



CANADA

CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

Vol. 19 No. 15

April 8, 1964

CONTENTS

- An Era of Limited Peace1
- Northwest Highway Transfer3
- Northern Education Thrives3
- Engineering Drop-Outs3
- New RCAF Transports4
- Polymer Annual Report4

- New Sport and Fitness Grants5
- Consolidate Service Food Supply5
- Wholesale Trade5
- Beam-Therapy Units for India5
- Provincial Enterprises6

AN ERA OF LIMITED PEACE

The following is the text of a speech by the Secretary of State for External Affairs, Mr. Paul Martin, to the Empire Club in Toronto on April 2:

...In a thought-provoking lecture on March 24, Mr. Adlai Stevenson suggested that the world had moved beyond the policy of containment to a policy of cease-fire and peaceful change. He called it an era of "limited peace". He asked some penetrating questions about what can and must be done to ensure that the nations pursue the path of peaceful settlement of disputes and situations.

The attitude of states toward war is all important in this regard. Governments and people everywhere must re-examine critically the notions that some wars are justified and that warfare can be limited. The plain fact of contemporary history — which most states see clearly — is that beyond every brushfire conflict lies nuclear conflagration and world-wide devastation. A threat to the peace in any part of the world poses a threat to all nations which none can take lightly.

This stark fact underlines the urgency of strengthening the sinews of peace, of improving the international means for dealing effectively with the sparks of armed incident and the dangers of unresolved dispute. The United Nations is one means, but how effective is it?

The Cyprus situation presents the United Nations and its members with some pressing problems of far-reaching importance and implication. Some of them are fraught with immediate risks to the maintenance of peace. Others hold potential threat for the effective existence of the United Nations in future. Canada has been deeply concerned about

these developments — not only in recent weeks but as the underlying dilemma has deepened in the United Nations during the past few years. Our relief about small gains made has not diverted our attention from the large issues which undermine the United Nations capacity to respond to the recurring demands of peace.

A DISAPPOINTING RESPONSE

The Cyprus situation raised such a demand yet, when the call came for the United Nations to establish a peace force in Cyprus, the response from member governments was on the whole disappointing. Canada was among the first countries to be approached for assistance. We were the first country to commit itself definitely to provide troops. Other nations joined us in this move and I pay warm tribute to Sweden, Finland and Ireland, whose contingents are to serve with Canadians in the Cyprus operation. I make special mention of the United Kingdom, which is continuing under the United Nations flag to contribute substantially to the cause of peace in that troubled island.

Why was the response restricted in size and slow in execution? If we examine some of the factors, we may detect some basic causes of weakness and see ways of strengthening the United Nations capacity to meet peace-keeping demands.

At the United Nations, the general attitude toward the Cyprus crisis was one of hesitation. The great powers were divided on the issue — but this was not unusual. A large number of countries appeared indifferent to the deterioration of a situation which threatened to explode into international conflict. A few states wanted to take advantage of the situation

(Over)

for their own mischief-making but most states seemed reluctant to have the United Nations involved at all. There was a marked unwillingness either to provide contingents for the force or to contribute the necessary funds for the operation.

We can take comfort from the fact that the Security Council on March 4 decided to establish a force and appoint a mediator; that, after some delay, five member governments agreed to provide contingents and then to make contributions to the voluntary fund for financing the operation. The force is now operational under General Gyani and the mediator has taken up his difficult assignment.

NO EASY SOLUTION FOR CYPRUS

Now, I realize that the situation in Cyprus poses a very difficult problem for the United Nations. It will not be easy to arrive at a political solution. It may not be easy to maintain order. There is latent danger in the bitterness and distrust which past violence and bloodshed have engendered in the two communities inhabiting the island. The United Nations mediator and the United Nations policemen on the Cyprus beat will require courage, patience and endurance. They will have to choose their way carefully through the maze of difficulties and dangers.

But in the past the United Nations has not shirked its peace-keeping responsibilities merely because of difficult situations. The Congo operation had its share of complication and risk. What it did not have, and what is needed most in these situations, is the wholehearted support of United Nations members. This means not only political and moral support but men, materials and money. The United Nations must have adequate resources to perform its tasks.

