



CANADA

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## CONTENTS

The Developing Commonwealth.....	1
Nelson River Power Development.....	3
Eight-Year Peak in Immigration.....	3
Copper Scrap Exports Suspended .....	4

## THE DEVELOPING COMMONWEALTH

*The following is a partial text of a speech by the Secretary of State for External Affairs, Mr. Paul Martin, in Toronto recently:*

...I have chosen this topic because I believe that Canadians are sometimes concerned about conflict between Commonwealth nations, about reports of serious dissension over matters such as Rhodesia, about changes in the familiar patterns of Commonwealth activity. They may ask whether we are faced with a declining rather than a developing Commonwealth.

I do not propose to begin by trying to define what the Commonwealth means in general terms or to trace the development towards the present relationship among Commonwealth nations. We may understand the present situation better if we examine one or two current or recent developments.

### CANADA AND THE WEST INDIES

I have chosen some positive and welcome developments to begin with. Canada is taking important steps to develop its relations with Commonwealth members in the West Indies.

We in Canada have a long history of association with the West Indies, going back to the years before Confederation. Our present trade is regulated by an agreement that is more than 40 years old. There are strong ties in the past and they have grown stronger in the present. We look forward, in the future, to even closer links with these territories as they take over the direction of their own affairs. In 1962, we welcomed as members of the Commonwealth Jamaica and Trinidad and Tobago, and we look forward to the

accession of British Guiana to independence in May of this year. Three weeks ago the Barbados Legislature completed the processes of deciding to seek independence, and I expect that a constitutional conference will be called this year. British Honduras has, I understand, comparable ambitions for the not-too-distant future. The other islands are progressing towards a wider measure of self-government.

We feel particularly close to the Commonwealth members in this Hemisphere because of the facts of geography and history. We are especially concerned that they should enjoy political stability, social progress and economic welfare. In anticipation of the coming of independence, Canada embarked in 1958 on a five-year programme of development assistance for the Commonwealth countries in the Caribbean. Since 1963, this programme has been enlarged and, as these countries work out their plans for the future, we are seeking new and improved ways of co-operating with them.

For some months we have been discussing with various Caribbean leaders, the organization of a conference at which all aspects of relations between Canada and the West Indies might be reviewed. You will have noted that, when the Prime Minister paid official visits late last year to Jamaica and to Trinidad, the communiqués issued after his talks with Mr. Sangster and Dr. Williams referred to such a conference. Three weeks ago a group of Canadian officials met with officials from the two independent countries and ten of the dependent territories to take preparatory steps towards the conference, which is to take place later this year. I am confident that

it will do much to place our future relations on a sound and intimate footing. I shall not try to anticipate the results of the conference, but I know that Canadians all across the country share with me the hope and expectation that it will serve to strengthen further the Commonwealth as well as our relations with the West Indies....

#### SITUATION IN RHODESIA

Now I should like to say something about the Lagos conference last month, at which Commonwealth representatives considered the Rhodesian situation. This was not the first time Rhodesia had been considered at a Commonwealth meeting. The readiness of Commonwealth leaders in 1964 to face the question of race relations and issue a declaration of principle on racial equality went far to ensure the continuation of the Commonwealth as a meaningful political institution. Last month, the question was again faced in Lagos in an even more explosive form, and again the members displayed their adaptability and their readiness to use the association for constructive consultations. Canada took an important part in the conference, as you know. At the suggestion of our Prime Minister, consultations will continue in two committees, which will have several functions. They will consider sanctions against Rhodesia, aid to Zambia required in connection with the Rhodesian crisis and the development of plans for Commonwealth assistance in the large-scale training programme for Rhodesian Africans, which is likely to be launched after constitutional government is restored.

These committees provide an interesting example of new Commonwealth machinery devised to help deal with a particularly awkward problem.

Although, as I have pointed out, there is a significant movement away from this emphasis, for most members still the most important factor in the Commonwealth is their relations with Britain.

