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NATO MINISTERIAL MEETING

On his arrival in London recently, from the NATO Ministerial Meeting in Paris, December 14 to 16, 1965, Mr. Paul Martin, Secretary of State for External Affairs, made the following comments:

This was a valuable meeting of the NATO ministers. Decisions will be required in the months ahead on many difficult problems facing the alliance, and it is gratifying that there has been a frank exposition of the various national points of view and of the differences that exist among them. There was a universal desire to avoid aggravating these differences but, as a result of this meeting, each of us knows better what our partners think.

EAST-WEST RELATIONS

This meeting clearly established that NATO governments have an interest that goes beyond defending the NATO area. They are looking to the eventual resolution of the outstanding issues that have divided Europe for so long. Recognizing that recent indications of Soviet attitudes are not encouraging, the members of NATO nevertheless reaffirmed their determination to find common understanding with the U.S.S.R. and the countries of Eastern Europe. This meeting advanced that purpose.

DISARMAMENT AND NON-PROLIFERATION

It was particularly significant that an organization created for defensive purposes should have demonstrated such an active interest in progress towards disarmament. In particular, there was a full awareness of the danger of nuclear proliferation in all parts of the world.

NON-NATO AREAS

It has for some time been evident that NATO could not limit itself to a discussion of problems within the treaty area. As on previous occasions there was general discussion of the areas of conflict and tension outside the area of the alliance. Vietnam, Rhodesia and Cyprus all received attention. These situations are naturally of grave concern to the alliance as a whole, even though they do not involve the reciprocal obligations of the members of NATO. It is undoubtedly helpful to those directly involved in the situation to know the views of their partners.

CYPRUS

As one of the main contributors to the UN Force in Cyprus, Canada, as on past occasions, took the opportunity at this meeting to explore the prospects of a settlement. Conversations were held with both the Greek and Turkish representatives to this end. To them, and in statements in the NATO Council, it was emphasized that there should be as broad as possible financial and other support for the UN peace-keeping effort in Cyprus.

NUCLEAR PROBLEMS

NATO will soon have to give particular attention to nuclear problems. There was a useful discussion of studies to be undertaken on some of the practical aspects of nuclear arrangements. There was a valuable opportunity for Canada to have discussion on these and other problems with ministers from the U.S.A., France, Britain and Germany.

NEW CABINET MINISTERS

Recommendations made to the Governor General for the appointment of five new Cabinet Ministers and changes in the portfolios of five others are outlined in the following extract from a statement made by Prime Minister L.B. Pearson on December 17, 1965:

I saw His Excellency, the Governor General, last night and I recommended to him the appointment of five new Cabinet Ministers and changes in the portfolios of five others. His Excellency accepted these recommendations.

The new Ministers will be:

The Honourable Robert Winters, Member of Parliament for York West.

Mr. Jean Marchand, Member of Parliament for Quebec West.

Mr. John J. Greene, Member of Parliament for Renfrew South.

Mr. Jean-Pierre Côté, Member of Parliament for Longueuil.

Mr. John Turner, Member of Parliament for St. Lawrence-St. George....

Including the above, the changes which I have recommended to the Governor General in the Ministry are as follows:

The Honourable Mitchell Sharp, Minister of Finance.

The Honourable Arthur Laing, Minister of Northern Affairs and National Resources, to become Minister of Indian Affairs and Northern Affairs.

The Honourable Allan MacEachen, Minister of National Health and Welfare.

The Honourable Judy LaMarsh, Secretary of State.

The Honourable J.R. Nicholson, Minister of Labour and Minister responsible for Central Mortgage and Housing Corporation.

The Honourable Maurice Sauvé, Minister of Forestry, to become Minister of Rural Development and Forestry.

The Honourable E.J. Benson, Minister of National Revenue, to become also President of the Treasury Board.

The Honourable Jean Luc Pépin, Minister of Mines and Technical Surveys, to become Minister of Resources and Energy.

Mr. Jean Marchand, Minister of Citizenship and Immigration, to become Minister of Manpower.

Mr. John J. Greene, Minister of Agriculture.

Mr. Jean-Pierre Côté, Postmaster General.

Mr. John Turner, Minister without Portfolio.

Early in the new year, the Honourable Robert Winters will be appointed Minister of Trade and Commerce....