PROBLEM OF FINANCING PEACE TASKS

The method of financing the Cyprus force is significant because, once again, it brings into sharp focus the fundamental issues raised in relation to the financing of these peace-keeping operations. This audience will be aware that for the past few years the United Nations has been teetering on the brink of bankruptcy, because of the heavy burdens assumed in the Middle East and the Congo but more significantly because a number of member states - including two great powers - with full capacity to pay have failed to pay their share of the financial costs. Others have been slow in paying, even when reductions were granted to take into account their relative incapacity to pay.

This is a deplorable situation for an organization established primarily to maintain peace and security. It is especially urgent in view of the growing demands for peace-keeping operations, which have demonstrated their worth. It is moving toward a climax this year because a number of states, including the Soviet bloc, now have accumulated arrears of payment which make them vulnerable to Article 19 of the Charter. It provides for the loss of vote in the General Assembly when arrears amount to two full years. When it next meets, the General Assembly will have to deal with this critical situation, which has far-reaching political and financial implications, unless steps have been taken in the meantime by those in default to liquidate their arrears.

As a consistent and firm supporter of the United Nations, Canada believes that all member states should willingly accept their share of the financial burdens of peace keeping, just as they all share in the benefits which flow from continuing peace and stability. Our policy in this regard is straightforward. We have responded promptly to requests for military assistance in all theatres of United Nations peace keeping. We have paid our assessments in full. We have made voluntary contributions on an *ad hoc* basis to keep the operations afloat. We have made and supported proposals designed to afford an opportunity for negotiated settlement of the financing arrangements.

COLLECTIVE FINANCIAL RESPONSIBILITY

We are convinced that the principle of collective responsibility is the only sensible basis for financing peace-keeping operations. We believe that Article 19 was intended to provide the sanction for that principle. But recognizing the practical difficulties which have arisen, Canada seeks accommodation - and not confrontation - on these fundamental issues. We shall continue to do so in the United Nations bodies established specifically to deal with these financial problems. We strongly urge the delinquent states to approach such discussions constructively, to join with us in our determination to resolve the financial dilemma and ultimately the political conflict which underlies it.

We also invite other states to consider jointly what can be done to improve the United Nations methods for establishing peace-keeping operations. We are fully aware that standby arrangements within the United Nations framework are not immediately feasible, because of political and practical problems which have priority. But we are equally aware from diplomatic discussions that some members are disturbed about the sad state of the United Nations preparedness in this important area of activity. Like Canada, they have made their own arrangements for earmarking national contingents for United Nations service. Canada regards this as a promising and practical approach in the face of prevailing circumstances and one which should be developed through closer consultation among interested states.

SECURITY COUNCIL MUST ASSERT ITSELF

There are these practical problems and the underlying political issues, which have proved intractable for a long time - questions of organization, representation and procedure. In particular, the Security Council needs to re-assert its authority for exercising political control in relation to peace-keeping operations. This need goes beyond the control of operations because in essence they may be without lasting benefit unless the actual causes of tension and disturbance can be removed. To exert its proper influence, the Council should be enlarged to permit a balanced composition in its membership with equitable representation for all geographical areas. Its functions should be performed fully and perhaps modified to meet the changing situation in the world. These and other constitutional questions beg for answers as the United Nations approaches its twentieth year.

(Continued on P. 6)

NORTHWEST HIGHWAY TRANSFER

A public ceremony at Whitehorse, Yukon Territory, on April 1 marked the hand-over of the Northwest Highway System from the Department of National Defence to the Department of Public Works.

Representing National Defence was Lieutenant-General Geoffrey Walsh, Chief of the General Staff. The Public Works representative was Mr. G. Lucien Lalonde, Deputy Minister.

The Northwest Highway System had been maintained by the Canadian Army since April 1, 1946, when it was taken over from the United States Army.

A cairn and suitable plaque commemorating the handover were unveiled as part of the ceremony. Senior officials from the provinces of British Columbia and Alberta, the Yukon Territory and the State of Alaska were present.

