO, without preaching and protesting too much. We think that one of the principal functions of our western European services is to develop the sense of an Atlantic community by stressing the political, economic, cultural, and military links between the NATO countries. This concept is reflected in everything we do in these services whether it deals directly with NATO or not. We also cover NATO events in our eastern European service—stressing NATO's defensive character, and its strength.

On special occasions, such as the NATO anniversary, special coverage is given. Here follows an outline of the coverage on the fifth anniversary this year:

This deals with the coverages on the fifth anniversary of NATO, in April of this year.

*Report on Coverage given to NATO's 5th Anniversary by CBC Int'l Service*

On Sunday April 4th, the international service, in its European, Latin American and Pacific transmissions, devoted 8 hours, 12 minutes and 55 seconds of program time to the 5th anniversary of NATO.



The breakdown by language is as follows:

Finnish	27 mins.	40 secs.
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This is not a program in Finnish of 27 minutes and 40 seconds, but rather various programs totalling that amount of time.

German	30 mins.	
English	1 hr. 42 mins.	
Czech	40 mins.	45 secs.
Spanish	15 mins.	
Portuguese	15 mins.	
Norwegian	19 mins.	15 secs.
Swedish	18 mins.	
Danish	19 mins.	15 secs.
French	1 hr. 30 mins.	
Italian	25 mins.	
Dutch	20 mins.	
Polish	4 mins.	
Russian	1 hr.	
Ukrainian	7 mins.	

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8 hrs. 12 mins. 55 secs.

The general content of these programs included messages by The Prime Minister, Mr. Wilgress, Mr. Pearson and Mr. Claxton; a commentary by one of our staff writers Ewart Prince, historical reviews, actualities, messages by NATO cadets training in Canada.

The program of messages was a separate feature; it was the one that was reported on earlier.

The international service also prepared a half-hour feature on the air training scheme which was broadcast over the trans-Canada network on Sunday, April 4th, from 10.30 to 11.00 p.m. EST; a half hour also prepared by I.S. was broadcast by the French network on April 4th, from 6.30 to 7.00 p.m. EST.

This summary of NATO, of course, does not include news bulletins or build-up programs which were used in the few weeks preceding the anniversary.

Several relays were obtained in European countries. The German NATO show was relayed by the B.B.C. and NWDR. These are the initials of the Northwest-German radio operating in the British zone. The Danish NATO show could not be relayed on April 4th but assurance was given that it would be presented shortly after that date. We made up special programs for various countries in their own languages.

INR of Brussels relayed 2 programs of 10 minutes each: 1 in French, 1 in Flemish. The Dutch Radio relayed 7 commentaries and 9 interviews. RDF Paris relayed a 10 minute show. The P.M.'s recorded address was sent to them and it is assumed that it was used, although no confirmation of this has been received yet.

Now, coming to the general subject of how many people listen to short-wave, or is short-wave a sort of thing that is of much value:

#### *Shortwave as a Medium*

In North America listening habits, shortwave listening has been rated a field of minor importance except for amateurs or "hams". This is in direct contrast with other parts of the world, where distance has made it a necessary means of internal broadcasting, or where, as with the advent of the last war, it became a means of getting the facts. In fact, it has long been established as a means of broadcasting in Canada. The C.B.C. northern messenger service for residents of the Canadian Arctic has been transmitted for some years by

short as well as medium wave. People even in the United States have become regular listeners to our Latin American English service which they can hear readily in the eastern and southern states on its way from Sackville to Latin America, so much so that in 1953 we received over 1,400 letters from them.

But it is outside Canada and the United States that shortwave listeners are well established and continually increasing. Estimates of short wave sets in other countries show the following figures—these are figures prepared by the Voice of America actually:

France .....	6,683,600	shortwave sets
Italy .....	2,456,500	" "
Western Germany .....	7,125,700	" "
Eastern Germany .....	2,522,300	" "
Scandinavia .....	5,817,900	" "
Brazil .....	850,000	" "
Holland .....	1,205,200	" "
Spanish America .....	3,405,250	" "

It is estimated that the world total of shortwave sets in 1953 was approximately 58,000,000. Our beams can be received in many countries to which we do not send programs. In the area covered by C.B.C. shortwave beams (not considering merely the countries to which we transmit—a much larger area than we are actually transmitting to), the estimate of shortwave sets is approximately 50,000,000. Considering the average basis of three listeners per set, the maximum potential audience can be considered at 150,000,000.

#### 6.—Effectiveness of International Service

The international service has various ways of estimating the effectiveness of its transmissions and thereby gauging the size of the listening audience. The various ways include mail surveys, public opinion polls conducted in the countries concerned, size of schedule mailing lists, questionnaires sent to a random sample of listeners, and, for soviet and satellite areas, reactions in the local press and jamming.

We send out monthly program schedules telling people where they can hear us and what programs there are in the various languages.

Mail surveys are the simplest way of gauging audience but also the least scientific. They tell only how many letters are received from various countries. They are more valuable for what they say about broadcasts than for how many they are. Public opinion polls are the most scientific, depending on the reliability of the organization chosen, but they are also the most costly, because a public opinion poll naturally chooses a good sample of the population and makes sure that it covers the various types of audiences. We are only able to do one or two countries annually. We also gain much valuable information from the surveys of B.B.C. and Voice of America.

*Audience Mail (See chart 4 and audience mail report 1953 attached)*

(Note—The chart columns of mail for 1952 and 1953 include an unshaded extension covering schedule requests filled in at international fairs in various countries where Canada participates. This is arranged in cooperation with the Department of Trade and Commerce.)

Audience mail. Now, there is another chart on audience mail, chart 4. That is the chart with the columns on it, and referring to that you will see the decline in the mail to some extent over the past two years. You will also see a curve which is titled "Sun spots." Reference to that is made at the bottom of the page. You may be wondering why there are unshaded portions at the top of the two columns, 1952 and 1953. As it explains in

the text, the unshaded extension covers schedule requests, that is, people writing to us for copies of the program schedule, filled in at international fairs in various countries where Canada participates.

We arrange with the Department of Trade and Commerce to have material on the I.S. available at the Canadian booth at international fairs and people passing by see publicity about the I.S., and on request they can get a card which they can mail to us in order to have their name put on the mailing list for the schedule. There is also a mail report for the year 1953 which may not have been distributed.

The CHAIRMAN: Those reports will be distributed afterwards together with samples of programs sent to different countries. Since they are quite numerous it would take a little time now. They will be put in your mail box within a half an hour of the end of the meeting.

The WITNESS: There is a summary on page 8 of the mail response in various languages, in 1951, 1952, and 1953, so that you can get some comparison.

The CHAIRMAN: May I suggest, since we all have the brief, that this be included in the report and we would dispense with the witness reading this lengthy series of figures.

Agreed.

The WITNESS:

<i>Language</i>	1951	1952	1953
French .....	2,193	1,541	1,828
Italian .....	5,706	2,479	2,105
German .....	3,008	2,673	4,129
Danish .....	6,040	4,222	2,948
Swedish .....	2,455	4,147	4,654
Norwegian .....	2,982	2,133	1,618
Finnish .....	816	441	365
Dutch .....	3,258	3,241	4,649
Portuguese .....	1,837	2,477	1,644
Spanish .....	4,170	6,732	4,333
English .....	3,307	2,280	2,577
Greek .....			151
Totals: .....	35,772	32,366	31,001

At the bottom of page 8 you will see, referring to chart 4, the 11-year sunspot cycle has a direct effect on shortwave broadcasting in that operation during lower sunspot numbers makes it necessary to transmit in the lower frequencies which are naturally crowded, and, therefore, you can see it actually does have an effect on the good reception of our programs, and the curve to some extent follows the pattern of the mail response because in the earlier years we were just getting going and therefore the response was increasing, and now in the last two years the response has been decreasing by reason of the sunspot cycle.

In connection with mail figures the next page 9 has a comparison of Voice of America, B.B.C. and C.B.C. with various other countries.

The CHAIRMAN: It also can be dispensed with so that we can conclude the reading of the brief before we adjourn.

Agreed.

	Comparative Figures 1952		
Netherlands .....	996	3,497	3,241
Italy .....	30,092	2,286	2,479
Germany .....	55,125	3,386	2,673
France .....	10,008	2,503	1,541
Total for Western Europe .....	159,193	25,000	23,157

It should be noted, in connection with V.O.A. mail from the Netherlands, that this represents listening to other V.O.A. broadcasts since V.O.A. do not broadcast to the Netherlands in Dutch.

The high figures of V.O.A. mail are related to increased time on the air, greater use of promotion materials, and the natural continental interest in the United States as a major western power with a preponderant influence.

It is, however, interesting to compare the C.B.C. and B.B.C. figures for western Europe; the totals are very much the same in terms of mail.

(b) Schedule of distribution (See program schedule report attached).

There is a similar report on program schedules similar to the ones on audience mail.

The monthly program schedule is a necessary aid in audience development, containing both program and frequency information. It is sent only on request. Then you have a list of distribution of this schedule which I should add is on request only and we do not send it out blind. We send it out only to people who write to us and ask for it.

<i>Distribution Monthly</i>	1952	1953
European edition .....	104,312	107,679
Latin American edition .....	22,006	22,396
Bulk shipments to Embassies:		
European .....	5,415	8,000
Latin American .....	2,515	4,000

### (c) *Public Opinion Polls*

In 1950 B.B.C. conducted public opinion surveys in Denmark and Sweden with our financial assistance. A survey under similar conditions was conducted in Germany in October 1952. We are currently conducting separate surveys in France and Germany.

The only reason this is put in is to see if any relationship can be established between size of audience as gained from polls and size of audience in mail.

The results of the joint B.B.C.-C.B.C. surveys reveal the following:

#### *Denmark*

Population .....	4,210,000
Minus 18 and under.....	1,180,000
	<hr/>
Potential Audience .....	3,030,000
Sample interviewed	
March 3 — 8, 1950.....	2,125
C.B.C. listeners .....	2.4%
Estimated audience	
March 3 — 8, 1950.....	72,720
Mail received from same period.....	600 letters

#### *Sweden*

On similar basis as above November 1950:

Estimated audience (during one week .....	35,000
Mail received from same period.....	104 letters

The German comparison was obtained a little differently and there was actually a final estimate made in that survey of the number of regular listeners and irregular listeners we had; the irregular listeners are those who do not listen regularly each week.

*Germany*

On basis of computing regular and occasional listeners during a year:

Regular listeners .....	600,000
Irregular .....	1,500,000

From the above figures, it is obvious that no firm relationship can be established between mail response and survey estimates of audience. The lowest factor evident from the above surveys is that 1 letter corresponds to 120 regular listeners. Further, in joint B.B.C.-V.O.A. surveys in France a ratio of 1 regular listener to 5 occasional listeners is used as an established fact. On this basis, then, it is possible to estimate the total number of listeners in various countries:

1952 mail.....	32,366
Estimated audience:	
regular .....	3,883,920
occasional .....	19,419,600
Estimated set owners (V.O.A. figures)	
within C.B.C. beam areas.....	50,000,000
Estimated percentage of set owners reached:	
regular .....	7.6%
occasional .....	30%

You will see going through the various figures that an estimate is arrived at of a regular audience of 3,883,920 and an occasional audience of 19,419,600. I may say that the B.B.C. which has been in this field for a long time and has had a great deal of experience with audience surveys judge that a total audience of 5 per cent of the people in the country listening regularly is generally a good estimate.

No claim is made that this is more than an estimate since only a combination of regular surveys, listener competitions and listener panels in each country (as the B.B.C. has) could serve to establish more reliable facts about the size and composition of audiences.

At this point, may we draw your attention to appendix C for some samples of letters of appreciation received both from organizations and individual listeners.

For letters on the iron curtain broadcasts, see appendix D.

The CHAIRMAN: Gentlemen, I assume that you would like to assemble quite early this afternoon after the orders of the day. This gentleman had to leave his business in Montreal and I thought we should give him the whole day, and if it is agreeable to the members the committee will stand adjourned until 3.00 o'clock when we can start the question period on this brief.

Agreed.

The committee stands adjourned until 3.00 o'clock this afternoon.

## AFTERNOON SESSION

The CHAIRMAN: Gentlemen, I think we have a quorum. This morning we listened to the brief presented by the director of the international service. Now questions are in order and Mr. Starr is first.

Mr. COLDWELL: May I have a copy of the brief; I was not here this morning.