RAINY RIVER POLLUTION CONTROL

The Governments of Canada and the United States announced on December 13 their approval of the recommendations of the International Joint Commission for the control of pollution in the boundary waters of Rainy River, Ontario. The recommendations were contained in a report dated February 24, 1965,

in response to a request of the two governments, dated May 30, 1959, for an investigation into pollution in Rainy River and Lake of the Woods, which is situated on the international boundary and lies partly in Ontario, Manitoba and the State of Minnesota. The Commission found Lake of the Woods to be in satisfactory condition.

WATER-QUALITY OBJECTIVES

The Commission recommended the adoption of specified water-quality objectives as the criteria of success in maintaining the waters of Rainy River in accordance with the Boundary Waters Treaty of 1909, which provides that 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. The Commission also recommended that the appropriate authorities require the industries and municipalities concerned to start as soon as possible, to a definite schedule, on the construction of the pollution-abatement facilities necessary to achieve and maintain the stated objectives. In approving the recommendations, the two governments authorized the Commission to establish continuing supervision over water quality in Rainy River.

In his letter of approval, the acting Secretary of State for External Affairs stated that the Commission's report was a significant contribution to knowledge of water-pollution control. The Commission was assured that action was being taken by the responsible authorities concerned to implement the recommendations.

FEDERAL EMPLOYMENT

According to a report from the Dominion Bureau of Statistics, federal departments, corporations and agencies employed a civilian staff in excess of 357,000 at the end of August. The payroll for the month totalled \$153 million, virtually the same as in July, but up by \$9.9 million (7 per cent) from August last year. The cumulative payroll for the first eight months of 1965 amounted to \$1.2 billion, greater by 6 per cent, compared to a year ago.

The number of employees in agency and proprietary corporations and other agencies, increased slightly to 144,600, while the total payroll decreased \$0.4 million to \$68.2 million. The cumulative payroll for the period January 1 to August 31 was \$515.8 million, compared to \$479.9 million a year earlier.

Departmental branches, services and corporations employed 212,700 persons at the end of August; this was slightly more than in July and almost 4,700 (2 per cent) above the figure for August 1964. The total payroll of \$58.1 million was slightly above July's figure and \$5.3 million (7 per cent) above that for a year ago. The January 1 to August 31 payroll amounted to \$658.6 million, up by 4 per cent from \$630.4 million in the comparable 1964 period. The payroll totalled \$417.8 million in the first five months of this fiscal year, higher by 5 per cent compared to the preceding year's corresponding figure of \$396.8 million.

THE RAILWAYS RESPOND TO CHANGE

The following is a partial text of a recent address by Mr. Donald Gordon, President and Chairman of the Board, Canadian National Railways, to the Toronto Railway Club:

...I want to go on record as saying that the railway industry in Canada, like the railway industry generally in North America, has been responding to change in a positive fashion, albeit a little slowly in some respects. I know that this goes against some some popular assumptions. It is often alleged that the greater part of the post-war difficulties of the railway industry have been due to a short-sighted refusal to look for and apply improvements in technology and management methods. But this generalization is not supported by fact. Such developments as "dieselization", electronically-controlled hump yards, centralized traffic control, computerized data processing, "piggyback", "containerization", specially-designed rolling stock and a new customer-oriented approach to sales and market development are all positive responses to the need of the times. Some may still contend that the railway industry has not, on the whole, taken full advantage of all scientific and technological resources developed since the end of the Second World War, but it is by no means accurate to suggest there has been a closed mind to all innovation and improvement in operational and management methods.

There are two bad ways of dealing with change; one is simply to oppose it and the other is to embrace it blindly and for its own sake. When the poet Pope said "Be not the first by whom the new is tried nor yet the last to lay the old aside", he was not likely to have been talking about railways. Indeed, I think it was fashions in clothing he had in mind. But his advice is not bad for the railway industry in a day and age when any major technological innovation is bound to have repercussions throughout the entire transportation industry and may well affect the course of events in the nation itself.

SOME PROBLEMS EXTERNAL

This point — the fact that there are social and political factors external to the industry that impede the effective application of technical advance — is frequently overlooked. Willingness and ability to take advantage of technical progress will not, in themselves, solve the problems of the railways. Social and political barriers may impede the effective application of even our present technological capacity; and thus, these external problems may well be more critical and conclusive in respect of policy determination than the technological ones. And so we may well ask what are these external problems, where do they come from and what can be done about them?

