



CANADA

CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

Vol. 19 No. 32

August 4, 1964

CONTENTS

- A Vital North American Relation1
- Medical Mission to Easter Island3
- RCR in Dutch Memorial March3

- Vocational-Training Equipment to Malaysia3
- Creating New Cultural Bonds4

A VITAL NORTH AMERICAN RELATION

"Just as we Canadians value the special contribution of French Canada and the other population groups to the enrichment of our national life, so I am convinced that Americans should value the special contribution of Canada to the vigour and the interest of North American life as a whole," the Minister of Trade and Commerce, Mr. Mitchell Sharp, told delegates to the Canadian-American Assembly on the Canada-United States Relationship, meeting on July 23 at Mont Gabriel, Quebec. Mr. Sharp developed this thesis as follows in part:

...There is little point in being different just for the sake of being different, but where differences exist that have value in themselves, either within nations or between nations, the aim should be not to eliminate those differences but to do everything possible to reconcile them and to use them for the advancement of the common interest. This is what we are trying to do within Canada and I suggest that this philosophy should also inspire Canadian-American relations. Variety is the spice of life or, as my French-Canadian friends would say, *le sel de la terre*.

A SECOND NORTH AMERICAN VOICE

Internationally, for example, Canada is a second North American voice in world affairs. More often than not this second voice will be reinforcing the United States, although with a different accent and often with variation in emphasis. As in the past, there will no doubt be many occasions in the future when the flexibility of Canada's position as a middle power, as a country with links with the multi-racial Commonwealth and as a country which, in the brief

span of its history, has passed through the process of industrial development, will permit lines of approach to be explored that are not open to a great power such as the United States.

There will be occasions when it is apparent that real differences separate us. This will be a not unimportant signal to the world that the United States is not a power that requires uniformity and conformity as the price of its friendship and support. May I venture to suggest that our occasional disagreements may also serve as a signal to the United States that some aspect of its international policies merits re-examination, if not revision?

CANADA NEEDS ECONOMIC INDEPENDENCE

A politically-independent Canada is a stronger and more dependable ally of the United States than would be a servile satellite. I submit that there is a parallel in the field of economic relations....

To most American business men, Canada is a field for investment, a source of raw materials or an extension of the United States market. Canadians, naturally enough, take a somewhat different point of view. They welcome the investments and the know-how that goes with them. They are prepared to sell the raw materials and they buy American-type goods with avidity. But one can hardly blame them for wanting something more. They want to have an increasing share of the fun and reward of developing their own country and they want the diversity of opportunities for their children that goes with the more advanced forms of manufacturing.

In part the attainment of these Canadian aspirations depends upon how much we save and what we

do with our savings, and upon our initiative and drive. In large part, however, it also depends upon the United States Government being as willing to receive Canadian manufactured goods as to receive our traditional exports of raw materials and upon the willingness of United States business men to permit their subsidiaries in Canada to export throughout the world, including to the United States.

American business men might feel less comfortable and secure if such policies were to be followed by their Government and by themselves. But one doesn't have to be much of an economist to see that the peoples of both Canada and the United States would benefit....

CULTURAL INDEPENDENCE

As to cultural relations, how much is known in the United States of our art, of our writing, of our theatre? And how much of it is simply assumed to be American?... In reading the final report of last April's Arden House Assembly, I was much impressed by what was said about cultural relationship. I share your view that the best interests of the two countries will be served by the encouragement of the good rather than by repression of the shoddy. Much can be accomplished through a more alert American approach to Canadian affairs and culture by U.S. educational institutions and various communications media - work that needs to be done in depth.

On the other side there is a genuine fear in Canada of being swamped by American influence through radio, television, movies, books and magazines. Given the contiguity of the two populations and the similarity of consumer tastes in many parts of Canada, there are no easy answers. The Canadian Government has no desire to interfere with the free flow of ideas. We cannot, however, avoid addressing ourselves to the problem of maintaining in Canada organs of Communication which reflect our own approach to living on this continent and which provide outlets for the talents of our own people. Even if U.S. mass media were prepared to give far greater attention to Canadian affairs than is now the case, it would hardly be tolerable for Canadians to be able to see themselves only through American eyes!