The CHAIRMAN: Yes. Mr. Starr?

Mr. STARR: Mr. Chairman, with your kind permission—

The CHAIRMAN: May I repeat what I said this morning. Would you speak a little louder because of the noise outside so that everyone can hear you.

Mr. Charles Delafield, Director International Service of the Canadian Broadcasting Corporation, recalled:

Mr. STARR: With your kind permission, I would like to ask a series of questions for information purposes pertaining particularly to the five language broadcasts which are made to eastern Europe or behind the iron curtain.

The CHAIRMAN: Now, before you go too far, I would like to carry out the rule I mentioned this morning if this committee is agreeable to it—and you seem to be—that we would call questions in the order of the memorandum and questions relating to language groups might come a little later when we are on the program contents on page 3. “program content” which would give us a better idea, unless you want to take it up under “purposes and objectives” which is number 1, in order to keep the discussion within bounds as the brief is quite long. If we allow every member to go about—I will not say rampaging about—but about the whole brief we might have a hard time to keep it within bounds. So, I thought I would call page 1 and call the items and ask for comment. I thought you were ready to proceed on number 1. If there is anything concerning programs and language groups it might come under program content or program services.

Mr. DECORE: Mr. Chairman, I do not know that that particular procedure should be followed. Probably someone might have a series of questions and may want to ask them at one time which may take in the whole brief, parts of the brief here and there.

The CHAIRMAN: It was in order to give a chance to everybody that I thought I would ask members to restrict themselves to about ten minutes on one item and then we can go to another member. If I give the floor to one member to go through the brief questions will come to the minds of other members and we would be covering the whole program and the whole work of the international services at one time. So, it would be best to follow the procedure in previous meetings of this committee up until now. The witness is here to answer questions and I think the best way is to say we will take page 1. Anyway, that is my proposal, if it is ruled out, all right.

Purposes and objectives?

Mr. STARR: Mr. Chairman, I feel that my questions are all on “purposes, objectives and policy”. If you would care to include “policy” with the first item of “purposes and objectives” it will cover all my questions as a matter of fact.

The CHAIRMAN: Go ahead.

*By Mr. Starr:*

Q. For reference purposes who is the present policy coordinator in C.B.C. I.S.?—A. The person who is head of the policy coordination section is Mr. Willie Chevalier.

Q. Does he hold meetings with the heads of the various language sections from time to time?—A. He holds meetings usually on a fairly regular basis in the sense that each morning following our policy meeting he is responsible for the discussions we have had being brought to the attention of the various language sections, and this is particularly important in the eastern European area. However, this set of meetings is held not in the sense of having all the section heads together at one time but in the sense of discussing with them individually because in many of our language sections it is the matter of reflecting various shades of interpretation in terms of the various languages.

Q. Does he in any way transmit or interpret to them the guidance from the Department of External Affairs?—A. Yes, that is correct, perhaps not specifically in terms of reading documents but in terms of the general policy laid down.

Q. What qualifications has the present policy coordinator for carrying out these duties and responsibilities, and what is the knowledge that he and members of the policy coordination office have with respect to the different areas and the different peoples to whom the broadcasts are directed?—A. Well, I think that it is difficult for one person in charge of a particular area to have a complete and thorough knowledge of all the areas to which we broadcast. I mean, there is no one person in that service who has visited or come in fairly close contact with the variety of areas to which our transmissions are directed. In this connection we naturally rely to a great extent, particularly in terms of political subjects, on the guidance of the Department of External Affairs. Mr. Chevalier happens to be a journalist. This department—as I think I explained in my brief—has three main functions: first of all, supervision and control of all news bulletins; secondly, assessment of all political material, whether written in the section or by the individual language people; and thirdly, the responsibility for the writing group within the section which is concerned with writing scripts for general basic use, whether political or non-political. This does not exclude the sections, of course, from writing their own material with the control centralized in this general area.

The CHAIRMAN: At this point may I ask a question? Is it to the director's knowledge that Mr. Chevalier was during the war attached to the B.B.C. and in contact with all the governments in exile for two or three years? I do not know if the director knows that, but I happen to know it personally. Do you know that?

The WITNESS: Yes.

The CHAIRMAN: I know that of personal knowledge. Mr. Chevalier is an outstanding Canadian journalist who was attached to the B.B.C. for at least two years overseas during the war and was in daily contact at the time with all the groups attached to the B.B.C. from these different countries to which B.B.C. was broadcasting and therefore acquired considerable knowledge of situations arising in these countries, which is most valuable to him in the execution of his present duties.

*By Mr. Starr:*

Q. Mr. Delafield, in the primary aim of the international service, that is in the participation in the war of ideas, what actual subject-matter is used for the purpose of strengthening the morale, faith and determination of the many people, friends of freedom and democracy, who still live behind the iron curtain and whose voices have been silenced under the circumstances.—A. The broad-

casts directed behind the iron curtain I think we have explained very generally in this statement of purposes. First of all, I think we have to distinguish to some extent between the satellite countries and the Soviet Union, because the satellite countries to which we broadcast, Czechoslovakia and Poland, are two countries which have had western democratic governments. Therefore, they have a knowledge of western ways. In connection with broadcasting to them we, naturally, not only expose as much as we can the aims of Soviet imperialism, the falsehoods of communist ideology, but we also try to remind them and keep them aware of the western world and all that it stands for, because we have an audience, for instance, in Czechoslovakia since 1946, when we first began broadcasting to them. They, therefore, had three years of experience of listening to our service. This was an area which developed fairly rapidly in terms of audience. If you are interested in a specific way in connection with the Czechoslovakian mail, as we had before, I can give you illustrations of it. But in connection with the Soviet Union there is, of course, a distinction between Russia as such and the Ukraine. It is not possible for us in connection with any of the areas behind the iron curtain to say: "The day of liberation is at hand, be prepared!" All we can do is to give them information, news, and ideas of the western world to keep their minds open, we hope, so that they are conscious of what the west is doing rather than listening to the distortions of their own press and radio.

Q. Do you endeavour to point out to them what the communists are doing in other sections of the world?—A. We do. Particularly in a broadcast to a satellite area, we send them news of what is going on in other satellite areas, because there is a very great lack of information in their own press and radio about the happenings in other countries in similar circumstances to themselves. And in all our iron curtain broadcasts we try to give due place to religious messages and to religious talks in order to sustain their morale and to remind them of the virtues of the christian faith. We stress that particularly, of course, in areas where there is such a heavy attack on the various faiths.

Q. What section, or branch, or person, or persons of the Department of External Affairs endeavours specifically to supervise the broadcasting of the international service, and are those broadcasts beamed to areas which are under communist rule in particular?—A. May I explain that, as we said, the Department of External Affairs in March 1953 set up a special section to carry on liaison with the international service. This is a branch of their operations, and the people in that branch do nothing else but concern themselves with our enquiries in all political matters and their guidance and notes to us in those same matters; that is also the department to which our scripts, our political scripts containing political material are sent for their own scrutiny and for distribution to missions in the field for their comment.

Q. And also directives?—A. They are not directives in the sense that the Department of External Affairs controls the operation of the international service. The international service is a branch of the C.B.C. and naturally is under C.B.C. management. But there is this close liaison particularly in respect to political matters.

Q. Does the Department of External Affairs influence the content of the international service broadcasts?—A. We are always guided by their advice.

*By Mr. Macnaughton:*

Q. Who has the final veto?—A. I do not think the question has actually arisen so I would not know.

Q. But in a case where it did arise, who would have the final say?

The CHAIRMAN: What do you mean by "Veto"?

Mr. MACNAUGHTON: Is it the C.B.C. or the Department of External Affairs?



The CHAIRMAN: You mean, on any particular item, who would decide whether or not to broadcast a certain trend of news?

The WITNESS: I think that perhaps external affairs might make some comment on that point.

The CHAIRMAN: He is quite free.

Mr. R. M. MACDONNELL (Assistant Under-Secretary of External Affairs): I would certainly endorse what Mr. Delafield has said about there being no disputes of this sort having arisen, and I think it is very unlikely that they would arise. However, we feel quite confident that the C.B.C. would give due weight to suggestions made in the political field.

Mr. DECORE: To whom are you referring?

Mr. MACDONNELL: As between the C.B.C. and the Department of External Affairs.

Mr. MACNAUGHTON: It would be almost a case of "when in doubt, leave it out".

Mr. MACDONNELL: That might possibly be so.

Mr. MACNAUGHTON: Where would the final responsibility lie?

The WITNESS: It rests with the C.B.C.

Mr. MACNAUGHTON: You say: "It rests with the C.B.C."

The WITNESS: Yes. The C.B.C. is the agent chosen by the government for the establishment and presentation of the international service.

*By Mr. Starr:*

Q. Has any action been taken by existing communist regimes in those areas where the broadcasts go to counteract the work of the C.B.C.I.S.—A. Yes, that is true, and there are several ways of doing it. First of all there is the general field of jamming, that is, jamming transmissions from any part of the western world reaching any areas of the Soviet Union and the satellite countries. This jamming, of course—perhaps I should not say "of course"—but generally the jamming happens to be more extensive in the Soviet Union than it is in the satellite areas. Actual details of it are very difficult to ascertain.

I think, however, it is true to say that reception in the general area of the Soviet Union, outside of the capital city of Moscow, is probably fairly good; and it is quite possible for them to receive a western broadcast. But as to the time of our broadcasting to Russia in the Russian language we coordinate the time of those broadcasts with the Voice of America and the B.B.C. so there are sufficient transmitters to make the jamming less effective. They are all western broadcasts so it makes it more difficult for jamming operations to take place.

The Soviet Union employs a very large number of jamming stations and a very large number of people are involved in the actual operation of jamming. I think it is true that there are something over 1,000 jamming transmitters which are manned by possibly something over 10,000 technicians who are working just on that. This of course covers certain satellite areas, but the jamming of our transmitters in satellite areas is not as extensive as in the Soviet Union.

Q. Do you happen to know if listening to Canadian, American and other western countries is a punishable offence in the Soviet Union?—A. I have a reference here to that fact. I do not want to delay you unduly, but I think there is a reference here in something else which I have on hand. The laws in defence of peace passed by the Soviet bloc countries in 1950 and 1951 provided heavy penalties for spreading "tendentious or invented" news. In Czecho-

slovakia it is also illegal to listen to foreign broadcasts with other than members of one's family. At times in satellite countries, electric current has been cut during peak listening hours.

Q. Mr. Delafield, to what extent is the very strong propaganda value of such persons as the Petrovs of Australia and the Gouzenkos of Canada utilized in our broadcasts?

An hon. MEMBER: I can't hear.

The CHAIRMAN: Would you speak louder please?

*By Mr. Starr:*

Q. I will just repeat that question. To what extent is the very strong propaganda value of such persons as the Petrovs of Australia and the Gouzenkos of Canada utilized in our broadcasts?—A. They are certainly utilized. As a matter of fact in connection with the recent Petrov case we found it very useful to use an editorial which appeared in the Montreal *Star*, I think it was, which stated the background of the Petrov case clearly and succinctly and when we have material available on that kind of thing we are naturally very happy to use it.

Q. Has any effort been made to have Mr. Gouzenko broadcast to his country in the U.S.S.R.?—A. No.

Q. Do you think there is any value in having that done?—A. I do not know. That is the sort of thing we would naturally refer to the Department of External Affairs for guidance.

Q. I do not know whether you would know off hand, and perhaps you cannot answer this question at the present moment, but how many of the employees of the C.B.C.I.S. are Canadian by birth, how many are naturalized Canadians and how many are not Canadian?—A. There are very few who are not Canadian. There are some foreign nationals, particularly in our Latin-American service, because Latin-Americans come to Canada for study and often want to stay a year or two and then return to their own country. Sometimes they extend their stay to work for us. We have found that it is very useful to have a contract arrangement for such people because they are only going to be with us for a limited time, but I would say the number of those is very few.

Q. Have you any idea how many of the C.B.C. employees and particularly at the I.S. section—

Hon. MEMBERS: Can't hear.

*By Mr. Starr:*

Q. Have you any idea how many of the C.B.C. employees and particularly at the I.S. section are known to be or are known to have been communists or to have served or worked for communist governments or organizations in Canada?—A. I know of no one—

Mr. STICK: On a point of order, Mr. Chairman. When you are going into this communist business—I am just as much opposed to communism as Mr. Starr or anyone else is—but I think you are seeking information which I do not think this committee should obtain because you are tampering with security and I raise that point, Mr. Chairman.