NORTHERN EDUCATION THRIVES

Recently, on the isolated Belcher Islands in Hudson's Bay, a young teacher from Manitoba marked a reading test that would compare the progress of his 15 Eskimo pupils, on an equal basis, with pupils in southern Canada. He knew that the youngsters in his one-room school with its snow-swept windows were interested and quick. But it takes time to learn a new language, and time to learn about an unfamiliar outside world; the school had been in existence only three and a half years.

The youngsters completed the test in the regulation 20 minutes. Paulossie Kavik, who leaves his rifle outside the school in case he sees a ptarmigan on the way home, got a perfect score. The other children rated well above average for their school years.

"The Belcher Island School is not unusual in its achievement; other schools in the Northwest Territories and Arctic Quebec scored equally well on similar tests," said Northern Affairs Minister Arthur Laing recently. "In fact, the progress and rapid expansion of education is one of the biggest stories in the North today. Enrolment figures have passed the 6000 mark; about 300 trainees outside the schools are taking courses in trades that range from the operation of heavy-duty equipment to coffee-shop management and fish filleting."

SPECTACULAR ENROLMENT INCREASE

In the past six years, the increase in school enrolment has been most spectacular in the sparsely-populated settlements of Baffin Island, the Keewatin District and Arctic Quebec. In Arctic Quebec, where 96 per cent of the pupils are Eskimo children, attendance figures have risen from about 50 in 1958 to over 650. Since 1955, the Frobisher Bay school on Baffin Island has added 13 classrooms; the present 15-room school and smaller schools in scattered settlements accommodate a total of 628 children. In the Keewatin District nearly 500 children have the usual school day with active play at noon and a hot lunch served by the teacher.

"About 400 Eskimo children are still not in schools in the Eastern Arctic," says W.G. Devitt, Northern Affairs Superintendent of Schools for the Arctic District. "These children are mainly in the Baffin Island hunting camps, where families live by hunting and trapping. The parents have to choose between parting with school-aged children for the term or giving up their means of livelihood and moving into a populated settlement where hunting may be poor. It is a difficult choice for a close-knit Eskimo family to make."

To ease the change from home life to "boarding school", small family-type hostels with bunks for eight children are being built near the Arctic District schools. An Eskimo mother and father supervise the children. The girls help with the sewing, meals and sweeping; on week-ends the boys hunt and trap with their foster father. When the school term is over, the youngsters come back to their family circle.

"In a small settlement, the teacher and the missionary or the trader are likely to be the only non-Eskimos in the community," says Mr. Devitt. "This means that the teacher may dispense drugs, give emergency first aid, buy and pack carvings, and distribute family allowance cheques as well as teach school. When an epidemic of measles hits the settlement, a teacher has to pack up his books until it's over."

ASPIRATION TO UNIVERSITY

In the Mackenzie District, the first federal school was built at Tuktoyaktuk, east of the mouth of the Mackenzie River, in 1947. In the next ten years other schools were opened, which are now beginning to graduate their first Eskimo and Indian students. The first Indian girl to become a teacher in the Northwest Territories is a graduate of the Sir John Franklin School at Yellowknife. Last summer, a young Eskimo boy graduated from the Inuvik federal school with an above 80 average; he is now studying science in the University of Manitoba. Through a plan of grants and loans established by the Northwest Territories Council, financial support is available to permit all N.W.T. students who qualify for university entrance to continue their studies at universities in the south.

The Eskimos themselves are beginning to look ahead to the future that a sound academic education will provide for their children. "My girl is three, and she should be a nurse or a teacher," says a young Eskimo Assistant Northern Service Officer at Igloolik. "My boy is five and he should go to university. Things like this must be planned, and I am saving my money now."

ENGINEERING DROP-OUTS

The average drop-out rate for engineering classes that graduated from 1954 to 1963 from Canadian universities was 44 per cent. This was revealed in Bulletin No. 3 in the series *Professional Manpower Bulletins* issued by the Economics and Research Branch, Department of Labour.

(Over)

This report indicates that the drop-out rate increased steadily, from 31 per cent for the class of 1954 to 50 per cent for the classes of 1960 and 1961, falling to 46 per cent for the 1963 class.

