



CANADA

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CANADA, THE WESTERN HEMISPHERE AND THE WORLD

In a speech to the Kiwanis International Convention in Toronto on July 3, Prime Minister Diefenbaker declared that Canadians do not regard themselves as anti-American simple because they "wish to make their decisions in international affairs in Canada's interest rather than to be unquestioning followers of the views of other nations, however friendly". In this connection, he explained the Canadian position on Cuba- "Canada, while deploring various actions and practices of the Cuban Government, has not considered such disapproval to constitute a reason for departing from the normal relations which the Canadian Government has endeavoured to maintain with various countries whose philosophies are repugnant to us".

Mr. Diefenbaker went on to expound as follows Canada's official views on hemispheric co-operation (with special reference to mutual defence arrangements between Canada and the United States), on the continuing outcry by "a vociferous minority" for the withdrawal of Canada from its defence commitments and on the steady build-up of Communist pressure at certain political trouble spots throughout the world:

"... We are deeply interested in everything pertaining to this Hemisphere. We know that Latin American states are playing an ever-increasing role on the international scene and that their support to the Western world is of major importance.

"Canadians welcome the constructive proposals put forward by President Kennedy in the 'Alliance

for Progress'. We believe that only by the raising of living standards of less fortunate nations can their social fabric be strengthened and their peoples be preserved from the contaminating influences of Communist propaganda.

"The improvement of conditions in Latin America can be achieved only through international co-operation. The Canadian Government was recently invited to be represented by an observer at a special ministerial meeting of the Inter-American Economic and Social Council in Uruguay, and has accepted.

"The wealth of continental resources and skills make high living standards possible for Canadians and Americans. Our eyes and our hearts must always look out to the world where 'the abyss of affluence' divides peoples, and where bridges must be built to cross that abyss if the 'developed North' and the 'under-developed South' on this planet are to reach out and make true contact with each other. The world cannot exist half rich and half poor, and it is to the interests of all who love freedom that a favourable balance in the massive imbalance of human welfare must be attained without delay.

PARTNERSHIP IN DEFENCE

"In the field of defence Canada and the United States have a close and effective partnership, based on a mutual regard for each other's sovereignty and rights. In the missile age it is only by collective

efforts that the demands of an adequate defence against Communism can be met.

"As an example of defence co-operation and production-sharing an agreement between Canada and the United States has recently been entered into, whereby:

- (a) the RCAF will take over 16 stations of the Pinetree Radar line which have hitherto been the responsibility of the United States;
- (b) the Canadian squadrons assigned to NORAD will be provided with 66 aircraft of the F-101B type;
- (c) the two countries will jointly finance procurement in Canada of a significant number of F-104G aircraft for our NATO partners.

"This agreement provides further evidence of the determination of both countries to maintain the operational effectiveness of the North American air defence system, and will make an important contribution to the security of North America and to the European area of NATO as well.

"More than that, it expresses a mutual desire to make common use of those resources which each possesses and which can be made available for the benefit of each other and all partners in NATO in the pursuit of peace.

REPLY TO NEUTRALISTS

"It is sometimes contended by a vociferous minority that Canada should withdraw from her defence commitments. I have no ear for the lullabies of the neutralist - neither have the overwhelming majority of Canadians. Indeed, until such time as an effective international disarmament agreement has been negotiated, we must continue to maintain and perfect our defences.

"Canada's record in two world wars, when freedom was at stake, gives the answer to the neutralist contentions. Canada voluntarily and of her own free will declared war - in August 1914, and again in September 1939. One hundred thousand Canadians made the supreme sacrifice, and to have an understanding of the degree of Canada's sacrifice in the First Great War, although Canada's population was less than eight and a half million, the number of Canadians who made the supreme sacrifice exceeded in number those in the forces of the United States.

"The world horizon is once again darkened by signs of Communist threats and intransigence. In Laos the Communists profess to support neutrality and independence but are making it difficult for the International Commission to secure these objectives. In the Congo and South Vietnam they endeavour to weaken international action.