Mr. STARR: I do not agree with Mr. Stick—

Mr. STICK: —I would not expect you to.

Mr. STARR: I do not agree with the honourable member because the purpose of our broadcasts behind the iron curtain particularly is to acquaint people with our way of life and to tell them and all the rest of the world how false communism is and I certainly do not think that is out of the way.

Mr. STICK: We cannot ask the witness to give names as you are asking for now.

Mr. STARR: I was not asking for names.

Mr. STICK: What did you ask for?

Mr. STARR: I asked how many.

Mr. STICK: You asked for the name.

Hon. MEMBERS: No, he did not.

The CHAIRMAN: I do not think he asked for any names, no.

Mr. STICK: Even giving the number would be wrong.

The CHAIRMAN: First of all, this is a question which I imagine the C.B.C. would go into very carefully before they would assign anybody to a job, and secondly, I would imagine also that the texts for broadcasts to any country or in any language are censored in such a way that the language chief would not send out any propaganda which had not been approved of by C.B.C. itself; but that question I suppose we might ask Mr. Dunton, as the head of C.B.C., if he would care to comment.

Mr. MACNAUGHTON: Also on a point of order, I think that question is very badly phrased—"how many are in the employ of the C.B.C." If Mr. Starr would say, "to your knowledge are there any in the employ of the C.B.C.," it might be all right. The implication is that there are some in its employ.

Mr. STARR: I would be glad to rephrase it.

Mr. CRESTOHL: I go along with Mr. Stick. I do not think the witness here should have to answer that question. If that question were asked of the minister on the floor of the House he would say that is privileged information and should not be disclosed for the purposes of the security of the country and I do not see how it really affects the report which the witness submitted here.

The CHAIRMAN: Are there any other comments on that point of order?

Mr. PATTERSON: I think we should be permitted to ask questions of that nature.

The CHAIRMAN: We should not be permitted to ask questions of that nature?

Mr. PATTERSON: We should be. This is a committee and we are seeking information and I think those questions should be in order.

The CHAIRMAN: I might interject myself at this point. What shall we gain by ascertaining whether at one time or another someone had communist views. For instance, take Mr. Gouzenko. A moment ago Mr. Starr was asking whether Mr. Gouzenko had been asked to broadcast to Russia. Mr. Gouzenko is evidently a former communist. If we feel that his broadcast might be useful because of his trend of mind today could we not infer that anyone who has been a communist in years past and who has since been converted to another way of life and thinking might be useful to our cause today? I think it might be to the disadvantage of the country and that it might not be right if we were to classify the people who are in the employ of the C.B.C. and concerned with the broadcasting of international news and we should not have to determine whether they at one time or other served the communist government or were under communist guidance, as long as now we are convinced that their views have changed, but I think before we pass judgment we might ask Mr. Dunton if he has any comment to make?

Mr. DUNTON: Perhaps I might be of assistance to the committee by simply saying that for a number of years very great care has been taken regarding

the staff of the international service and regarding security requirements in full consultation and with the very full cooperation of the proper security authorities.

Mr. STARR: That is fine, thank you. That is all I asked for. I have my answer.

The CHAIRMAN: I did not expect that you wanted to go into the personal history of anybody and that is why I thought Mr. Dunton might be able to assist us.

Mr. STICK: I want to explain why I raised the point of order. Those of us who were on the committee before know that in this broadcasting we might be in a position to use gentlemen who would not want their names or nationalities made known or otherwise it would destroy the effect of the broadcast.

Hon. MEMBERS: Hear, hear.

Mr. STICK: —and questions which are asked in this committee are not private, they are open to the public, and it was to safeguard these gentlemen who are performing valuable service that I raised the point of order and for no other reason.

The CHAIRMAN: I quite appreciate that. In justice to Mr. Starr, I do not think he was asking for any detailed information and he now has received an answer.

Mr. STARR: My question was general, Mr. Chairman.

The CHAIRMAN: I think he is satisfied with the answer given by Mr. Dunton.

Mr. STARR: I am finished. Thank you very much, Mr. Chairman, and thank you, Mr. Delafield.

The CHAIRMAN: Now, who else wants to ask questions on the matter of purposes and objectives and policy?

Mr. LOW: Just while we are on this one point, if you do not mind, has your experience from the beginning of the international service been pretty free from security difficulties?

The WITNESS: Yes.

Mr. DUNTON: It has.

Mr. PATTERSON: Mr. Chairman, I would like to ask a question in regard to (c) under the heading "purposes and objectives." Could we have a statement as to the percentage of material for broadcasts that is political in nature?

The WITNESS: I would say roughly, Mr. Chairman, that news would occupy in the eastern European area about 30 per cent of the time—news and comment. Sometimes the comment makes the proportion higher and with the factual information about Canada it would run about 30 per cent, and features and actualities about the remaining 30 per cent. As I say, the news and comment is often higher than 30 per cent, but that is about a rough average.

*By Mr. Patterson:*

Q. I notice that in one place it says that it is given without comment.—  
A. Yes. You see, there are two aspects, the straight news and then there is a comment on the news.

Q. What I had in mind was the straight political—I will not use the word "propaganda"—but along that line?—A. The political comments are usually kept to around four or five minutes because the intention in a particular comment is to make one simple point and to get it across. After all, we must remember that these people are listening under somewhat adverse conditions, to say the least, and therefore it is not possible to give any long-winded disquisition on an academic basis. The purpose is to take some single item in the

news which is current in their own minds and to show the facts of that particular item clearly, simply and directly so that it gets across and they remember it. Although it may not convert them, an accumulation of these things might tend to sow doubts in their minds.

Q. That would mean that political comments do not occupy a large proportion of the broadcasting time?

The CHAIRMAN: You mean "political" in the sense of international policies and not strife between Canadian parties?

*By Mr. Patterson:*

Q. No, certainly not, but regarding communism and so on.—A. Yes.

*By Mr. Stick:*

Q. Is it not the policy in our broadcasts to portray to the people our Canadian way of life and the democracy in which we live and then leave it to them to compare our way of life with their own? Is that not the main purpose of these broadcasts?—A. That is true, but I think we make it completely clear where we stand as part of the western world.

Q. The main purpose is to portray our Canadian way of life?—A. Yes.

*By Mr. Decore:*

Q. Is there any measure of cooperation or are there any meetings held by the different heads of the various sections and particularly those sections which prepare the scripts for broadcast behind the iron curtain? Do they get together and discuss matters?—A. Yes, they discuss matters primarily with the policy coordination section.

Q. Do they all get together?—A. As I say, the news is handled from day to day and in terms of the news items there are not regularly held meetings where everybody gets together because of the diversity of approach from section to section.

Q. In connection with our way of life—A. There are regular meetings.

Q. How often are they held?—A. General program meetings concerning the projection of Canada are held as major events shape up, conferences in Canada and that sort of thing. They are also held regularly each month in any case as a means of getting information and as a means of getting together and talking about new items in terms of the projection of the country. The daily news is handled on a daily basis.

Q. I have one more question. It may not be a very fair question and it is up to you to decide that. Under the heading of "purposes and objectives" on page one of your brief, you set out some interesting information. Bearing in mind the purposes and objectives, has there ever been any objection raised to any scripts or broadcasts that have been made to countries behind the iron curtain by either yourself or Mr. Chevalier or anyone from the Department of External Affairs?—A. There certainly have been discussions in terms of shades of meaning in the broadcasts, and there is constant consultation between the heads of the departments and in the sections because no one ever thinks alike.

Q. I do not think you have quite answered by question. Have there ever been any definite objections raised to certain broadcasts that have been beamed to countries behind the iron curtain?

The CHAIRMAN: You mean after the broadcast was made were any objections made by one of the heads or by the Department of External Affairs to one broadcast in particular?

The WITNESS: I do not really know of any specific objection of any major character. Does that answer your question?

Mr. DECORE: I guess so.

The WITNESS: Perhaps you would like to ask the department whether they have any comments?

Mr. DECORE: Pardon?

The WITNESS: Perhaps you would like to ask the department whether they have any comments.

Mr. DECORE: Yes.

Mr. MACDONNELL: Mr. Chairman, I would agree with what Mr. Delafield has just said. There are occasions, and I think it is inevitable that there should be, when we might suggest that things could have been phrased a bit differently and that emphasis could have been placed rather more on one aspect of things than on another. I hope I am making myself clear. I am trying to say that there is no fundamental divergence of views. This is rather a process of editorial emphasis. There is a good deal of give and take of opinion back and forth between the C.B.C. and ourselves in these points.

*By Mr. Patterson:*

Q. In this same connection, I wonder if any programs suggested or recommended by the heads of these different sections have been rejected before they have been put over?—A. Rejected by whom? By the department?

Q. Yes.—A. I do not know of any.

Q. In the case of a difference of opinion, who would be the deciding authority, the leader of the section?—A. The senior officer of the service, I would think; if it were an internal matter, I mean.

*By Mr. Starr:*

Q. Would the coordinator not have that jurisdiction?—A. Yes, certainly for his own area, otherwise we could not operate. These senior people we mentioned are responsible for certain areas, that is correct.

Q. You have said you do not know of any instance where these scripts have been rejected?—A. Scripts have been rejected?

Q. Yes, before they were broadcast.—A. Well, going back to the same point I think certainly the policy coordination department looks at scripts, assesses them, makes comments and asks for certain changes. Changes are made all the time in various sections in terms of script because you have to have one central group which is given the responsibility of assessing the material for broadcast.

*By Mr. Decore:*

Q. There is only one central coordinator, Mr. Chevalier?—A. Yes.

Q. I have the greatest respect for Mr. Chevalier but do you not think it would be better if you had Mr. Chevalier and probably someone else who would coordinate the purposes and objectives as contained in section 1 (c) of your brief here? That is:

(c) to provide a reliable source of international and Canadian news for the peoples of eastern Europe; to counteract communist propaganda about the western world; through news, factual information and a vigorous statement of our views on current topics to encourage the Soviet people to question their governmental policies and to oppose its aggressive tactics; and in the satellite countries to keep alive their contact with western democratic life and seek to frustrate the efforts of Soviet domination.

I think it is a very important part of the purpose we have in mind in connection with the C.B.C. international service.—A. In terms of the organization of the department Mr. Chevalier is assisted by various people who work in the three fields I mentioned: the news, the assessment of material and the actual preparation of scripts.

Q. Is he also the coordinator for the programs broadcast to Latin-America? —A. Only for the political material.

Mr. CHAIRMAN: Do you mean that there should be one main coordinator for a group of countries and another for the material which goes behind the iron curtain?

Mr. DECORE: Yes, and it could be Mr. Chevalier or someone else. I am not trying to discredit Mr. Chevalier.

The CHAIRMAN: Is the present coordinator able to handle the whole job? Perhaps we should ask that question, and I would like to have an answer to that question.

The WITNESS: May I say in answer to the chairman that we feel that the current coordinator is quite a capable person. Naturally he has to have assistance in the various fields for which he is responsible. The form of this unit in our service has been a developing one; it is not a section which we have always had in its present form, and, naturally, we are continually assessing it in terms of the most effective job that can be done. I am not necessarily suggesting now that it is in its final and complete form.

Mr. DECORE: You are not suggesting that it could not be more effective?

The WITNESS: No.

Mr. DECORE: And if we had another coordinator to take care of the broadcasts behind the iron curtain?

The WITNESS: No.

Mr. STICK: I thought that Mr. Decore said that there are differences of opinion as between the various branches as to how effective the international broadcasts are.

Mr. DECORE: Mr. Chairman, on a point of order, I asked if there were differences of opinion; I did not say that there were differences of opinion.

*By Mr. Stick:*

Q. Your policy in connection with this would depend on the reports which you receive as to how successful those broadcasts are?—A. Yes.

Q. You would be basing your future broadcasts on those reports, so your policy or your coordinating policy would depend on the reports coming back to you as to how successful they were. And if there was a difference of opinion as to whether this should be said or this should not be said?—A. Yes.

Q. You get reports coming back from day to day, as I know. Therefore your future policy would be based on the experience you had?—A. Yes.