This is only natural when you consider the very brief career of independence of many of them and the correspondingly short period for politically significant groups to draw distinctions between their relations with the Commonwealth and their relations with Britain. Indeed, this is an important reason why the Rhodesian crisis is also a Commonwealth crisis, since some African governments have questioned the determination of Britain to suppress the illegal Rhodesian regime and lay the basis for a government in Salisbury responsible for the majority.

#### NEW ATTITUDE TO COMMONWEALTH

However, the members are increasingly coming to look upon the Commonwealth as not only a link with Britain but also a forum for valuable consultation and action among widely-scattered and diverse countries. The late Prime Minister of Nigeria had this wider appreciation and accordingly proposed the Lagos meeting. Although Ghana and Tanzania have severed relations with Britain at the call of the Organization of African Unity, President Nyerere, at least, has expressed the hope that Tanzania's Commonwealth associations can be preserved. His appreciation of the Commonwealth for the relations it provides with such countries as Canada (I remind

you that we are helping to train his army and air force) no doubt influenced his attitude.

I might add that Canada is trying to diminish the damage to the Commonwealth from the break in relations by looking after British interests in Tanzania and after Tanzanian interests in Britain.

The Rhodesian situation and the Lagos conference have been, therefore, severe tests of the continuing interest of many states in the Commonwealth association. If this association were declining, and if attitudes were generally apathetic, a problem as great as the Rhodesian one would probably have led to its abandonment by many states.

I am not overlooking what are still very considerable dangers to the Commonwealth inherent in the Rhodesian situation. What I should like to stress, however, is that African leaders who have been most critical of Britain and impatient over Rhodesia have, nevertheless, given due weight to the substantial and good features of the Commonwealth connection. In fact, no country has left the Commonwealth on this issue.

#### MEANING OF COMMONWEALTH MEMBERSHIP

I do not intend to list or comment on the many practical implications of Commonwealth membership. I would simply remind you, by way of current examples: (1) that by far the largest part of our expanding Canadian aid programme goes to Commonwealth countries and that other developed members of the Commonwealth do a great deal to help the developing nations within its ranks; (2) that we are giving military aid also to several Commonwealth nations; (3) that, for the first time, a Secretariat was set up last year by the collective decision of members to promote co-operation and consultation (a Canadian is the Secretary-General); (4) that the Commonwealth Educational Scheme has promoted very significant contracts between Commonwealth nations and that new cultural exchanges have been inaugurated only last year; (5) that trade preferences remain from earlier years and that, in many ways not always well known throughout the world, there are clear economic and technical advantages to remaining within the world-wide framework of specialized institutions which originated in an Empire and survived to serve a Commonwealth; (6) that, in spite of reluctance in earlier years to consider joint measures in external affairs and in spite of the dissensions about the Rhodesian situation, there has been a significant agreement on action to deal with the illegal declaration of independence by the Smith Government....

#### LINKS AMONG RACES

There must be compelling ideas also to guide the development of these activities. The most important political feature of the Commonwealth is its multi-racial character. By providing important links between many races, between nations in different parts of the world, and between economically advanced and developing countries, the Commonwealth supports the United Nations in its work of universal peace making and economic and social development. The Commonwealth nations can scarcely hope to be free from the conflicts of interest found elsewhere in the

## NELSON RIVER POWER DEVELOPMENT

Prime Minister L.B. Pearson announced recently that the Federal Government had agreed in principle to participate with the Government of Manitoba in developing the vast hydro-power resources of the Nelson River in northern Manitoba. The first phase will include the construction of a power site at Kettle Rapids and the installation there of 855,000 kilowatts of generating capacity, the diversion of part of the flow of the Churchill River into the Nelson River system near Thompson, Manitoba, the construction of works at the outlet of Lake Winnipeg to control its level and outflow, and long high-voltage transmission-lines from Kettle Rapids southwest to the neighbourhood of Winnipeg. The total cost of this initial development will exceed \$300 million.