"Three years of work on a treaty designed to outlaw the testing of nuclear weapons has produced no agreement because the Soviet Union refuses to accept an effective system of inspection.

"Khrushchov for the last year has been trying to destroy the United Nations, having found that he could not control it. Disarmament negotiations are stalled as negotiation by the Soviets has come to mean negation, delay and ultimate frustration of the hopes for peace of mankind.

"The defence operations of free nations in NATO, SEATO and CENTO are violently opposed.

"In the last few weeks Khrushchov has become more threatening and the free world today faces its most grave and perilous crisis since 1945. He has stated that, in the absence of agreement with the West, the U.S.S.R. will sign a separate treaty with East Germany before the end of the year and will turn over regional control over Western access routes to Berlin to East Germany.

"The declared policy of the U.S.S.R. for West Berlin would make its people puppets subject to control by Communist pressure and acceptance would be a mortal blow to the West.

"This is a time for faith, courage and calm determination. Khrushchov must not be permitted to underestimate the determination of the West to preserve the freedom of the people of West Berlin, or to lull himself into the belief that the West is divided, decadent, and lacking in common purpose and dedication. He must be made aware that he will not be allowed to devour one of freedom's outposts.

PITFALLS OF WEAKNESS AND RIGIDITY

"The Western alliance will have to avoid the pitfalls of weakness or unreasonable rigidity, and must maintain calm judgment so that no avenues that might contribute to peace will be overlooked. The West must seek for agreement, but without appeasement or sacrifice of the pledged word. It must be tenacious in opposition to Soviet use of force or unilateral interference by the Soviets of allied rights, but flexible enough to meet changing conditions without sacrificing principles. The gravity of the situation has been revealed by President Kennedy, Prime Minister Macmillan as recently as Saturday, and by the British Foreign Secretary, Lord Home, a few days ago when he used these words:

"These next six months are going to be one of the most difficult and dangerous periods through which this country has passed since the last war'.

"The mounting tension is reminiscent of 1914 and 1939, with one difference: The knowledge of the awfulness of nuclear war must exert a restraining influence on the Kremlin.

"The fullest and continuing consultation between Great Britain, the United States, France and West Germany, the four powers particularly affected, and all NATO nations is required. The unity of the Western alliance, politically and economically, must be strengthened and a concerted policy is demanded.

"From time to time I have advocated the need of a precise declaration of the principles for which

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TEN YEARS OF THE COLOMBO PLAN

The following message was broadcast by Prime Minister Diefenbaker on July 1:

"Today, Canadians are celebrating Dominion Day, and, as well, along with 21 other countries, are celebrating ten years of achievement under the Colombo Plan. It is symbolic that anniversaries of such significance to Canadians should occur on the same day. Both commemorate the initiation of great enterprises. Ninety-four years ago Canada became a nation in Confederation. Ten years ago Canada joined in a constructive plan of international action in keeping with mankind's wish for peace from destructive conflict and freedom from want.

"The Colombo Plan for Co-operative Economic Development in South and Southeast Asia is a unique expression of shared responsibility and willingness to join with brethren of all races and colours in solving human problems and human needs.

"The Colombo Plan was started in 1951 and had its beginnings in the immediate urgency that international action should be taken to meet the pressing economic problems in Southeast Asia, where one-quarter of the population of the world lives.

"Canadians are proud of the fact that the Commonwealth countries conceived the Colombo Plan and have played an effective role in its operations. That the Plan now extends beyond its original Commonwealth members and includes the United States, Japan and nearly all the countries of Southeast Asia is a tribute to the vital role Commonwealth countries continue to play in international affairs.

"International joint development is one of the most important advances of our time. Indeed, in my opinion, one of the greatest achievements in the operation of the Colombo Plan has been the growing understanding that all countries participating in the Plan have benefited thereby.

"Canadians have contributed financial assistance, materials and personal skills to the Plan. In return we have gained personally as well as materially from the opportunity of working with our Asian partners.