The co-operation between our two countries is between two national entities of juridical equality and independent sovereignty. One of the inherent difficulties of the relationship, of course, is the need to relate this moral and juridical equality with the enormous disparity between us of economic, political and military power. To me this is the most striking and challenging feature of our relationship. We are talking about co-operation between equals one of whom, as George Orwell might have said, is more equal.

The United States is the greatest power in the world in terms of economic potential, international political influence and defence capability. Canada's population is one-tenth that of the United States. Its gross national product is only seven per cent of the American total. Politically we are a middle power and our defence establishment, although making an important contribution to the NATO alliance and to UN peace-keeping operations, is minuscule by comparison with your own. What clearly emerges is that your policies in any of the fields I have mentioned

can have a profound effect on Canada, whereas what we may do in most cases can have only marginal effects on the position of the United States.

A SPECIAL U.S. RESPONSIBILITY

This is the heart of the problem to be faced in developing more satisfactory relations between the two countries. The power imbalance is pervasive, yet the relationship must respect the sovereign independence and equal status of Canada. This places a special responsibility on the larger partner and responsibility of another kind on the smaller. I do not mean by this that the U.S. Administration and Congress should act to favour Canada, except in cases where it may be in the national U.S. interest or the common interest to do so. It should mean, however, that when policies are being developed there would be an awareness of Canadian interests and a disposition, so far as possible, to avoid measures harmful to them. In my view, the United States should do this not because we are a nice friendly northern neighbour but because of American self-interest in a strong and healthy and developing Canada.

CANADA'S RESPONSIBILITY TO ITSELF

On the Canadian side, we must be prepared at all times vigorously to defend our interests and try to keep the American authorities and U.S. public opinion more closely informed on matters of particular Canadian concern. We must also be prepared to recognize that on occasion American world-wide orientation and commitments, and sometimes too, the reconciliation of divergent interests within the U.S., may involve decisions undesirable from a Canadian point of view. One would hope that even in such cases, Canadian interests would have been considered in advance and where possible measures developed to cushion the adverse impact. Where even this cannot be done, there should at least have been sufficient consultation to permit understanding of the necessities of the situation. If, from time to time, difficult decisions must be taken, the results will have to be faced. And they can be faced if they are unavoidable. But what is difficult for Canadians to accept is that harmful United States decisions might be taken out of inadvertence, or disregard, or failure to understand the Canadian involvement.

On the Canadian side, this problem is different in magnitude. Our actions may from time to time bear on particular U.S. interests, but are unlikely to affect, except marginally, the U.S. interest as a whole. Moreover, as the smaller country, Canadian awareness of our interdependence with the United States is so acute and so much a part of everyday life that the chances of action being taken which would inadvertently harm significant U.S. interest are rather remote. Of course there will be occasions when our national interest will dictate a policy which may not be to American liking. But if we do so, it will not be for lack of information about American concerns, and, as in the past, we should, of course, be willing to consult. In such cases we should expect that our needs would encounter understanding, if not support, and the necessary adjustments accepted as part of the price the United States would be willing to pay

(Continued on P. 4)

MEDICAL MISSION TO EASTER ISLAND

It was announced recently by the Minister of National Defence, Mr. Paul Hellyer, that his department would participate with an international group of scientists in a fact-finding medical mission to Easter Island, to be undertaken with the consent and co-operation of the Government of Chile.

The Royal Canadian Navy repair ship HMCS "Cape Scott" will be made available to take the expedition to Easter Island in December 1964. The Easter Island Expedition Society will obtain data on the distribution of disease and hereditary factors in the population of the isolated South Pacific island. Sponsored initially by the World Health Organization, the expedition forms part of the Human Adaptability Project of the International Biological Programme.

The expedition is being undertaken by staff members of six Canadian universities, with the participation of scientists from Chilean, British, United States and Scandinavian medical schools. The Canadian universities to be represented are McGill University, Montreal; the University of Montreal; Dalhousie University, Halifax; the University of Toronto; the University of Manitoba, Winnipeg; and the University of British Columbia, Vancouver.