Q. That would be a fair assumption?—A. Yes.

*By Mr. Crestohl:*

Q. Perhaps it would clarify the procedure by asking Mr. Delafield to indicate a classic example of how a broadcast overseas is born, how it is cleared, and through whose hands it passes before it finally goes over? Could he just give us a step by step indication for the information of the committee of how a planned program is sifted before it becomes worthy of transmission in the eyes of your committee?—A. First of all, in respect of anything I might say in that connection, we must remember that there is a fair volume of material given out from day to day in the various language transmissions.

This volume is so great that naturally—and also in view of what we consider to be the importance of the service—it is necessary for us to be very sure of what we are saying from moment to moment.

This tends in some instances for delay, let us say, in the reaction to news events. But I do not think that is bad because the listeners to whom we broadcast in any case in eastern Europe, have only one version which, in our minds, is not correct. Therefore, any reasonable delay in order to insure that what we are discussing is accurate, correct, and useful for us to say is justified. A limited delay certainly does no harm. Rather, it insures the accuracy and validity of our service.

In connection with the actual broadcast, the most immediate thing, of course, is the news. This news is written for the various language sections in the news section of that department by the news writers taking the material from the news agencies, of which we use four. The news is sifted and culled and the stories for the day are chosen. The stories are then re-written and the bulletin is then circulated to the individual sections requiring it. Those sections then translate it, and it is checked in translation in the language of the broadcast and that is the news.

The comment may be a comment which has been written on a particular event in the country by one of the people in the language section. On the other hand, it could be a more general event or a question or issue on which Canada has expressed a definite opinion which we are anxious to get across.

It may well be written centrally in this central writing unit. This is done with fair speed, and if written in this central unit it automatically goes to the desk of the person in charge of that department who scrutinizes and o.k.'s it.

It then goes out to the section or the sections which may use it that day. That is the news and the comment.

In connection with feature material, this feature material may have been prepared a week ahead. I mean there may be interviews or actualities or something which has to do with a particular language section and which was planned for a particular program in a particular series they may be using. Out of that series, perhaps once a week, there is a particular topic which is then fitted into that section.

This material, from the standpoint of checking, naturally tends to receive the approval of the section head. The section heads are people who are well versed in Canadian ways. They are Canadians and therefore they have a responsibility in approving it.

Naturally, however, if anything goes wrong with it they are taken to task afterwards. But with general program material it may be that a problem will arise to the extent that sometimes the individual may have insufficient knowledge of an event in a particular part of the country. That is something which is only to be gained by wide travel and by general Canadian experience. The section heads, naturally enough, have a good and wide knowledge and experience. But they may not have a complete knowledge of all things in Canada if they are Canadian citizens by naturalization, and there is certainly no objection to that.

Q. It was the section heads that I was waiting for?—A. Yes.

Q. In other words, they are the ones who actually clear it—for want of a better term I would say “censor” it—as being suitable for broadcasting overseas—A. Yes.

Q. I do not like the word “censor”, but they are the ones who assume the responsibility that it is fit material to be used for the purpose for which it is intended?—A. And in connection with all political material there is a further check through the central unit.



Q. You told us that the section heads meet every morning when they are considering a problem. I suppose such a problem is cleared by the committee which is composed of those section heads?—A. Yes, but the section heads do not of necessity meet in committee every day. They check a particular problem in the central coordination branch, and in turn the section checks with them for things they may have seen.

Q. But it is cleared before it finally goes overseas?—A. Yes.

Q. The international service is concerned principally with broadcasting overseas?—A. Yes.

Q. Does the international service also concern itself with the reverse order. that is, broadcasts from overseas reaching Canada?—A. Yes, it does in a sense.

Q. You have not touched on that?—A. No.

Q. I would like you to make an observation on that. To what extent are programs coming over here handled by the international service?—A. I shall be very glad to comment on that. In the first place, since we are broadcasting to overseas countries, we have contacts with overseas radio organizations in western Europe and in latin America, and we often send them material for relay. Therefore, naturally, we have a ready contact with them.

In connection with relays, it is often true that some countries are anxious to establish some sort of ratio of use in Canada, as well as carrying Canadian material entering their own country on their own broadcasting organization. We certainly are always interested in getting suggestions for programs from other countries. However, we are not responsible for the decision as to whether it will be possible on the national service of the C.B.C., whether it be national, English, French or regional networks. Therefore, when we get such inquiries we turn them over to the national programming office of the C.B.C., and the national and international offices work closely together in such cases. We have a common interest in such material from other countries just as we have in the development of material for such countries from Canada. We can assist the national service because we have the contacts, and they can assist us in placing our material overseas by giving the time for broadcast in Canada.

Naturally, as foreign countries survey our material so does the national service survey outside material. It has to be of good quality and have an interesting program content for the listeners of the country concerned.

Q. Would you make an observation on the broadcasts which reach Canada from countries where our broadcasts are frowned upon?

Mr. COLDWELL: Do they monitor the broadcasts coming from behind the iron curtain?

Mr. STICK: I thought you were driving at monitoring.

Mr. CRESTOHL: I want to know whether those broadcasts reach Canada.

The WITNESS: These broadcasts certainly do reach Canada.

The CHAIRMAN: Would you mind answering Mr. Crestohl first?

The WITNESS: We have for some time had a small monitoring unit in the international service in Montreal primarily for the information of the various language people about broadcasts coming from other countries to Canada so that they can, by listening to them, see whether there are any points in them that they can make use of in terms of their broadcasting back.

The equipment is still there but actually we have not a monitoring staff at this moment because we are located in Montreal which is a large city where reception is not too adequate. Actually the broadcasts from outside of Canada are better covered in terms of the B.B.C. and the Voice of America monitoring reports which we get daily.

*By Mr. Crestohl:*

Q. There is one statement which, I feel sure, you can make. And that is this: certainly our broadcasting does not resort to jamming?—A. Certainly not; we have nothing to hide.

The CHAIRMAN: Now, Miss Aitken.

Miss AITKEN: Could we not jump now to page 4, Mr. Chairman, because I have to go to another appointment.

The CHAIRMAN: We can always make an exception for a lady.

*By Miss Aitken:*

Q. I want to ask about the music transcription service; I take it that only Canadian music and Canadian talent is used?—A. It is only Canadian talent, in the first place, but it is not only Canadian music. Other types of composition are used as well. I mean that certainly we do what we can in making a good choice of new Canadian compositions, but we also present, in this transcription service, music which is heard in Canada. That is why I mention folk songs, barndance material, and that sort of thing.

Q. And popular music as well?—A. Yes, popular as well as classical or serious music.

Q. Which would be American as well as Canadian?—A. Some of it might happen to be American, that is true. But we use only Canadian talent.

Q. And in choosing your editorials, do you use informative ones, or controversial ones, or critical ones?—A. We try to give as wide a selection as we can. Incidentally, we do a weekly press review of the Canadian press for our general service. The same papers are culled for items of Canadian-American interest and, sometimes, we put in items which are particularly of Canadian interest rather than of American interest but which are interesting to our American audience. The editorials are taken from the papers and extracts are used. Those extracts are rewritten by various well-known national commenators such as Wilson Woodside. We usually change them around from period to period because when a person is doing this work on a regular basis it is quite tiring. You gain variety by a fresh voice if you change it from time to time.

They are fed to New York where they have machines which make instantaneous copies of these broadcasts. They are then circulated to the various American regions, for local release. That means that in some cases, it is true, the material will be perhaps a week old by the time it is aired. This organization has no network such as a major commercial network. It is only a tape network and they would make sufficient copies so as to cover the various stations making use of this material. It gives a good summary and one which we feel is useful to the general American audience, and one of which they approve.

Mr. CRESTHOL: Would they use the comments of Kate Aitken?

Mr. LOW: Perhaps the decision would be to leave them out.

The CHAIRMAN: Are you finished?

Miss AITKEN: Yes.

The CHAIRMAN: Shall we go back to "purposes and objectives"? Are there any further questions on that item?

*By Mr. Patterson:*

Q. I have just one question arising out of an answer given to Mr. Cresthol. Mr. Delafield stated that there was a further check made on political material.—A. I mean political material that may be written in the section rather than political material which the central unit has produced.

Q. The final authority as far as non-political material is what? Where does it rest?—A. It rests, understandably, with the head of the section. Every programmed presentation rests with the head of the section.

Q. You say: "It rests with the head of the section"?—A. Yes.

Q. And in case a thing has to go beyond that point for approval or for disapproval?—A. And for guidance too.

Q. Yes.—A. It goes to the central group.

Q. I see. Thank you.—A. We try to give to the section heads as much flexibility as possible for their operations and, at the same time, since there are currently 16 languages and 16 sections established, naturally we feel it is essential in terms of broadcasting from Canada that we are sure of what sometimes are difficult political topics.

The CHAIRMAN: Shall we now pass to item No. 2 "general organization"?

*By Mr. Low:*

Q. I noticed on page 2 the term "basic script". What would they be?—A. I think the word "basic" is used there in some specialized sense. "Basic script" is a script which covers a certain topic and can be used generally without any particular reference or without any particular requirement or specialized explanation in terms of its use in one country. Sometimes it is necessary in broadcasting to one country which may be interested in that particular topic in a peculiar way to write a script more directly designed for that listening audience in that language.

Q. Then certain of them could be adapted to others?—A. Yes, but the basic information is correct.

*By Mr. Starr:*

Q. Are the various heads of the sections able to counteract the falsification of propaganda issued by the U.S.S.R. to the western world?—A. Yes.

*By Mr. Decore:*

Q. Do you not think this system should be resumed?—A. We found that if we were to do it that it would be a fairly expensive proposition if it were to be done fully and thoroughly. The information we get from the Voice of America and the B.B.C. is fairly comprehensive and represents a great deal of capital expenditure in the terms of staff and equipment. We feel that for our purposes and with the limited time we have on the air in the various languages that it really is not possible for us to contemplate doing it and in any event we cannot do it with the funds we have.

*By Mr. Low:*

Q. I suppose both the V.O.A. and B.B.C. have monitoring services?—Yes, the B.B.C. has a monitoring service in the English countryside where it is free from the conditions which you find in a large city and they have a staff of hundreds of people in their employ. They monitor all the transmissions of European stations and particularly eastern European stations, not only outside broadcasts but also, I should imagine, their local broadcasting too, and that is particularly important in the eastern European area because you can tell what they are saying to their own people and how they are explaining things.

Q. How does the cost of the service from V.O.A. and B.B.C. compare?—A. There is no cost.

*By Mr. Decore:*

Q. Have you any idea how much time the U.S.S.R. satellite countries spend broadcasting to western countries and Canada in particular?—A. I do not think

it is in our report, but I have some figures in something else which I calculated in case the question should come up. This is 1952, U.S.S.R. to North America, English 50 hours and 10 minutes; 29 frequencies. It is pretty comprehensive. To Latin America, Spanish 17 hours and 30 minutes and Portugese 3 hours and 30 minutes. I have also said in my brief this morning in connection with the broadcasting of the satellites on page 3 that the European satellites have increased by 22 percent in 1953 and include all European languages. Broadcasts in Spanish to North America and English to North America have also been increased. So that is the Russian situation but the satellite operation is separate again.

Q. These broadcasts are made in English only?—A. To North America, yes.

Q. And no other language?—A. No.

*By Mr. Low:*

Q. How many frequencies are used by the C.B.C.I.S.?—A. Two at any time. We have two transmitters and a choice of 10 to 12 frequencies. We use two frequencies at one time and only broadcast one program at a time. We find it is necessary to use two frequencies.

Q. Do you find it effective to shift during times of extreme jamming overseas?—A. The trouble is that we are fairly limited in the choice of frequencies at any one time in terms of reception conditions. The B.B.C. with more transmitters can use more frequencies and can shift more quickly at that listener may find a broadcast fading out on one frequency but knowing at that time what frequencies the B.B.C. is using he can shift to another, but our operations are more limited.

The CHAIRMAN: Can we carry on to another item or are we still on "purposes and objectives?"

*By Mr. Starr:*

Q. I have one more question. To your knowledge do you know of any script that has been used to broadcast to the eastern portion of Europe by the Voice of America which has in turn been rejected by the C.B.C.I.S.?—A. Scripts from the B.B.C. and the Voice of America are exchanged with us by way of general comparison.