"The Colombo Plan has been, and I hope will continue to be, an outstanding example of partnership between nations."

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CANADIANS TO TRAIN GHANAIS

In response to a request from President Nkrumah of Ghana to Prime Minister John G. Diefenbaker, the Canadian Government will provide up to 30 Canadian officers to assist in training the officer corps and technicians of the Ghanaian Armed Forces.

The Canadian "training team" will consist of officers chosen from the Canadian regular and militia forces. Those selected will be attached to the Ghanaian Military Academy, the Armed Forces Training Centre, the Medical Services and the Air Force for the purpose of training assistance.

ALLOCATION OF COSTS

While the Canadian Government will be responsible for the pay and allowances of these officers, the Government of Ghana will be responsible for the costs of moving them and their families to and from Ghana and for such additional allowances, quarters and services as may be agreed on between the two governments.

As part of this arrangement, the Government of Ghana has agreed that the Canadian personnel will not undertake any activity contrary to their oath of allegiance to the Queen and will not be involved directly in aid to the civil power or in any military operations outside Ghana.

A senior officer from the Department of National Defence familiar with the necessary regulations will be assigned to the Canadian High Commissioner's Office in Accra to help work out the terms of service and employment for the Canadians involved.

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U.S. EDITORS GOODWILL TOUR

The annual U.S. Editors' Goodwill Tour of Ontario, a government travel-promotion venture that has proved most effective through the years, was held during the month of June under the sponsorship of Travel and Publicity Minister Bryan L. Cathcart.

Twenty-eight U.S. newspaper editors, representatives of a corresponding number of state press associations, were guests of the Department of Travel and Publicity for 12 days and were taken during this time on a 2,000-mile tour of the province. Important features of this year's tour were a visit to Upper Canada Village, later opened officially by Premier Leslie M. Frost, and a drive along the full length of the Trans-Canada Highway stretch that skirts the north shore of Lake Superior.

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VOCATIONS FOR DISABLED WOMEN

Does vocational rehabilitation of the handicapped pay? This is one of the questions answered in the pamphlet "A Niche of Usefulness", which was released recently by the Department of Labour. The publication, prepared by the Women's Bureau, shows how handicapped women may learn to help themselves with the aid of vocational rehabilitation services in Canada.

Using statistics related to a study of 5,266 seriously disabled persons, the publication shows that, after securing rehabilitation services, the annual earnings of the group are around \$9,600,000. Before rehabilitation, the cost of annual maintenance for these people ran to \$3,900,000.

The pamphlet sketches the history of rehabilitation services in Canada, tells how the services are organized and how the individual woman may make use of them.

PROGRAMMES DESCRIBED

Provincial programmes of rehabilitation and the work of voluntary organizations in the field are described. Federal programmes for disabled veterans and Indian and Eskimo Canadians are also explained, and one section deals with employment activities on behalf of the handicapped carried on by the National Employment Service and a number of voluntary agencies.

The final chapter of the pamphlet outlines careers available to women in rehabilitation and describes the role of the woman volunteer in various phases of work in this field.

A series of appendices provide useful listings of rehabilitation agencies, organizations and services in Canada and a brief statement of international action on behalf of the disabled.

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NEW BELGIAN ENVOY

On July 5, His Excellency Guy Daufresne de la Chevalerie presented his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Belgium to Canada. The ceremony took place at Government House. Mr. Jean Côté of the Protocol Division, Department of External Affairs, presented the Ambassador to the Governor-General. Mr. Cadieux, Deputy Under-Secretary of State for External Affairs, and Mr. Esmond Butler, Secretary to the Governor-General, were present on this occasion.

The Ambassador was accompanied by the following members of his staff: Mr. Etienne Harford, Counsellor; Lieutenant-Colonel François de Hemricourt de Grunne, Military, Naval and Air Attaché; Mr. Jacques G. Gérard, First Secretary; Mr. Félix J. Van Tongerlo, Attaché.