The figures indicate that the engineering drop-out rate was higher than the comparable rates in certain other university faculties. For the class that graduated in 1959, the estimated drop-out rates were as follows: engineering, 45 per cent; arts and science, 41 per cent; commerce, 32 per cent; law, 29 per cent; agriculture, 25 per cent; forestry, 21 per cent; medicine, 10 per cent and dentistry, 9 per cent.

RATE BY ACADEMIC YEAR

In engineering, for the classes of 1954 to 1963, 24 per cent on the average dropped out in the first year, 10 per cent in the second year, 6 per cent in the third year, and 4 per cent in the final year. For five-year engineering courses, the second year was considered as the starting year in order to permit comparisons with four-year courses.

In addition to giving statistics on drop-out rates, the report also presents an analysis of the various influences causing students to drop out of university and examines the relations between the drop-out and student potential.

NEW RCAF TRANSPORTS

The Minister of National Defence, Mr. Paul Hellyer, recently announced that a decision had been reached to purchase 16 C-130 "E" ("Hercules") long-range transport planes for the Royal Canadian Air Force. Delivery will start late this year, and is expected to be completed by autumn of 1965. The "E" is the advanced version of the "Hercules". The full programme cost, including spares, ground-handling equipment and other support items, is estimated at \$55 million.

Since the Canadian requirement for this aircraft is not sufficiently large to permit economic production in Canada, they will be procured by the Department of Defence Production from the Georgia Division of the Lockheed Aircraft Corporation through the United States Department of Defence. Suitable arrangements will be worked out within the framework of the Canada-United States Production-Sharing Programme, whereby this and other Canadian procurements falling in the same category will be offset by U.S. defence purchases in Canada.

The aircraft will be flown by Air Transport squadrons now based at RCAF Station Namao, near Edmonton, Alberta, and RCAF Station Downsview, near Toronto, Ontario, as well as at the Operational Training Unit located at RCAF Station Trenton, Ontario.

C-130 "B" transports now actively engaged in the United Nations airlift operation to Cyprus will be transferred from 435 Squadron at Namao to 408 Squadron, now at Rockcliffe, Ontario, but scheduled to move to Rivers, Manitoba, this month. With 408 Squadron, this earlier version of the "Hercules" will

be used for long-range reconnaissance and army training roles.

The major differences between the "B" and "E" versions of the "Hercules" are increased range and load-carrying capability. The latter can carry 10,000 more pounds of payload than the former, with 1,000 miles further range.

MOST VERSATILE PLANE

Considered one of the most versatile aircraft in the world, the "Hercules" is capable of performing a wide variety of missions, including heavy cargo and troop transport, trans-oceanic and Arctic supply operations, "paratropping", and reconnaissance. It is a "rear-loader", which means that it can be loaded and unloaded quickly with a minimum of handling equipment, and can "offload" parachute troops and supplies in flight. Its STOL (Short Take Off and Landing) capability allows the "Hercules" to use short, rough fields, making it ideal for army support operations.

The "Hercules" is used extensively by the U.S. Air Force, Navy, Marine Corps and Coast Guard. In addition, it is being flown by the Air Forces of Australia, Indonesia, Pakistan and Iran, and is on order for New Zealand.

POLYMER ANNUAL REPORT

Record sales of \$97,460,000 were posted by Polymer Corporation Limited and subsidiary companies in 1963, a 12 percent increase over last year's previous record of \$87,022,000. This was the highlight of the company's annual report for 1963, which was tabled recently in the House of Commons by Mr. C.M. Drury, the Minister of Industry.

The report also showed a net profit after taxes of \$9,138,000. Dividends in the amount of \$3,250,000 were paid into the Consolidated Revenue Fund, reflecting an increase in the annual rate commencing in the fourth quarter of the year. Total rubber production again set a new record level of 436 million pounds.

HIGH EXPORT LEVEL

Mr. Drury expressed pleasure with Polymer's continued successful performance and commented favourably on the high level of export business which the company had been able to achieve. The ability of Polymer Corporation to market its products throughout the world in the face of strong competition, was, he said, a fine example of Canadian enterprise and management.

The Minister further expressed his confidence in the ability of Polymer to take advantage of the changes that lay ahead in the rubber industry. He pointed out that Polymer's active research and development programme was directed toward opening the way to new products and processes. This research effort, coupled with effective planning, should enable the company to retain its strong position as a major world supplier of high-quality synthetic rubber.