Q. I mean by the C.B.C.I.S.—A. We exchange scripts with these organizations from time to time to see the lines. We give them our scripts and they give us their scripts. I do not know, however, of any occasion when we have actually used a B.B.C. or Voice of America script because by the time we get their material it is usually sometime later. The scripts we use are in connection with the news of the moment. The main purpose of our transmissions is to speak with a Canadian voice on Canadian topics. In terms of getting ideas from other broadcasting organizations, certainly they are always open to us but I do not know of any script we have either used or rejected.

*By Mr. Patterson*

Q. How many hours do we broadcast to Russia?—A. Hours per week?

Q. Yes.—A. We have two half hour programs per day which is 7 hours a week.

Q. And how many hours do we broadcast to the satellite areas?—A. I think if you would like to refer to appendix A you will see we broadcast in Czech and Slovak 6 hours and 45 minutes; Russian, 7 hours; Ukrainian 3 hours and 15 minutes, and Polish 1 hour and 45 minutes. That is current.

*By Mr. Starr:*

Q. That is in comparison with the 50 hours that Russia broadcasts here?—

A. Yes. Our broadcasts, of course, are limited in the amount of time that we can use daily because we broadcast in a fair number of languages to Europe and even although there is a difference in European times from, let us say France to Moscow, the maximum numbers of hours you can use for a maximum listening audience is relatively limited and to put all these in requires a bit of juggling. Therefore, we have one half hour, usually in a peak listening time, and the other half hour in a less good period in the same day, but broadcasts are half an hour maximum in extent because you cannot do it in much less time to be effective on a regular basis and to take more time—we have not got it.

The CHAIRMAN: I think we have finally covered quite a bit of ground, but shall we say that item 1 “purposes and objectives” has been covered? Are there any questions on item 2, “General organization?”

*By Mr. Patterson:*

Q. In item 2, who is the official in charge of the political material section?

—A. Mr. Willie Chevalier who was mentioned earlier.

Q. He is the coordinator. Is there not another person under him in charge of this particular section?—A. I am sorry, he is in charge of the general section which is concerned with news, political material and with writing.

The CHAIRMAN: We have already had a number of questions dealing with item 3, “Liaison with the Department of External Affairs”. Are there any more questions on this point? Are there any questions on item 4, “program service” with its subheadings of “operations, program content, and relays and NATO”? Are there any questions on item 5, “shortwave as a medium”? Are there any questions on item 6 “effectiveness of international service”?

*By Mr. Starr:*

Q. Yes. In Mr. Delafield’s opinion, what is the effectiveness of the international service?—A. Well, that is a direct question to a person who is engaged in shortwave broadcasting, certainly. I have been doing it for some years and I would suggest that is perhaps an indication of what I consider it to be—its great value.

*By Mr. Decore:*

Q. Have you any idea as to who the audience is in the U.S.S.R. and what people listen? I know you cannot be too accurate in that, but are you in a position to say?—A. We do not actually know, but I may give you an answer to that by saying what we conceive to be the audience who might listen to us. We consider that the people who may be interested in western broadcasting will be the general managerial class, the officers corps of the army and the armed forces and that sort of group because they are probably the people who have a little more freedom for themselves from general regulations these days and who have the opportunity to do listening and who also would have, or are almost certain to have, the means of having radio sets.

Q. In other words, the ordinary man in the U.S.S.R. would not have much opportunity of listening?—A. He will certainly be able to listen, but whether or not he does is, I think, an uncertain point.

Q. Why do you say he would certainly be able to listen?—A. Well, you can hear the broadcasts, I would imagine, but the Soviet Union is a rather large territory and it would be difficult to ensure that jamming could cover the whole area completely.

Q. Do we have knowledge that the ordinary people have the required receiving sets to hear these broadcasts?—A. We have such limited knowledge that I would hesitate to make any general statement. I do not know whether or not the Department of External Affairs would like to add a further comment to that.

Mr. DUNTON: We do know there are a great many shortwave receiving sets in Russia because they use them in their own domestic service—they use shortwave broadcasting as we would use ordinary broadcasting. They use it for broadcasting inside Russia.

Mr. DECORE: Do they own them privately or is it a communal affair?

Mr. DUNTON: We understand there are both. We know there are many private sets as well as communal sets and many have receivers for shortwave bands.

The CHAIRMAN: I think this is an enlightening comment because if it is true that they put their own broadcasts on shortwave then if the government wants them to get their propaganda they have the means to do so, but of course whether they get ours or not remains to be seen. Mr. Dunton has given us a good answer.

*By Mr. Low:*

Q. Would that be true also of the satellite countries like Bulgaria?—A. I do not know about that but we broadcast to Poland and Czechoslovakia during the war. They had sets and so on and we have had a long experience only with Czechoslovakia. The mail response to our Czech programs before the communist coup ran approximately 1,000 letters a month which was the highest mail response we received from any country. It dropped off to a great extent within the last few years and now there is very little mail response at all. There was quite a wide audience there and we gather from other sources that this audience has certainly not declined but has rather tended to increase—the audience listening to western broadcasts including our own.

*By Mr. Starr:*

Q. In your opinion—you work for the international service of the C.B.C.—do you think our broadcasting is sufficient; is it large enough to counteract communist propoganda to the western world, or should it be increased?—A. That is a question. We are given a certain amount of money today, and a certain set of services which we do and as to whether it is extensive enough or not—naturally, I suppose any person involved in the field of shortwave broadcasting always hopes it could be a little more extensive because he believes in it so fully—but it is difficult for me to answer that question because I am not the one who decides how much money we should have.

Q. You could recommend it?

*By Mr. Patterson:*

Q. I was just going to ask, Mr. Chairman, if the service has received any unofficial reports at all which might indicate that the broadcasts were being received favorably by people?—A. —behind the iron curtain? The only reports we get from our own or other sources is the occasional mail that is smuggled out to us and I think there are some extracts in appendix D on that point. We also get reports from refugees—people who flee the country.

Q. Those are the ones I was thinking of particularly.—A. There is some information on that which certainly tends to show that in Czechoslovakia we are listened to quite fully. The Polish service of course really started only last July and it is difficult to estimate yet what response we will get because

we did not broadcast to Poland before and it takes a long time to build up an audience. In connection with the Soviet Union I think we quote in appendix D an extract from an interview with a Soviet army person who fled to the west and that is only one example. He certainly did hear us and has made his comment on that. That is the sort of information we get and it is mostly, of course, information which is received from British and American sources because they are the people who have the first contact with refugees.

*By Mr. Decore:*

Q. Has there been any comment in the Soviet press—I do not mean in the satellite countries—to your knowledge, in connection with our broadcasts from Canada?—A. It is difficult to say because in our broadcasts to the Soviet Union, I think that we, in company with the B.B.C. and the Voice of America, are concerned about the western point of view being put across rather than whether it is the Voice or the B.B.C. or the C.B.C. which gets it. In that connection, there are often comments in the Soviet press on what western broadcasts have said. Now those are in many cases pretty difficult to pin down or to relate to specific broadcasts because we are all saying generally the same sort of thing in political terms, in news and in other ways.

Q. Incidentally, I presume— —A. I think I am correct in saying there was some comment on the Ukrainian radio about our service. I do not have the reference here with me, but I could find it for you if you are interested separately and, of course, the broadcasting to Canada from the Ukraine in English and Ukrainian too, I think, was increased with the start of our broadcasting to that area.

*By Mr. Crestohl:*

Q. Would you have any idea as to what extent the formidable chain of jamming stations you spoke of before prevents the penetration of the broadcasts from the democracies?—A. I think it would be pretty difficult to say. The reports we get are based on estimates and I would think I could say that generally the area around the capital is probably very heavily jammed whereas other areas of the country have reception on a fairly possible basis. Certainly the further you go from the central area the more easy it would be, generally speaking, because of the location of the jamming stations. It is actually possible to chart the location of the jamming stations but I am not a technician so I cannot explain.

Q. Do you know whether there has been any broadcast to these countries telling them that jamming on this very formidable basis—to use the term which was used before—interferes with their liberties, their freedom of speech and their right to hear the opinions of other?—A. I think it is the sort of thing they can certainly recognize.

Mr. DUNTON: I have listened to the broadcast in Europe and I think to a listener there who was trying to listen to a western station that it would be very apparent. You can sometimes hear a B.B.C. station starting up and suddenly you will hear the jamming station starting to grind and then coming on to a high pitch. It is quite dramatic. Any person trying to listen would realize what is happening. It is done dramatically.

Mr. CRESTOHL: No statement has ever been made to them telling them about this interference?

The CHAIRMAN: Do you mean on the part of our own service informing them that if they did not receive the broadcast it is due to the jamming and interference?

Mr. CRESTOHL: Yes, to prevent them from enjoying the liberties which they are told they can enjoy.

The WITNESS: I think there are many liberties they recognize they do not enjoy.

The CHAIRMAN: Mr. Crestohl means a statement made by your service on the international shortwave to inform the Russians and others that the jamming is done deliberately and deprives them of their liberties. Do you or do you not make such comments on your broadcasts—that is Mr. Crestohl's question.

The WITNESS: No, we have not. I do not know that it would have very much effect. They either recognize it is there or they are unconverted, so to speak, and they are only too happy that there is jamming.

The CHAIRMAN: But the local man who is listening might be informed of this as a line of propoganda and it might be wise to inform the listeners.

Mr. DECORE: I think Mr. Crestohl has a good point. I think it would be very effective.

Mr. LOW: I just wondered if in the course of putting over a broadcast about the freedoms that the Canadian people enjoy, if at some time you have not put over a broadcast concerning the freedom to listen?

The WITNESS: I must admit it is not a point we have overlooked in the terms of our broadcasts.

*By Mr. Low:*

Q. In other words, the people who were not there have been pretty fully informed about what is going on in their countries and about what we do not do in ours. Is that it?—A. Yes.

Q. So they would recognize the jamming?—A. Yes.

The CHAIRMAN: Are there any further questions on the "effectiveness of international service"?

*By Mr. Low:*

Q. We have spent most of our time, in fact all of it up to now, on behind the iron curtain countries' broadcasts. I wonder a bit about Latin American broadcasts and what aspects of Canadian life and culture you emphasize in those broadcasts and what returns we are getting.—A. If you will look at your copy of "Annual Audience Mail Report, 1953"? and the report on the distribution of the programming schedule contains a preliminary page which summarizes the general situation, and it also contains a number of extracts from letters received from listeners. The Latin American service in the Audience Mail Report is to be found at the end of the book and it is headed "Portuguese Language Section and Spanish Language Section".

We broadcast only to Latin America, not to Spain or to Portugal, although we have a number of listeners in Spain actually who do hear us.

It seems that they would be staying up quite late at night listening to the Spanish language section. In the second last page of this folder you will see Spain in the second column listed as having 729 people who wrote to us last year about our Latin American transmissions.

However, in the general Latin American area the mail varies from country to country in terms of broadcasting in Spanish. We are broadcasting to a large area, and quite a large number of countries, and it is therefore difficult—by contrast with our broadcasting to individual countries in other areas—to make up a program which is planned specifically for a country and for a particular people. We are broadcasting to a number of countries in the Latin American service, but in the case of Brazil we broadcast directly to one country. Therefore, the response from Brazil is naturally greater than it is from the Spanish speaking area, country by country.



This mail report shows a breakdown of the class of audience, the number of known listeners year by year, the number of urban and rural listeners as distinguished from the addresses from which they write their letters, and also the distinction between male and female.

You will see that even more than in the European area, in the Latin American area women are in a particular position in the home and that the men do practically all the writing.

Q. That is not such a bad rule.—A. And then there is a breakdown of the mail items as between programming, that is, comments on particular programming, and inquiries for information, and enquiries about immigration.

As to the type of programs for Latin America, naturally, we have a little less difficulty in trying to reach this area than we do in reaching European areas. We can go quite fully into the general Canadian scene, and we can go quite fully into the area of industrial and business development in Canada. I do not know that it actually sells Canadian goods, but it certainly does help to inform the listeners of the variety of this country. We have had quite a response from Latin America in terms of two topics particularly, education and culture.

Latin American listeners are interested in Canadian culture and in what is happening in Canadian arts and music. The music field is covered fully through the transcription service. They are also interested in scientific developments, and developments in medicine. They are also particularly interested—the younger listeners and the fathers with families—in Canadian educational institutions.

There has been a very large number of Latin American students coming to Canada to study here in preference to going to the United States. They have been coming particularly to roman catholic institutions in Ontario and Quebec and to universities in eastern Canada. We made a study of it some time ago and we used these people in our broadcast at Christmas time. For instance, we made interviews with Latin American students studying in Canada and we transmitted those programs to Latin America. And we have been making actual recordings and sending them to the individual country from which the students have come for the benefit of their parents.