M. Daufresne de la Chevalerie has been in the diplomatic service since 1946. Before his appointment as Ambassador to Canada, he was the Head of the International Co-operation Service at the Ministry of Foreign Affairs in Brussels. He had previously been Ambassador to Pakistan.

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BATOCHÉ MEMORIAL

Memories of the Northwest Rebellion of 1885 were recalled at Batoche, Saskatchewan, on June 28, when Prime Minister Diefenbaker dedicated the 78-year-old Batoche Rectory as a national historic site and museum. A number of distinguished guests, including Members of Parliament and Senators, representatives of the Métis people, the Canadian Army, the Oblate Fathers and Saskatchewan provincial and municipal governments were platform guests.

The Batoche Rectory has been declared a national historic site and is being preserved as an historical museum by the National Parks Branch, Department of Northern Affairs and National Resources. The upper floor of the two-storey frame building has been fitted to represent its earlier uses as a post-office, school

room and priest's quarters of the 1890 period. The lower floor is a museum presenting historical material on the Métis people, the Northwest Rebellion and the Battle of Batoche.

The rectory was standing when Métis and Indians fought off Canadian troops for four days in 1885, finally surrendering on May 15. The building, with part of the trenches used and rifle pits along the river, is the only physical evidence remaining of the Battle of Batoche.

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LABOUR INCOME IN APRIL

Canada's paid workers received an estimated \$1,540 million in April in the form of salaries and wages and supplementary labour income, according to advance figures, issued by the Dominion Bureau of Statistics, that will be contained in the April issue of "Estimates of Labour Income". This is a rise of 2.0 per cent from the March total of \$1,510 million and a gain of 3.1 per cent over last year's April figure of \$1,494 million. Income in the January-April period rose 2.6 per cent to \$6,046 million from \$5,891 million a year ago.

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"C.D. HOWE" STEAMS NORTH

The Department of Transport's Arctic service vessel CMS "C.D. Howe" left Montreal's Pier 59 at 8 a.m. on July 4, bound for a three-month journey into the Canadian Arctic with the 1961 Eastern Arctic Patrol on board.

The ship will stop at some 30 ports of call, ranging from Churchill in Hudson Bay to Grise Fjord, on Ellesmere, the most northerly island in the Canadian Arctic archipelago. She carries 1,000 tons of mixed cargo, most of it consisting of the annual shipments of clothing, foodstuffs, household needs and other supplies needed to keep the Arctic outposts in operation.

The medical and welfare staff on the ship is provided by the Department of National Health and Welfare and the Department of Northern Affairs and National Resources, which are responsible for the well-being of the Arctic population. Doctors, dentists, nurses, members of the Royal Canadian Mounted Police, a Mines and Technical Surveys Department hydrographer and technicians of various sorts make up the Patrol staff. There is even a postmaster to see that mail gets to its proper destination.

The ship, commanded by Captain J.A. Ouellet, has a crew of 31 and is carrying nearly 50 passengers, including 20 Eskimos who are being returned to their native settlements after having undergone hospital treatment for tuberculosis at Mountain Sanatorium, Hamilton, Ontario.

CMS "C.D. Howe" is due back in Montreal on October 1. She is one of 15 Canadian Marine Service vessels that will carry out the Transport Department's 1961 Arctic re-supply work. All told, some 100,000 tons of cargo will be moved north.

NEW SASKATCHEWAN DAM

On June 28, Prime Minister Diefenbaker formally opened the federal dam on the Spruce River in Prince Albert National Park, Saskatchewan. Representatives of the Emma Lake and Christopher Lake Cottagers' Association and other guests from the Prince Albert district attended the ceremony.

The Spruce River dam, located about 40 miles north of Prince Albert near the eastern boundary of Prince Albert National Park, was built in 1959-60 by the National Parks Branch, Department of Northern Affairs and National Resources. The Prairie Farm Rehabilitation Administration, Canada Department of Agriculture, designed the dam and supervised its construction.