Perhaps as good a summary as any of what I have in mind here was provided by the late President John F. Kennedy in his 1962 message on transportation to the U.S. Congress. He said: "Crushing problems are burdening our national transportation system, jeopardizing the progress and security on which we

depend. A chaotic patchwork of inconsistent and often obsolete legislation and regulation has evolved from a history of specific actions addressed to specific problems of specific industries at specific times. This patchwork does not fully reflect either the dramatic changes in technology of the past half century nor the parallel changes in the structure of competition..."

One does not have to go outside Canada to find the same view being expressed. The point was well and eloquently made by Dr. J.J. Deutsch, the Chairman of the Economic Council of Canada, in a talk to the first annual meeting of the Canadian Transportation Research Forum last September. He said "Our country's transportation policies and systems have been forged and shaped by the necessity of building a nation that occupies half a continent. However, in spite of the importance of the role of transportation in such a vast land, our studies of its role and of its problems in its many forms have been sporadic and piecemeal. Over and over again, during the past 100 years when difficulties became critical, Royal Commissions were appointed to make hurried inquiries and to suggest quick solutions. Frequently, the results and implications of the work of these inquiries went unheeded and were not followed up in time. Very often economic factors have not been given sufficient weight in the formulation of policy. There continues to be less than a satisfactory understanding of the impact on the Canadian economy of the costs and contributions of the various elements in our transportation system...."

NEED FOR RESEARCH CENTRE

It seems to me that a great obstacle to the achievement of a truly efficient, low-cost transportation system in Canada is the lack of a vigorous, continuous and co-ordinated programme of transportation research. We need urgently, I suggest, an independent, university-based transportation research centre or institute which will provide, on a consistent basis, the body of up-to-date information and analysis that is necessary to underpin decision-making and develop national transportation policies appropriate to the times in which we live.

We at Canadian National are very conscious of this need and, therefore, we are very interested in the current efforts of the federal Department of Transport to set up and support a transportation research unit at a Canadian university.

I am not aware at the moment of how far along this project is nor of its exact nature and scope. I can say, however, that we at CN heartily support the principle behind this effort, will do everything in our power to make it a success and urge everybody else in the transportation and allied industries to take a constructive interest in it...

...In this country...there is an immediate need for scientific and engineering research in transportation. We are not, of course, entirely lacking in such research now. Canadian National has a very efficient Research

and Development Department that has made significant contributions to transportation technology. Other companies have also made contributions in this field and some useful research projects have been carried out by government and universities....

NORTHEAST CORRIDOR PROJECT

In Canada we also have the benefit of what has been called "spill-over" from scientific and engineering research in the United States. We are watching with a great deal of interest, for instance, the so-called Northeast Corridor Project to explore the potential of fixed-path, high-speed ground transportation in that heavily-populated and highly-industrialized area. Engineers and scientists are talking in very practical terms of running trains at 150 to 160 miles an hour along the Washington-New-York-Boston route. In somewhat more visionary, but by no means wildly impractical, terms they are also thinking about eventually running trains underground at speeds up to 500 miles an hour, and using the vacuum-tube principle for motive power.

Research projects of this nature have important implications for Canada. But in this area, as in others, there are grave disadvantages in over-dependence on others. For one thing, Canadian need for technical advance is so urgent that we cannot tolerate the time lag that exists between a development in another country and its application in Canada. For another, we need research and development aimed at meeting specifically Canadian needs and conditions, including recognition of the social, political and regional impact of scientific and technical developments....

TELECOMMUNICATIONS ADVANCES

I am quite fascinated by the implication of some technological developments. Take the field of telecommunications as an example. In this field our own CN-CP organization is making remarkable advances. Only last September our experts began work preliminary to the creation of a single Canadian Forces communication system which will employ the most modern technology including the possible use of satellites orbiting the earth. The choice of the CN-CP organization for this job is a tribute to the technical competence of the organization and an indication of confidence that we in Canada are abreast of the very latest developments in this field. I can well believe this because our own telecommunications experts keep telling me about such developments as "broad-band switching", which is due to come into service next year. This is a high-speed data exchange service that will allow subscribers to transmit data at speeds ranging up to 33,000 words per minute. At this speed the bible could be transmitted in 23 minutes and the whole Encyclopedia Britannica in about seven hours. Equally important is the fact that pictures can be transmitted as well as words, so that complete blocks of data, including blueprints and illustrations, can be sent back and forth across the country literally in seconds. The implications of this, and even more startling forecasts of advances seen for the near future, are, as I have said, enormous. One implication

is that businessmen and scientists and technicians may be able to communicate with each other so quickly and completely that there will be little need for them to travel any more. You will be able to hold a conference, perhaps even a whole convention, without anybody ever leaving his home or office....