(Continued on P)

NEW SPORT AND FITNESS GRANTS

Action on a number of recommendations of the National Advisory Council on Fitness and Amateur Sport was announced recently by Miss Judy LaMarsh, the Minister of National Health and Welfare. Grants totalling \$540,396 have been provided to help expand the programmes of 37 national associations concerned with sports and the development of fitness. The total awarded to national sports-governing bodies and similar groups since the Fitness and Amateur Sport Act came into effect two years ago is now almost \$1,700,000.

TRAINING OF LEADERS ENCOURAGED

In considering applications for assistance, the National Advisory Council gave priority to projects featuring leadership training. This emphasis is reflected in the provision of major grants to agencies such as the Canadian Amateur Hockey Association and l'Association Canadienne des Centres de Loisirs. The Hockey Association receives \$50,000 to operate "coaching clinics" across Canada, and the French-speaking recreationists receive \$42,000 for training courses for directors and activity leaders from community centres.

The Royal Canadian Legion's national track and field clinic, which was hailed last year as a breakthrough in Canadian sports, will be held again this year with federal assistance. This year the Legion receives \$51,133 for an expanded programme that will include coaching clinics in every Canadian province.

NATIONAL AND INTERNATIONAL COMPETITION

Grants to broaden the scope of national championships and to increase Canadian representation at international sports events will be used for a wide variety of sports, from snowshoeing to badminton. The largest amounts for championship competition go to the Amateur Athletic Union of Canada, which receives \$38,713 for this purpose, and the Canadian Olympic Association, which receives \$30,000.

Several proposals to promote individual sports, especially through the training of coaches, are still under consideration by the National Advisory Council. A special Council committee will consult national agencies seeking assistance for basketball, junior baseball, soccer, volleyball, and Canadian football at the intercollegiate level.

CONSOLIDATE SERVICE FOOD SUPPLY

The Royal Canadian Army Service Corps has assumed responsibility for the wholesale supply of bulk food to the Royal Canadian Navy, effective April 1. This move to consolidate the supply of foodstuffs for the Armed Forces is the result of recommendations made by a tri-service committee under the chairmanship of Commodore D. McClure, Director-General Naval Supply.

The shift in responsibility is an extension of supply methods in operation since 1955, whereby the

Army has been providing food in bulk to naval establishments in Montreal and to naval radio stations at Gloucester, Ontario, Churchill, Manitoba, Inuvik, Northwest Territories, and Aldergrove, British Columbia.

Under the new arrangement, the Army will provide bulk food based on actual requirements evaluated by the RCN. The Navy will continue to control the quantities of foods required.

On the Pacific Coast, the RCASC will take over operation of the RCN central victualling depot at HMC Dockyard, Esquimalt. The Navy depot in Esquimalt has adequate storage facilities to meet the integrated Navy-Army requirement. In Halifax, extra facilities have been prepared by the RCASC to accommodate the Navy's needs.

WHOLESALE TRADE

Canada's wholesalers proper had sales in 1963 valued at an estimated \$10,181,600,000, an increase of 5.6 per cent from the revised 1962 total of \$9,640,500,000. December 1963 sales were up 10.8 per cent from those in December 1962, at \$881,216,000 versus \$795,559,000.

Of the 18 specified kinds of business, 16 posted greater sales in 1963 compared to 1962; the year's sales of meat and dairy products were down by 0.5 per cent from a year earlier, at \$172,600,000, and hardware by 0.4 per cent at \$355,700,000.