The Federal Government will construct, finance, and own the high-voltage transmission-lines required to move the Nelson River power to Winnipeg and, when markets are developed, to the international and interprovincial boundaries. The cost of the planned high-voltage lines from Kettle to Winnipeg and the ancillary equipment required has been estimated at about \$120 million. The line will be leased to the Manitoba Hydro at yearly rates assessed on the basis of the number of kilowatt hours of energy transmitted, which will suffice over a period of approximately 50 years to repay with interest the

investment made in the line.

### POSSIBILITY OF EXPORT

"The Federal Government's participation", said, Mr. Pearson "will ensure that this power site of such great importance does not remain undeveloped only because it is located in a province in which the market for power is still too limited for the province alone to bear the full burden of financing its development. The potential benefits to Canada include a reasonable possibility of the export of power to the midwestern United States and the possible sale of low-cost power to Saskatchewan and Ontario through inter-connections between the utilities of the three provinces. Although the Nelson Development can only be achieved in successive steps, the ultimate development will be of the magnitude of 5,000,000 kilowatts.

"The Government of Manitoba and of Canada will proceed as soon as possible to negotiate the necessary federal agreement, following which the Federal Government will seek the approval of Parliament for it."

The Prime Minister said that the power resources of the Nelson River had been surveyed at a cost of \$4 million as a "50-50" joint federal-provincial undertaking over the past three years under the direction of a joint Nelson River programming board.

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## EIGHT-YEAR PEAK IN IMMIGRATION

Mr. Jean Marchand, Minister of Citizenship and Immigration, recently announced that immigration to Canada in 1965 had totalled 146,758, an increase of 30 per cent over the figure of 112,606 for 1964. "This heartening increase shows Canada's success in attracting large numbers of skilled, educated and otherwise-qualified people, despite world-wide competition for skills," Mr. Marchand observed. "It reflects the increased efficiency of the Department of Citizenship and Immigration, resulting from an extensive reorganization, and is a tribute to the success of increased promotional and recruiting activities abroad."

"It is significant," the Minister added, "that, of immigrants who entered the labour force, 67 per cent were in the more skilled categories. This compared with 59 per cent in these categories in 1964. This demonstrates that Canada is attracting persons with the skills so badly needed now for the continued economic growth of the country."

Immigration to Canada in 1965 was the highest since the post-war peak year of 1957, a time of the most unusual movement of people owing to international crises, such as Suez.

### MAIN SOURCES

The following countries made the largest contribution to the increase: Britain 39,857 (1965), 29,279 (1964); Italy 26,398 (1965), 19,297 (1964); United States 15,143 (1965), 12,565 (1964); Germany 8,927

(1965), 5,992 (1964); Portugal 5,734 (1965), 5,309 (1964); France 5,225 (1965), 4,542 (1964).

Immigration from the United States increased 21 per cent from 1964 and was the highest in any one year since the end of the Second World War.

Ontario and Quebec continued to receive the major share of Canada's immigrants. Ontario received 79,702 or 54 per cent, Quebec 30,346 or 21 per cent, followed by British Columbia with 18,502 or 13 per cent, the three Prairie provinces with 14,646 or 9 per cent, and the Atlantic provinces with 3,427 or 3 per cent.

The total movement was divided almost equally between labour force entrants and non-workers - 74,195 workers and 72,563 dependents or non-workers.

### OCCUPATIONAL CLASSIFICATIONS

Of the workers, 1,449 were managerial; 16,654 professional and technical, 9,919 clerical, 7,587 service and recreation, 2,660 commercial and financial, 2,362 agricultural, and 24,167 manufacturing, mechanical and construction. The Department of Immigration classed 7,112 as being in labouring trades, the majority of these entering Canada on the basis of sponsorship by close relatives where occupational proficiency is not a major factor in determining admissibility.

"These figures show that immigration has once again made a substantial contribution to Canada's growth," Mr. Marchand commented. "Our officers overseas report continued keen interest in Canada and the opportunities here, and we anticipate continued success in our immigration programme in 1966."