PIPELINE COMPETITION

Another matter of great interest to Canadians is solids pipelines research. CN's Research and Development Department has been looking into this because it is obviously of great importance to the future of our business. Are solids pipelines going to take away some railway business or can they be used to augment railway service and thus increase business? Is the unit or integral train the "answer" to the pipeline and, if so, to what extent? We are getting some of the answers and other researchers are also in the field in Canada. But there are obvious limitations to what one company, or one group with special interests can do in this field and the need for broad objective studies is great....

LABOUR RELATIONS

...Technological advance must be accelerated if we are to meet new and growing requirements for the movement of people and goods. But new equipment often requires new skills and retraining or relocation of manpower. It is by no means inevitable that technological advance means an overall reduction in manpower requirements. But we must have research into what new jobs are developing and how we should tailor the retraining and relocation projects that will certainly be required. In the interests of an efficient national transportation system, collective bargaining in the transportation industry must promote efficiency as well as help solve specific problems in labour management relations. Such matters as job assignments, work rules and employment practices must be dealt with in a manner that will recognize the human problems produced by technological change and, at the same time, encourage increased productivity in the transportation industry.

SUMMARY

In summary then - to understand the increasingly complex transportation problems of today and tomorrow, to identify the relationships of social, economic, administrative and technical factors involved, to translate scientific knowledge into transportation engineering practice, to weigh the merits of alternative systems and to formulate new improved and consistent policies - we in Canada need information that can only come from a good programme of transportation research.

There is urgency in this matter. An efficient, low-cost transportation system is essential to the prosperity and progress of Canada. I repeat that I do not regard our present transportation as basically inefficient. It works pretty well by the standards of other countries and we do get things done; we get the wheat to Russia one way or another and we are doing some things that bring people here from other countries to observe and to learn.

But our transportation system is more costly than it should be and, in the competitive world of today, Canada, with her great distances and dependence on foreign trade, simply cannot afford this luxury. We *must* reduce the relative, if not the absolute cost of moving goods and materials within Canada and to overseas markets if we are to remain competitive....

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INDIAN PAVILION FOR EXPO '67

Mr. John R. Nicholson, then the Superintendent of Indian Affairs, announced recently that plans, which had received the support of the Federal Government, for a Canadian Indian Pavilion at Expo '67, would be discussed at a meeting of the National Indian Advisory Board to be held in Ottawa in January 1966.

The Indian Pavilion, to be located in the Canada area of the exhibition, will, according to the Minister, symbolize the heritage of the Indian people and describe its contribution to Canada. In design and its exhibits alike, the Pavilion will portray and emphasize the cultural expression of Canadian Indians.

Mr. Nicholson added that, in accordance with Government policy, continuing consultation with Indians would take place during the course of the project, particularly in the work of the special design committee. He also said that he hoped to see active Indian participation, not only in the planning but in the operation of the Pavilion.

* * * *

BISON RETURN TO MANITOBA

After an absence of almost 100 years, an original Manitoba resident — the plains bison — is coming home.

Mr. Arthur Laing, the Minister of Northern Affairs and National Resources and Mr. Sterling R. Lyon, Minister of Mines and Natural Resources of Manitoba, in a joint release, said recently that a herd of 20 plains bison (popularly called buffalo) from Elk Island National Park in Alberta will be settled in the new 500,000-acre Mawdesley Wildlife Management area east of The Pas in Manitoba. This is a pilot project of the Manitoba Department of Mines and Natural Resources and the Canadian Wildlife Service to find out if bison can survive in Manitoba.

The area chosen for the release of the bison lies between Moose Lake and Mawdesley Lake. It was selected after surveys had been made of several possible sites by Federal bison experts and contains habitat similar to that which supports plains bison in the Alberta portion of Wood Buffalo National Park. Though climate and vegetation appear to be suitable, only a prolonged and intensive biological study can ascertain if bison can thrive in the area. Rather than wait for such a study, Mr. Lyon said, it was decided to release a small experimental herd and observe how they adapted to their new surroundings. If the first release is successful, a second and larger release would be made in future, the Ministers said.