We made a partial check on educational institutions in Ontario and Quebec recently, according to countries, and we found over 850 students in those institutions in eastern Canada who were from various Latin American countries.

We have had many inquiries in our general mail with respect to educational institutions. We had a series of broadcasts on various educational institutions in Canada, in which we gave a fair amount of detailed information.

These were naturally transmitted, and we received so many requests for this information that we had it mimeographed and we put out a booklet for distribution compiled in Spanish and in Portuguese. We sent it out to a large number of people for their information, and while it is difficult to assess, naturally this does tend to prompt Latin American students to come for study in Canadian institutions.

Q. Of late months, have you found any difference in the response you have been getting from central American countries such as Guatemala?—A. No, we have not. The central American area is one which does not bring us a great deal of response in any case.

Q. I noticed that here.—A. The mail from the Argentine, if I may add briefly, has certainly increased quite a lot over the last year. What significance that has, I do not know.

Q. Could you tell me why you featured Brazil? You stressed Brazil.—A. I am sorry; that is the only country where the language is Portuguese; therefore we can broadcast directly to that country.

Q. You can broadcast directly to them?—A. Yes.

Mr. FLEMING: Mr. Chairman, I do not know if this question has already been asked, but has anything been done since Mr. Desy was here in regard to increasing the transmitter facilities?

The WITNESS: There is no change; we are still operating with the establishment of the Sackville transmitter plant as originally set up.

Mr. FLEMING: You are still feeling the pressure on the existing facilities.

The WITNESS: Yes.

The CHAIRMAN: Are there any further questions on this brief? If not I suppose it is quite in order to thank the director of the international service.

Mr. CRESTÖHL: I would like to move that as a resolution.

The CHAIRMAN: Very well.

Mr. CRESTÖHL: And I would like to thank him for his splendid report.

The CHAIRMAN: I also wish to thank the chairman of the board, Mr. Dunton, as well as the acting under-secretary for external affairs, Mr. Macdonnell for their help.

I suppose this concludes the work as far as we are concerned; but before we adjourn I recall some time ago, when we were on the external affairs estimates, we discussed the advisability or the benefits to be derived from having Canadian members of Parliament travelling abroad occasionally to visit Canadian embassies. Since then, one of the members, Mr. Crestohl, sent me a copy of the "Foreign Service Journal of the United States" which includes an article explaining what such travel by members of Congress consisted of in the United States and what results they have had from it. I thought that I might be permitted to have this document printed as an appendix so that we can follow what the United States have been doing in comparison to the opinions which were given here. This will be printed as an appendix.

(See Appendix T)

Mr. BOISVERT: I will be glad to move it.

Mr. DECORE: Will there be another sitting of the committee for the purpose of completing our reports?

The CHAIRMAN: We have already sent in our report. I promised at the time we made our report that we would call these officials, but if anybody wants us to make another report we might consider the advisability to do so right now.

Mr. LOW: I think there is nothing further to add.

Mr. FLEMING: Except to wish each other a happy summer.

The CHAIRMAN: Yes. I thank you all for your cooperation. It has facilitated my work. This has been a very pleasant committee over which to preside, and I hope to see you all next year.

Mr. FLEMING: You have been a very good chairman.

The CHAIRMAN: Thank you very much.

## APPENDIX "T"

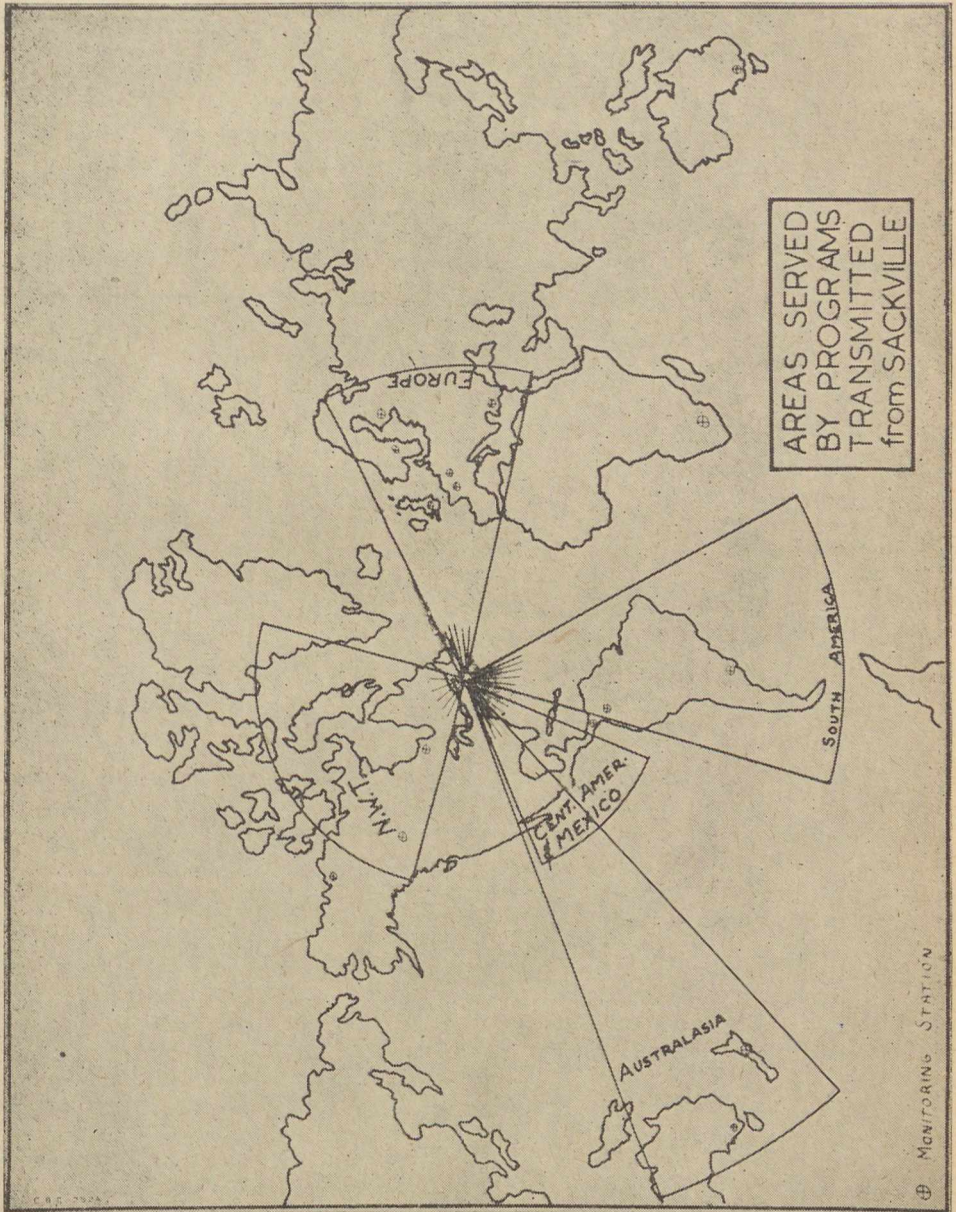
Set of 5 charts referred to in Mr. Delafield's  
statement to the Committee