Some 25 scientists will take part, under the general supervision of Professor Stanley C. Skoryna, Director of the Gastro-Intestinal Research Laboratory and Associate Professor at McGill. Dr. H. Locke Robertson, Principal and Vice-Chancellor of McGill, is president of the Easter Island Expedition Society. Never before has such a survey been undertaken by Canada on so large a scale. It will last about two months.

Four medical teams will examine the population of 1,200 and collect biological samples. In addition, several scientists will be in charge of specialized studies in epidemiology, bacteriology, genetics, hematology, sociology and anthropology.

RCR IN DUTCH MEMORIAL MARCH

From July 28 to 31, citizens of the ancient city of Nijmegen, Holland, renewed their acquaintance with the famous "Red Patch" worn by Canadian soldiers during two world wars, when a 37-man team from the 1st Battalion, The Royal Canadian Regiment, represented Canada's NATO brigade in the internationally-known "Nijmegen marches".

The marches, designed to encourage participants to train in such a manner that they can walk a considerable distance with the minimum of fatigue, are sponsored by the Royal Netherlands League for Physical Culture. The starting point is in Nijmegen itself, the route winding its way through the picturesque network of roads and canals surrounding the 1,850-year-old city. Military entrants must cover 25 miles a day carrying a minimum of 22 pounds, while civilian marchers, because of their lighter dress, are required to cover 30 miles a day.

Corporal Bill Toombs, of the Royal Canadian Army Medical Corps, followed the troops on a bicycle pulling a trailer loaded with first-aid equipment, water and fruit juices.

On the third day of the marches, the RCR squad stopped at the town of Groesbeek, where they were joined by the battalion Corps of Drums. Together, they participated in a wreath-laying ceremony at the Canadian War Cemetery, located on the highest of seven hills in the area, with an open view of the Reichswald and Rhineland. Three thousand white crosses indicate the graves of as many Canadian soldiers, killed during the liberation of Holland in the Second World War.

OTHER AID PROJECTS

During the last fiscal year, 47 Canadian teachers and advisers served in Malaysia under External Aid Office arrangements, a larger number than in any other Colombo Plan country. Educational projects sponsored by Canada apart from the vocational-training programme included assistance in establishing a School of Business Administration at the University of Malaya with the co-operation of staff from the University of British Columbia. The number of Malaysian trainees brought to Canada under Canadian Government auspices is increasing; there were 134 in the last fiscal year. The Malaysian National Television project, for which Canada is providing consulting engineering services as well as technical assistance, is scheduled to be completed later this year and will provide the Federation with an important educational medium.

Since the Colombo Plan began in 1951, Canada has made available to the states that federated to form Malaysia development assistance totalling \$14.05 million, in the form of capital projects and technical assistance.

VOCATION-TRAINING EQUIPMENT TO MALAYSIA

The Secretary of State for External Affairs, Mr. Paul Martin, announced recently that Canada would this year give vocational-training equipment worth \$1.5 million to Malaysia. This allocation is part of a comprehensive vocational-training assistance programme that Canada is developing in close collaboration with the Malaysian Government. The organization of technical and trade schools has been given emphasis in the development plans of this newly-formed Commonwealth federation.

The Canadian equipment will be installed in 54 schools newly-built by Malaysia throughout the country, which are being staffed by technical teachers recently graduated in the first class of a two-year course from the Canadian-organized and sponsored Technical Teachers' Training College in Kuala Lumpur. Canadian assistance is also being given in the form of teaching staff and equipment to the new Singapore Vocational Institute.

The vocational-training equipment will be used to teach young Malaysians such trades as carpentry, wood-working and metal-working and welding. It includes hundreds of items ranging from engineers' tools costing \$1.00 each to lathes valued at \$5,000 apiece. The items were selected by Malaysian authorities in consultation with Canadian advisers on the spot according to specific needs of the programme.

A VITAL NORTH AMERICAN RELATION
(Continued from P. 2)

for the maintenance of a viable and independent Canada on the northern half of the continent. We should expect also that, in coming to a view about Canadian actions that might touch upon particular U.S. interests, America would not wish to apply to Canada standards of behaviour more severe than are applied to other developed countries or are applied within the U.S. itself....