The dam regulates the flow of water in the Spruce River within the Park and the Little Red Indian Reserve. It is the main structure of a federal-provincial water conservation project designed to divert water from the Spruce River into Emma Lake, where the water level has been dropping since 1936.

The Saskatchewan Government operates and maintains the dam and provided the pumping station, which raises the water 30 feet so that it can flow by gravity to Emma Lake.

The Spruce River dam is an earthfill dam 800 feet long and about 20 feet high with a 41-foot-wide reinforced concrete spillway. It was completed in 1960. Pumping starts this summer.

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NEW RULES FOR SAMPLE MAILINGS

Effective September 1, the Post Office will accept mailings of unaddressed "householder" samples, but at a higher rate of postage than for printed advertising materials. Sample mailings, restricted by recent changes in post office regulations, have been reinstated in order to ease the pressure, in metropolitan post offices, caused by heavy mailings of individually-addressed samples, which require expensive sorting and handling treatment.

Under the new regulations, unaddressed samples weighing not more than eight ounces and measuring not more than nine inches by four and one-half inches by three-quarters of an inch will be accepted at a rate of three cents for the first two ounces and one cent for each additional two ounces or fraction of an ounce.

Unaddressed samples exceeding the specified size limit but not weighing more than a pound will be accepted at a rate scale of four cents for the first two ounces and one cent for each additional two ounces. The same rate will apply to addressed samples to compensate for the additional costs of sorting and handling. The domestic rate for individually-addressed samples will also apply to those destined to other countries. There will be

no changes in the rates applying to unaddressed householder mailings of straightforward printed matter or of addressed printed advertising material.

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SUGAR SITUATION

Production of refined beet and cane sugar increased in May to 156,251,000 pounds from 138,426,000 a year earlier, and decreased in the January-May period to 519,373,000 pounds from 530,616,000 a year ago. The month's sales were up to 141,730,000 pounds from 137,884,000, and the five-month total was up to 635,738,000 pounds from 616,538,000. Company-held stocks were larger at May 31 this year than last, at 288,376,000 pounds compared to 266,156,000.

Receipts of raw cane sugar declined in May to 127,951,000 pounds from 221,816,000 a year earlier, and in the January-May period to 432,425,000 pounds from 506,761,000 a year ago. Meltings and sales were up in the month to 171,064,000 pounds from 143,989,000, and were down in the five months to 532,198,000 pounds from 537,454,000. End-of-May stocks held by companies were smaller than a year earlier at 132,673,000 pounds versus 289,373,000.

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COMMERCIAL FAILURES

Business failures recorded under the provisions of the Bankruptcy and Winding Up Acts during the first quarter of 1961 numbered 729, a decrease of 3.8 per cent from 758 in the same period of 1960, while the estimated liabilities dropped sharply to \$26,999,000 from \$78,495,000. Liabilities per failure averaged \$37,000, in comparison with \$103,600 in the like 1960 period.

The largest number of failures occurred in the trade sector, with 335 recorded, compared with 326 in the first quarter of 1960. Insolvencies of food stores increased from 43 to 63; apparel and hardware stores increased slightly and miscellaneous trade stores decreased from 61 to 45. Bankruptcies in the manufacturing industries decreased from 109 to 74, and in construction from 161 to 141. Bankruptcies in the service sector increased from 90 to 117.

There were 420 bankruptcies in Quebec during the first quarter of 1961 in comparison with 450 in 1960; estimated liabilities decreased from \$20,258,000 in 1960 to \$11,724,000. In Ontario the number of business failures increased from 223 to 238 but liabilities decreased sharply from \$52,219,000 to \$11,075,000. Failures in the Prairie Provinces decreased slightly and the liabilities declined from \$2,068,000 to \$1,055,000. In British Columbia there were 36 failures, unchanged from a year earlier, while estimated liabilities declined to \$2,842,000 from \$3,331,000.