CHART 1

CANADIAN BROADCASTING CORPORATION  
ENGINEERING DIVISION MONTREAL  
TITLE: INTERNATIONAL SERVICE  
COVERAGE

DATE 8-1-54



CANADIAN BROADCASTING CORPORATION  
ENGINEERING DIVISION MONTREAL  
TITLE: INTERNATIONAL SERVICE  
COVERAGE

DATE 8-1-54

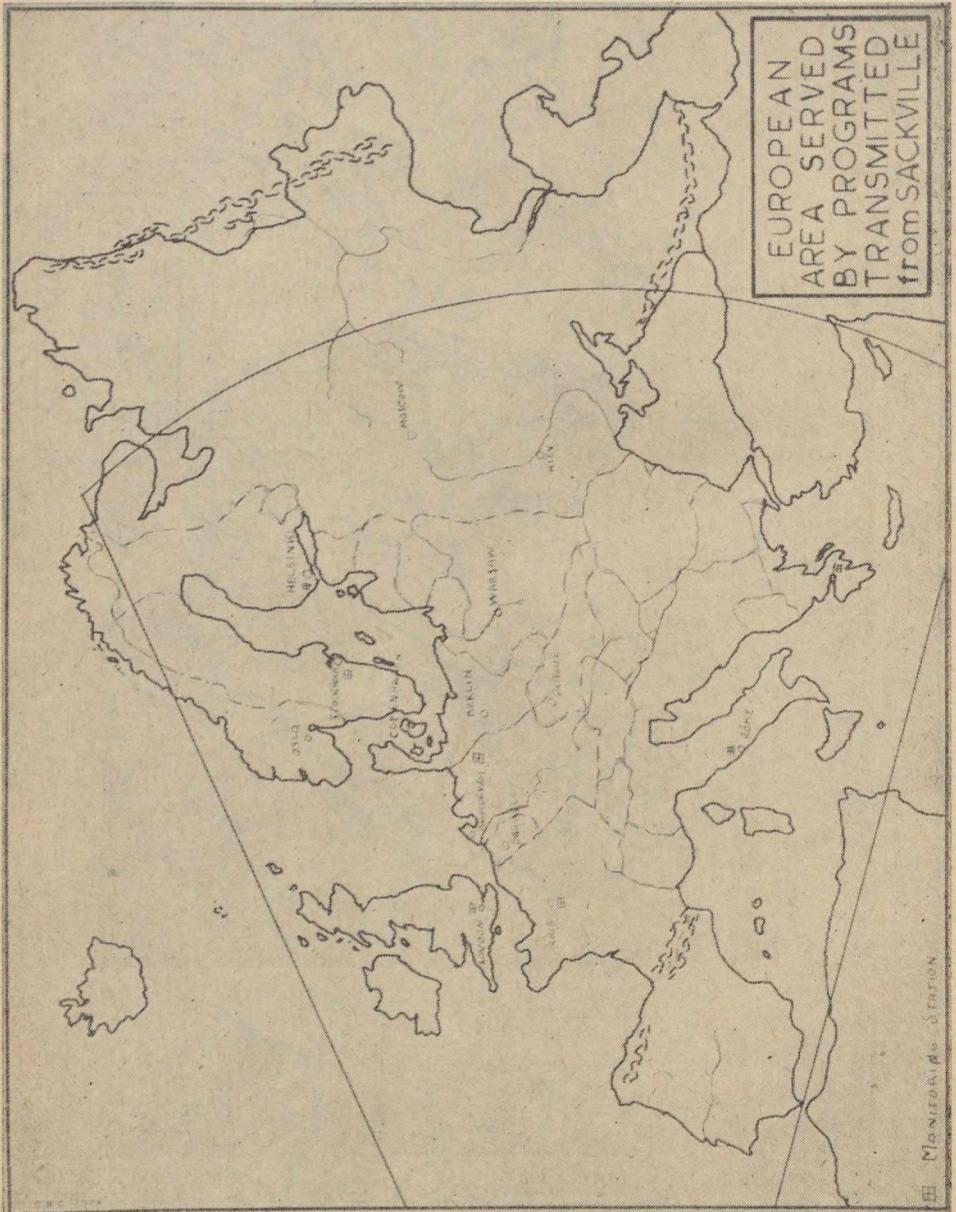


CHART 3

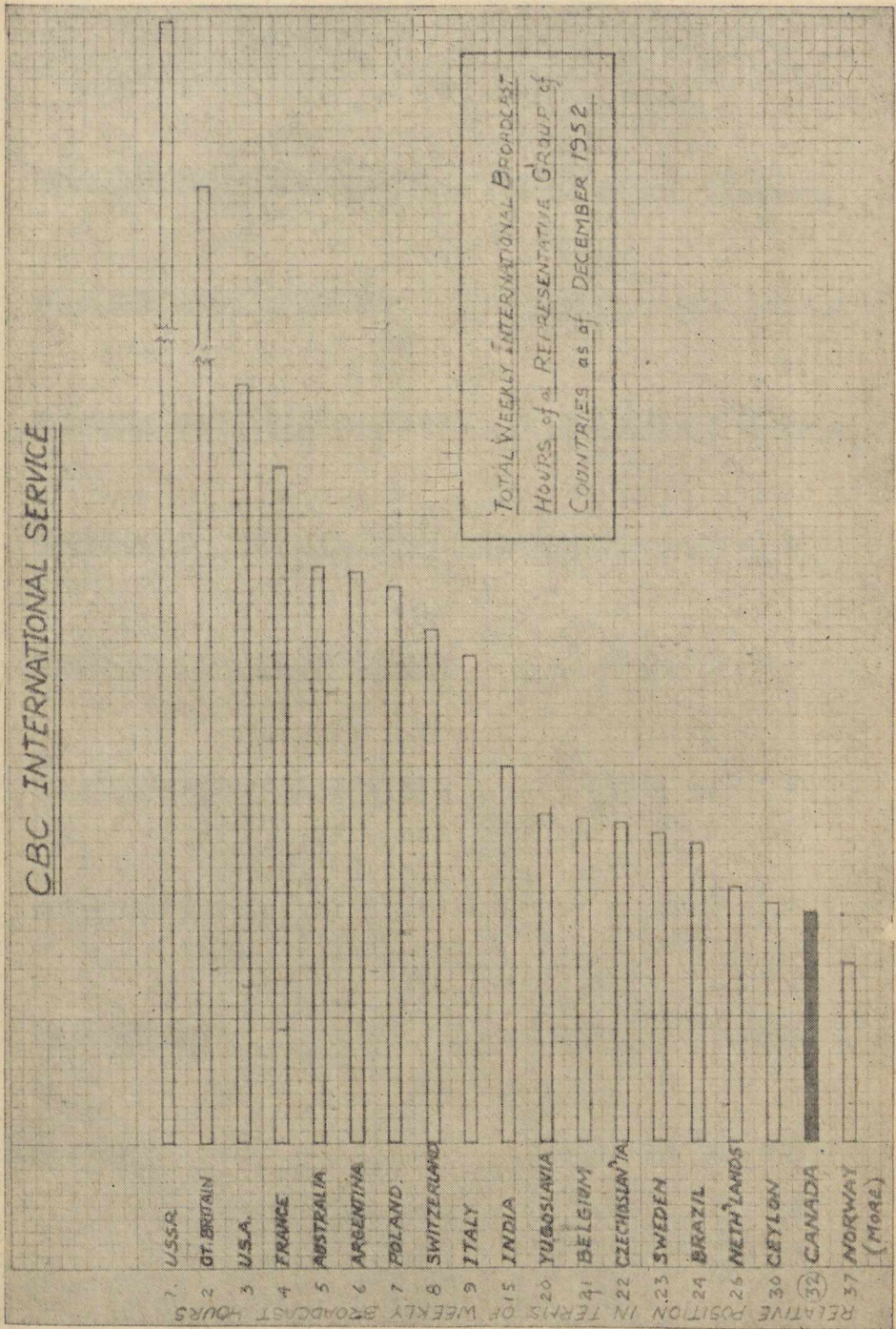


CHART 4

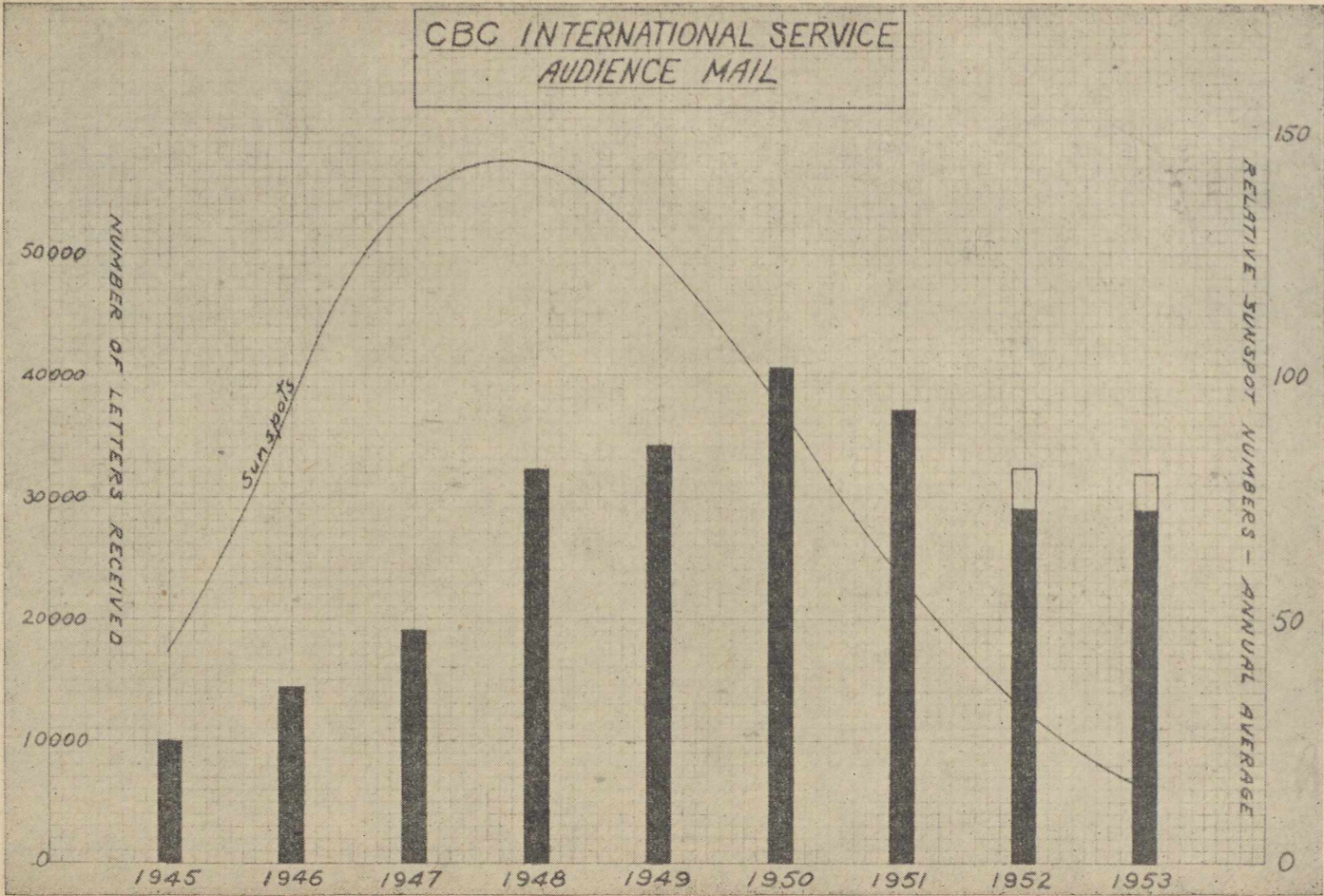
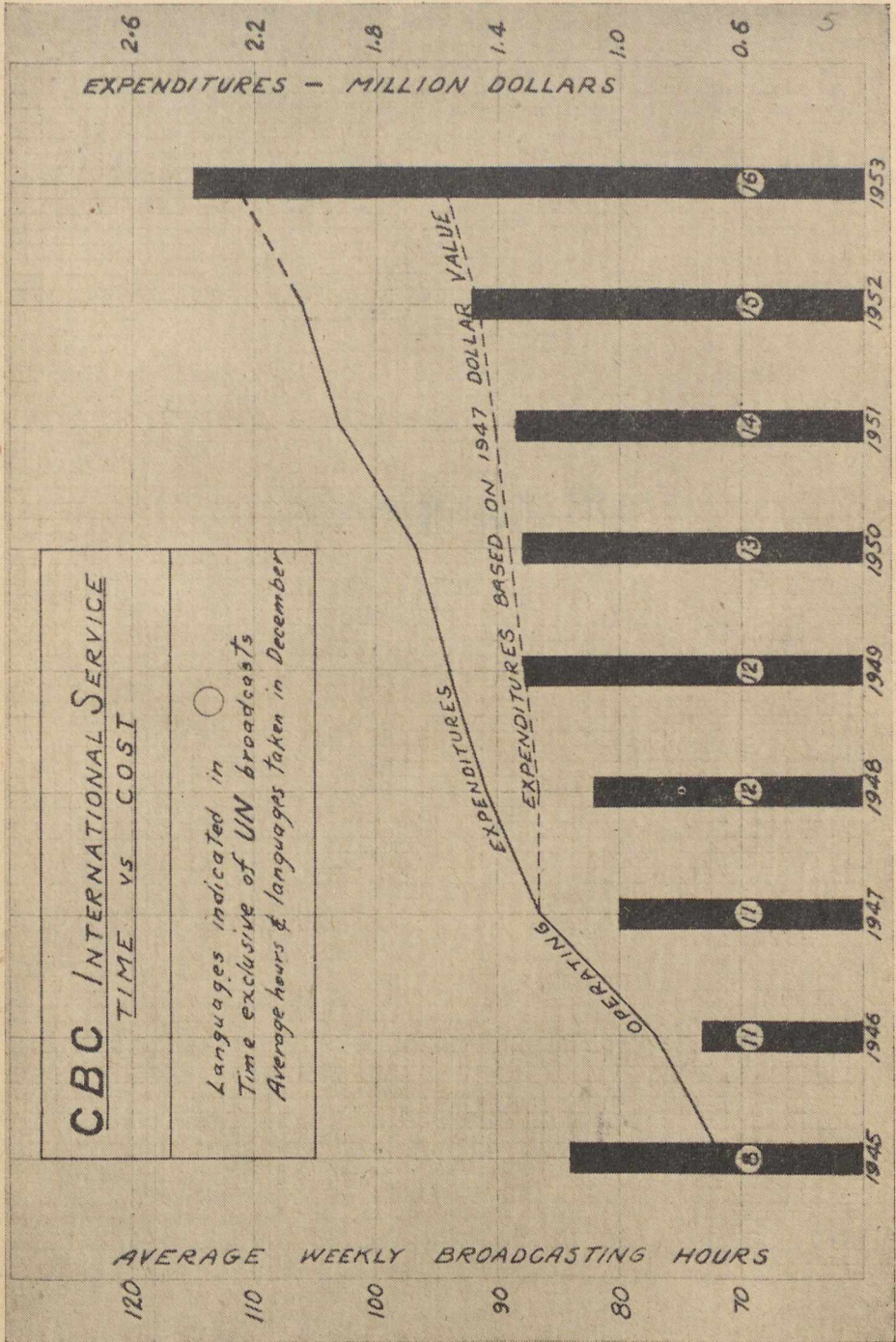




CHART 5





APPENDIX "U"



## APPENDIX U

## THE BENEFITS OF CONGRESSIONAL FOREIGN TRAVEL

(by Jack K. McFall)

Time was when travel abroad by Members of Congress even in its small volume prior to World War II, constituted a marked violation of the rule that the peoples' chosen representatives should stick close by the shores of the U.S.A. if they wished really to serve their constituents and avoid politically damaging criticism. During this era, limited Congressional travel was related almost exclusively to inspection and investigation of domestic problems and of government facilities located in the various States of the Union. Too many of us then were living, heads buried in the sand, dedicating ourselves to the philosophy that "it can't happen here". Pearl Harbour supplied the rude awakening.

During the years 1936-41, I accompanied three traveling Congressional groups from the House Appropriations Committee, which had set themselves the task of inspecting our Foreign Service posts in Europe and Latin America. For each of these three trips a strenuous schedule of inspections was arranged and, without exception, Members of Congress taking the trips worked hard and long at their tasks, subordinating personal interests to the official schedule.

## A Fifteen Year Development

The year 1936 marked the first time that any Member of Congress had undertaken, at government expense, an official inspection of the U.S. Foreign Service. Thomas S. McMillan, of South Carolina, Chairman of the State Department Appropriations Subcommittee, and I visited 28 of our diplomatic and consular posts in Europe.

The published hearing of the House Subcommittee on State appropriations for fiscal 1938 contains the report of findings on that investigation. One of its most far-reaching recommendations dealt with the need for consolidating the Commerce Department and State Department Foreign Services. At that time a so-called "coordination agreement" was in effect between the State and Commerce Departments, designed to eliminate duplication of effort between the employees of the two Departments stationed in the same areas abroad. The Congressional field inspection revealed that cohesion and effective coordination were the exception rather than the rule. The evidence obtained in the field convinced Congressman McMillan that a complete merger of the two services was called for. Thanks to his conviction and his unflagging and dogged persistence in "following through", an enactment in 1939 consolidated the Foreign Services of the Department of State, Commerce and Agriculture in line with the recommendations in the 1936 field inspection report. The "single Foreign Service" concept never had a more fervent champion than the amiable and conscientious Congressman from South Carolina.