The year's sales of the 16 kinds of business posting gains were, in millions (percentage increases from 1962 in brackets): fresh fruits and vegetables, \$323.0 (4.8 per cent); groceries and food specialties, \$1,987.0 (6.7 per cent); clothing and furnishings, \$105.0 (2.1 per cent); footwear, \$41.7 (1.0 per cent); other textile and clothing accessories, \$212.7 (2.3 per cent); coal and coke, \$151.0 (8.0 per cent); drugs and drug sundries, \$258.2 (4.2 per cent); newsprint, paper and paper products, \$325.0 (5.2 per cent); tobacco, confectionery and soft drinks, \$800.2 (0.5 per cent); automotive parts and accessories, \$457.0 (3.5 per cent); commercial, institutional and service equipment and supplies, \$140.9 (1.1 per cent); electrical wiring supplies, construction materials, apparatus and equipment, \$190.6 (9.2 per cent); other construction materials and supplies, including lumber, \$830.8 (6.5 per cent); farm machinery, \$84.9 (19.6 per cent); household electrical appliances, \$218.5 (3.8 per cent); and industrial and transportation equipment and supplies, \$828.0 (6.6 per cent).

BEAM-THERAPY UNITS FOR INDIA

The Secretary of State for External Affairs, Mr. Paul Martin, has announced that three cobalt beam-therapy units and two replacement sources have been contributed through the External Aid Office to India under Canada's Colombo Plan programme to assist in the fight against cancer.

(Over)

The contribution of these Canadian-manufactured cobalt units to India is part of Canada's increased medical assistance to developing countries and a further manifestation of Canadian interest in the peaceful use of nuclear energy. A necessary precondition to the employment of such units is that radiation-proof buildings exist and that trained technical staff be available. Canada has, consequently, been encouraging projects in the medical field and others where its donations of capital equipment are co-ordinated with its technical assistance programme to ensure that qualified personnel are available to operate and maintain the equipment donated. For instance, six persons from India have been trained in Canada on radiology and related fields.

The cobalt units have been assigned to hospitals in Jaipur, Calcutta and Bombay, where the type of accommodation required to house them exists and where trained technical staff is available to operate them. The replacement sources are for Canadian therapy units now in service in hospitals at Vellore and Ludhiana. The shipment is to take place shortly.

PROVINCIAL ENTERPRISES

Assets held by some 70 provincial-government corporations amounted to \$7,291 million in 1961, with approximately 80 per cent of the total concentrated in property and plant. Investments, including loans and restricted funds, comprised about 11 per cent of holdings.

Long-term loans and debentures debts accounted for almost three-quarters of the total liabilities and net worth at the end of 1961. Some \$1,328 million in loans were payable to parent governments, which also guaranteed all but 1 per cent of \$4,056 million in securities outstanding.

Provincial-government enterprises registered sales to the value of \$1,374 million in 1961. Financial income, largely in the form of interest on investments in government direct and guaranteed bonds, yielded an additional \$42 million in revenue. Total current expenditure, mostly the cost of goods sold and fixed charges, amounted to \$1,122 million. Net profits (less losses) were \$301 million.

AN ERA OF LIMITED PEACE
(Continued from P. 2)

But the practical problems of peace-keeping today cannot wait long. In Cyprus they must be solved pragmatically, as the United Nations finds its footing there and confidence is restored. In the General Assembly — and before that in the Working Group of Twenty-one on United Nations finances — the financial dilemma must be faced squarely and constructively. And in the future, whether formally inside the United Nations framework or outside it in the arrangements of interested member states, the methods for training, assembling and directing international military forces must be improved so that they can be deployed on the shortest notice.

These are the formidable challenges of the immediate future. They may loom even larger during the coming summer. But the very size of the problems, their complexity and their significance, require that United Nations members of all shades of opinion face their responsibilities in this regard resolutely. They must put aside their short-sighted and debilitating manoeuvring for national, regional and ideological influence. They must demonstrate their determination to co-operate in keeping the United Nations effective. Our era of limited peace demands no less.

CONSOLIDATE SERVICE FOOD SUPPLY

The Royal Canadian Army Service Corps has assumed responsibility for the wholesale supply of food to the Royal Canadian Navy, effective April 1. This move to consolidate the supply of foodstuffs for the Armed Forces is the result of recommendations made by a tri-service committee under the chairmanship of Commodore D. McCune. The shift in responsibility is an extension of similar methods in operation since 1952, whereby the

BEAM THERAPY UNITS FOR INDIA

The Secretary of State for External Affairs, Mr. Paul Martin, has announced that three cobalt beam therapy units and two replacement sources have been contributed through the External Aid Office to India under Canada's Colombo Plan programme to assist in the fight against cancer.