There is evidence that bison did at one time occasionally inhabit the area. Buffalo bones have been found near where the release will be made and the local people can recall stories told by their forefathers of buffalo hunts.

The buffalo are being selected from the anthrax-free Elk Island herd and are being released in an isolated area where there is no chance of their coming in contact with domestic stock.

Mr. Lyon said that, if successful, this experiment would see the return to Manitoba of one of its largest and most exciting wildlife attractions. The original herds were shot out and their habitat destroyed during the early settlement of the province. Mr. Lyon said that the re-introduction of the buffalo would return it to its natural home. The first release of the animals is expected late next year.

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MURAL FOR NEW AGRICULTURE HQ

A Vancouver artist, Takao Tanabe, has been commissioned to paint a mural 80 feet wide and 13 feet high to dominate the main-floor foyer of the Sir John Carling building, \$10-million headquarters of the federal Department of Agriculture, which is now under construction at the Central Experimental Farm, Ottawa.

The announcement by Public Works Minister George J. McIlraith, followed the selection of Mr. Tanabe's design by a five-man board. Mr. Tanabe's entry was among three invited from prominent Canadian artists. The others were from Gerald Trottier of Grand Calumet Island, Quebec, and London, Ontario, and Kenneth Lochhead of Winnipeg, Manitoba.

As winner of the competition, Mr. Tanabe will be awarded a \$25,000 contract for execution of the work, which will be done on Japanese dip-dyed paper applied to low-relief sculpture. Each of the three centre panels will be 20 feet wide; the two end panels will be 10 feet wide. The theme of the mural, suggested by the Department of Agriculture, is "Man, Soil and Climate".

Mr. Tanabe will do most of the work in his Vancouver studio, after which the mural will be shipped to Ottawa in relatively small panels for final assembly and completion at the site.

* * * *

VOCATIONAL REHABILITATION

The main item on the agenda of a recent meeting of the National Advisory Council on the Rehabilitation of Disabled Persons in Ottawa was discussion of a series of proposals to strengthen and expand the joint federal-provincial vocational rehabilitation programme.

Since this programme began in 1952, co-ordinated rehabilitation services have been made available to a steadily-increasing number of physically-handicapped people and, in recent years, to more and more mentally retarded, or mentally "restored" persons.

The Minister of Labour said that, with the increasing effectiveness of the programme, the value of

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vocational rehabilitation had become more widely appreciated. It had been demonstrated that vocational rehabilitation services could be applied with equal success not only to the physically and mentally handicapped but to other persons who needed individual, specialized help in overcoming their problems of vocational adjustment and to participate in the labour market.

Techniques for discovering and assessing persons who would benefit from vocational rehabilitation have been improved. Rehabilitation services have also developed closer contacts with other manpower and health and welfare programmes.

EXPANSION NECESSARY

As a result, there has been a sharp rise in the number of persons referred to rehabilitation services through provincial and municipal agencies, through the National Employment Service and private groups. This requires a substantial expansion in the joint programme through more well-trained staff, increased facilities and a broader range of services. In this way the programme would be developed as an important contributor to Canada's manpower and employment programme.

COUNCIL AGENDA

The Council discussed proposals to expand the programme under seven headings: improved staffing; increased availability of vocational rehabilitation services; increased co-ordination with other programmes; expanded facilities; more vocational training for the handicapped; extended research and increased consultation and planning.

The 25-man Council is made up of representatives of federal and provincial government departments, health and welfare voluntary agencies, the medical profession, universities, employer-organizations and unions.

NATO MINISTERIAL MEETING

(Continued from P. 1)

FRANCO-CANADIAN RELATIONS

The Minister's presence in Paris enabled him to have discussions with the French Foreign Minister, not only on international problems but also on the important range of subjects of bilateral interest. These discussions formed part of the regular exchange of views which have been taking place between France and Canada.

VIETNAM

In London and Paris Mr. Martin explored, with the British Foreign Secretary and the U.S. Secretary of State, the possibilities of progress towards peaceful settlement in Vietnam.

RHODESIA

On Rhodesia, the Minister, in London and at the NATO meeting, gave support to policies designed to restore a legal regime without resort to force.

Canada remains convinced of the value of the NATO alliance, not only as an assurance of security and as an avenue to peace, but as an essential instrument of partnership among the Atlantic nations.

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