A meeting of the Inter-Parliamentary Union in Oslo, Norway in 1939 again afforded an opportunity, at the termination of that conference, for Chairman McMillan, this time with three other Members of his subcommittee and me, to inspect Diplomatic and Consular posts not covered in the trip in 1936. Posts in England, Norway, Sweden, Finland and Denmark were visited and only the outbreak of war prevented more extended coverage. On return of the Committee subjects reported upon included such problems as the disparity of salary schedules of American clerks; consolidated housing for our missions abroad; the merging and unification of all American foreign services; and the naturalization of alien wives of Foreign Service Officers and employees.

A third Congressional investigation was made in 1941 by the same appropriations subcommittee of the House, chaired this time by Congressman Louis Rabaut of Michigan, backed by four other Congressmen and me as staff member. Latin America was selected. This was the first time in our entire history that a group of Congressmen, in their official capacity, had visited our neighbors to the South. In all, 17 countries were visited, 25,000 airline miles were traveled and 30 Foreign Service posts were surveyed during a 60-day period. In spite of the crowded itinerary and limitation of time, the Committee did inspect each post. Messengers, clerks, janitors, Foreign Service Officers and Chiefs of Mission were interviewed at each stop. At the larger posts individual interviews were conducted with as much as 80 to 90 percent of the entire Mission personnel. The report on this trip consists of 41 printed pages and its subject matter ranges from criticism of sanitary facilities to "Departmental delay in responding to field office requests". Among some two score items bearing on operations of the Foreign Service, observations and recommendations were made on such widely diversified items as "Accounting and Administrative Procedure"; "Borrowing of Furniture for use in Foreign Service Posts"; "Transfer of clerks"; "Need for a Retirement System for Alien Employees"; and "Classification of Unhealthful Posts".

#### MOST RECOMMENDATIONS ADOPTED

A re-reading of the recommendations of the reports covering these three trips discloses that, over the years, a major share of their recommendations have been adopted by the Congress or the Department. More than a few major developments in the organization and operation of the Foreign Service may be directly traced to them.

In early 1942, when I resigned from the staff of the House Appropriations Committee to enter the Navy, I made the following observation to the members of the State Department Appropriations Committee as contained in its printed hearings for 1943:

The tremendous burden of work and responsibility that you members of the Appropriations Committee must bear in serving your Nation and its citizens is, I fear, little understood and hence not appreciated by the public at large. . . . On each and every field trip that I have taken with the committee, the members have subordinated all personal interests to the consummation of the task at hand with a result that you have returned to your labors fortified with a knowledge of conditions in the various services of government for which you must make available funds for operation. This knowledge you could never gain by constantly sitting around a committee table and listening to ex parte testimony of bureau chiefs. I feel very strongly in the matter of the value of these trips to me, as a means of serving you more effectively, and I know that they have been equally valuable to you members who have taken them, in giving you an insight into Government operations that you could gain in no other manner. If such trips as I have taken are "junkets", then I say that the American taxpayer should insist on more and larger ones.

That was my opinion ten years ago. My recent experience leads me to place an even higher value on Congressional foreign travel to-day.

The Post-War era found our country catapulted into a position of world leadership. Whether we liked it or not, we were there to stay. Events taking place in remote corners of the world which previously would not have gained even a mid-page comment in our newspapers became of real concern and merited front page coverage. Plans were evolved to cope with the creeping

economic paralysis and political subversion that was being fostered by our erstwhile war-time ally, the U.S.S.R. Taxpayers were called upon to make ever-increasing sacrifices to meet the growing need for funds for programs of mutual security. It became of serious importance, therefore, that our legislators, responsible for authorizing and appropriating public funds, have the opportunity to obtain all possible firsthand, factual information of the type traditionally available to the Executive agencies and the President. Congress needed much of the same personal knowledge of facts to form judgments and evolve the programs in the interest of our national security.

The Herter Committee was one of the first post-war Congressional groups to see conditions abroad with its own eyes in order better to judge the need for legislation extending assistance to a prostrate Europe. By authority of a House Resolution passed some seven weeks after General Marshall's historic speech at Harvard, a Select Committee on Foreign Aid was created and commenced operations under the expert guidance of Congressman Christian A. Herter of Massachusetts. It was composed of members of all of the important committees of the House of Representatives which had responsibilities regarding foreign aid. It was authorized to make a study of—

- (1) actual and prospective needs of foreign nations and peoples, including those within United States military zones, both for relief in terms of food, clothing, and so forth, and of economic rehabilitation;
- (2) resources and facilities available to meet such needs within and without the continental United States;
- (3) existing or contemplated agencies, whether private, public, domestic, or international, qualified to deal with such needs;
- (4) any or all measures which might assist in assessing relative needs and in correlating such assistance as the United States can properly make without weakening its domestic economy.

With admirable foresightedness, the Committee was divided into 5 subcommittees, each charged with area or functional responsibilities. Subcommittees dealt with Great Britain; Austria and Germany; France and the Low Countries; Italy, Greece and Trieste; and finally, European Agriculture. In its detailed investigation the Committee interviewed government officials as well as political, business, labor and peasant leaders. Workers' and farmers' homes were visited; trips were made through shops, market places and factories; and every opportunity was given for unrestricted observation and study in all of the free countries visited. A mass of data was accumulated, analysed, evaluated and published. One would have had difficulty finding another group of men who would devote themselves more painstakingly, assiduously and sincerely to the task of acquiring on-the-spot, basic facts of Europe's needs.

The overwhelming endorsement of the Marshall Plan by Congress is traceable, in major degree, to the legislative support given by the Herter Committee following its investigation of conditions in Europe.

The widespread public approval of the work of the Herter Committee doubtless had much to do with the growing awareness in both the Congress and the State Department that much public good can flow from increased foreign travel by Congressmen. It came to be realized that travel abroad brings home to our legislators the realities of life and conditions in other lands and facilitates the solution of many problems important to the security and destiny of our own country.

In 1949, therefore, following the adjournment there was an exodus abroad of Congressmen, which, at that time, was without parallel in our history. State Department records show that 169 Senators and Representatives, either in committee groups or individually, were on foreign soil during that year.

As extended travel is normally feasible only in non-election years, Members of Congress, for the most part, remained close to their constituencies in 1950.

#### TWO HUNDRED AND FOUR TRAVELLING LEGISLATORS

During 1951, still another record was established. Two hundred and four legislators availed themselves of the opportunity to become more familiar with conditions abroad. Thirteen committees of either the Senate or House of Representatives were involved. Europe, Africa, the Near East, the Far East, Latin America and Canada were visited. One group, chaired by Congressman James Richards of South Carolina, was composed of 8 members of the House Foreign Affairs Committee, 6 members of the House Committee on Appropriations, and 4 members of the House Armed Services Committee. Another group, with Senator Theodore F. Green of Rhode Island as Chairman, was composed of 8 members of the Senate Foreign Relations Committee. The purpose of each of these two committees was to visit the principal European countries to determine the extent to which European countries were making efforts for their self-defense under the North Atlantic Treaty Organization, the progress achieved under the Marshall Plan, and the needs for further mutual security measures. It was arranged that these trips should be undertaken before the Senate Foreign Relations Committee and the House Foreign Affairs Committee began consideration of the proposed 8½ billion dollar Mutual Security Program in order that they would have at hand the most current information on the diverse problems presented in that proposed legislation.

The travel of these two groups unquestionably played a major role in the acceptance by Congress of the Mutual Security Program. Both groups worked diligently and tirelessly each day, 7 days per week, from early morning to late evening during the entire two weeks they were abroad.

Several reports covering the activities and results attained by these visits last year have already been filed by the committees and more reports are to follow. The Department painstakingly reviews these committee findings for guidance in the formulation of our foreign policy and individually interviews returning legislators to supplement the written reports.

The total expense to the taxpayer and individual Congressman for these "quests for knowledge", has never been computed. But it is certainly minute in relation to the billions spent each year in supporting our foreign policy. It is an investment in good business management to have our "National Board of Directors" understand and be conversant with the problems with which they deal. If, on rare occasions, individual Members of Congress, travelling at government expense, have failed to shoulder their full share of responsibility or have placed their personal pleasures or desires above public interest, charging the many with the derelictions of the few merely defeats our own interest as taxpayers. We would thus discourage the salutary type of inquiry abroad which brings rewards large in proportion to the expense involved.

Escort officers are supplied by the State Department, on request, to Congressional groups travelling abroad. Rarely is the request not made. The responsibility for the conduct of the trip thus placed on the Department brought about the issuance in 1950 of the Handbook on Congressional Travel designed to serve a useful purpose in setting standards for handling of Congressional groups by our field posts. Facilities and assistance extended to the Congressmen by our Foreign Service personnel are aimed at minimizing problems incident to travel and maximizing the time available to them for their particular investigations and studies. It is planned to issue this year a revised edition of the Handbook, incorporating new suggestions to the field based on 1951 experience.



The Foreign Service understands the opportunity afforded by Congressional travel to make our work and purpose known to Congress. While there has been occasional criticism, almost without exception Congressional members engaged during the past year in foreign travel had praise for the Foreign Service. Within the past few weeks three Senators and a Congressman have taken occasion to write about their travel abroad and have paid tribute to the Foreign Service.

I quote from Senator Lister Hill of Alabama:

I want to thank you for the splendid courtesies extended to me and Mrs. Hill by the Representatives of the State Department on the occasion of our recent visit to the Mediterranean and the Middle East. We deeply appreciate the courtesies.

I want to say that I went on the trip with the thought of endeavoring to estimate the representatives of the State Department with whom I came in contact. I saw a number of them. I did not see a single one that I did not feel was adequate for the particular place in which he was serving. The State Department personnel, of course, consists of many different types of personalities with different abilities but each one of them impressed me as being entirely adequate for their particular position.

Senator Hubert Humphrey of Minnesota wrote:

First of all, let me say that without exception every individual in any embassy or other facility of our State Department extended the utmost courtesy and hospitality to Mrs. Humphrey and myself. It was my privilege to visit extensively with many of our Foreign Service and embassy personnel. I found them to be not only courteous and hospitable but above all intelligent, competent and devoted public servants.

The time is at hand for members of Congress to go on record as to their observations on Foreign Service personnel operations. I, for one, commend the performance of our Foreign Service officers and our embassy officials. I have had considerable experience over the past ten years dealing with government officials both on the administrative and legislative level. I can honestly say that I have never met a more competent and faithful group of people than those I was privileged to meet on this recent European visit.

. . . . I get a little tired of hearing criticism of our Foreign Service and those who work under your jurisdiction in the State Department and its many programs. The time is at hand for those of us who are privileged to meet these excellent people to stand up and pay them an appropriate tribute for their unselfish, loyal and competent work.

Senator Alexander Wiley's letter to the Secretary, published in the January issue of the Journal, concluded:

I am pleased to report to you that, as you already know, by and large, the men and women that I, for one, contacted in the Service were of high caliber and rendering good service.

Congressman Donald L. O'Toole of New York has written:

I have just returned from an official trip through Central Europe, the Near East and North Africa.

Were it not for the efficiency, courtesy, and constant thoughtfulness of the men and women of the State Department stationed abroad, it would have been a most arduous engagement. Every place that we went we were proud of our foreign representatives. They seemed to be the best that America could possibly offer.

Secretary Acheson has stated that the attitude of the State Department toward these trips abroad is one of encouragement and assistance in every way possible. It is an opinion firmly held by the Secretary that in our public differences over both national and international issues, we all too frequently find divided judgment caused by disagreement regarding the facts. Complete and unqualified agreement on the facts invariably narrows the area of disagreement on policy. Travel and "on-the-spot" investigation brings closer agreement on the facts—and thus lessens conflict regarding policy.

Dr. Samuel Johnson once sagely observed that "the use of travelling is to regulate imagination by reality and instead of thinking how things may be, to see them as they really are". This is a purpose of the Congressman visiting abroad. With the firsthand knowledge he thus gains, better considered and more expertly tailored foreign policy legislation can be expected.

(An article which appeared in April 1952 in the *Foreign Service Journal*, Washington, D.C.)