During the previous year, the Minister said, the reorganization of his Department had progressed, new offices had been opened in Bordeaux and Marseilles, and the facilities of the Canadian immigration office in Milan had been extended. A study of the possibility of opening full immigration facilities in several other countries was continuing, he added, and Canada's immigration authorities were looking at ways in which they might encourage more immigration from the United States and induce Canadians who had moved south to return home.

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### COPPER SCRAP EXPORTS SUSPENDED

*The following statement was made recently in the House of Commons by Mr. Robert H. Winters, Minister of Trade and Commerce:*

I wish to inform the House of a change in the arrangements for control of exports to off-shore destinations of copper scrap, copper-alloy scrap and copper-bearing scrap. It has become necessary to suspend export quotas and withhold further export permits in the interest of orderly marketing and Canadian supply.

In recent weeks, the price for primary copper on the London Metal Exchange has reached all-time high levels. The daily "spot" quotation on the Exchange for January 26 was the equivalent of 89.54 cents, Canadian funds. This compares with the Canadian producers' price to domestic consumers at 45 cents, Canadian funds.

### EFFECT OF HIGH PRICES ABROAD

Export prices for copper scrap tend to follow movements of the London market price for primary copper. In Canada the influence of these high and rising prices has been reflected in a steadily widening spread between the value of scrap for export and for the domestic market. This spread reached the point where the market became disorganized. Consumers in Canada were unable to obtain their normal requirements of brass-mill and refinery grades of scrap copper, even though the actual movement of off-shore exports under quota restriction has been small in relation to the rate of generation of scrap in Canada.

### COMPETITIVE DOMESTIC PRICES SOUGHT

In suspending quotas and the issuance of export permits in the interest of stabilizing the market at North American levels, I have been concerned to avoid undue hardship for those who have been trading in the expectation of being permitted to export scrap. In this connection, I have received the assurance of major copper-scrap consumers that they will offer to purchase, for prompt delivery, at price levels which would prevent such hardship, inventories of copper scrap acquired in the expectation of exporting under the quotas. I have also their assurances that, thereafter, once the market is

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stabilized, they will continue to take refinery and brass-mill grades of scrap copper at prices which are competitive with those offered by U.S. consumers.

There may be limited quantities of scrap materials of a type not normally consumed by Canadian industry for which export permits will be considered. Exports to the United States of all forms of copper scrap remain free of control.

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### THE DEVELOPING COMMONWEALTH

*(Continued from P. 2)*

world. They do not form an alliance or a tightly-knit regional group. They are unlikely to arrive at similar viewpoints on many matters of world affairs. Nevertheless, by means of their unique connections they are able to do many good things — good for themselves and good for the world.

This broadening of the racial basis of the Commonwealth has not ended the natural adherence of those of British descent to certain traditions. It has opened to them and to others wider ideas of political and cultural growth. This is particularly important for Canada. The chief external associations of the country must be meaningful to all the main groups in our population. I am glad that French-speaking Canadians and others not of British descent can benefit from scholarships that could take them to almost any part of the world-wide association of nations — or that students from elsewhere in the Commonwealth can come here to benefit from our French-language as well as from our English-language culture. It is significant in this connection that, at the Third Commonwealth Education Conference held in Ottawa in 1964, the Conference Chairman was the Minister of Education of the Province of Quebec, Honourable Paul Gérin-Lajoie.

It is also significant that, in recent years, as we have helped in the development of the Commonwealth, we have also extended and deepened our relations with France and other French-speaking nations. Many of the conditions of our closer relations with these nations are different from those on which our Commonwealth connections are based. Nevertheless, some basic objectives are the same. We seek to preserve, deepen and apply to the broad purposes of our external policy traditional associations which are particularly meaningful to Canadians....

We have every reason in Canada to support relationships born out of political sanity and common sense. That is why we are developing relations with West Indian neighbours. That is why the Prime Minister went to Lagos to help achieve fruitful results in consultation, results in which his own efforts played an important part. That is why we are co-operating with others to bring to an end a situation in Rhodesia which threatens racial understanding in this great association of nations....

*(Continued on P. 4)*