CANADA'S TRADE IMBALANCE

The possibility of conflict between Canada's desire for further advance industrially and our heavy reliance upon foreign manufacturing has become more acute with the emergence in the last decade of a seemingly chronic imbalance in our exchange of goods and services with the rest of the world.

Canada's heavy deficit on goods and services with the United States, which in recent years has fluctuated from \$1 to \$1.5 billion annually, seems to lie at the core of our overall imbalance with the world at large. In striving to meet this problem, it is our policy to develop new markets wherever they can be found. It would be improvident on our part, however, to expect to achieve surpluses with overseas areas sufficient to offset this heavy imbalance with the United States. It would appear, therefore, that the only lasting solution to our external-payments dilemma lies in the direction of expanding our disproportionately small share of the North American market for manufactured products. To realize this objective in a constructive manner will mean that the traditional exchange of resource materials for manufactured products must give way to a larger two-way trade within the area of manufacturing itself - at least to the extent necessary to give financial viability to the Canadian economy and at the same time satisfy our legitimate aspirations toward industrial maturity.

I do not ignore the fact that Canada has been able to finance its current-account deficit through capital inflows, most of which in recent years have come from the United States. This investment we value highly. Canada will continue to be a hospitable home for foreign investment. But we wish to reduce the undue exposure of the economy to reliance on such financing. This is both because of what can happen (as it has happened) if, for one reason or another, the flow is interrupted, and because excessive increases in foreign debt may pile up too heavy a claim on the future earnings of the economy. To put it more simply, we are determined to keep our current-account deficit and its financing within sound limits. This means that, amongst other things, we must try to improve our trade position with the United States.

I hope that, as we move forward, there will be a greater willingness of American manufacturers to allow Canadians a real chance to compete in their market. This will mean not only a disposition to see U.S. trade barriers effectively reduced but also a disposition on the part of U.S. parent companies to encourage their Canadian subsidiaries to develop markets in the United States. We recognize that, in return, the impact of our own barriers to trade must be diminished. Our two governments will be

working together in this direction in support of a successful "Kennedy round", to which we in Canada attach the highest importance...

MULTIPLE CANADA - U.S. CONTACTS

Given the peculiarly intimate links and contacts between our two countries and their peoples in almost every form of activity, it is natural that the way in which we conduct our relations should be unique. At the governmental level, the diplomatic contacts are, of course, highly important and the volume of day-to-day exchanges between our respective embassies is enormous. But these exchanges are supplemented by a whole series of other arrangements, ranging from meetings of officials on particular subjects through joint boards and commissions up to summit meetings of the President and Prime Minister.

A few years ago our countries took the unprecedented step of forming a joint Ministerial Committee on Trade and Economic Affairs. Its more or less regular meetings have constituted an invaluable forum for high-level consultation between the two countries. There is a Joint Parliamentary Committee composed of members of the U.S. Senate and Houses and Canadian Senators and Members of the House of Commons. These bodies do not take binding decisions or enact laws. They exchange views. They seek to improve understanding and encourage the two governments to do those things that are in the interest of both countries.

We are now jointly examining the adequacy of the arrangements that have been developed for consultation. When President Johnson and Prime Minister Pearson met last January, they discussed the practicability and desirability of working out acceptable principles which would make it easier to avoid divergencies in economic and other policies of interest to each other. Since then a distinguished American, Mr. Livingston Merchant, and a distinguished Canadian, Mr. Arnold Heeney, have been appointed to study our relationships and to fulfill this mandate....

CREATING NEW CULTURAL BONDS

Next month, 30 senior French-speaking students, scholars, researchers, lecturers and artists from France, Belgium and Switzerland become the first recipients of new Canadian Government scholarships and fellowships designed to do for French-speaking countries what the Commonwealth Scholarship Scheme has done for English-speaking ones.

A total of \$250,000 has been earmarked for the fiscal year 1964-65 by the Canadian Government for the new exchange programme, which was initiated by the Department of External Affairs and for which the Canada Council has agreed to serve as the administrative agency.

Canada hopes in time to extend the programme to other countries that are entirely or partly of French expression when they can provide some measure of reciprocity.

In addition to the scholarships, the plan also includes a programme of cultural relations seeking to promote Canada's performing and visual arts in French-language countries.

(Continued on P. 4)