



CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

Vol. 15 No. 42

October 19, 1960

CONTENTS

Administration of Canada's Harbours	1
Cabinet Changes	3
Population at September 1	3
Consumer Price Index	3
University Year 1959-60	4
Farm Products Cash Income	4

Oldest Airport Rejuvenated	4
Forest Fire Record	5
Canada Council Lectures	5
Highway to Yellowknife	5
New Bridges in Yukon	5

ADMINISTRATION OF CANADA'S HARBOURS

The following address was made on October 11 by Mr. George Hees, then Minister of Transport, to the Industrial and Municipal Relations Conference of the Lake Ontario Development Association at Peterborough, Ontario:

"...Now that the St. Lawrence Seaway is in its second season of operation, ports on the Lakes are naturally wondering what the future will bring. That is a thing on which none of us can speak with too much certainty, but I would like to explain to you how the Government approaches matters of port maintenance and expansion, and the responsibility of the departments concerned.

GOVERNMENT RESPONSIBILITY

"The responsibility for the administration of all harbours in Canada ultimately rests with the Minister of Transport. These harbours fall into three categories:

1. The National Harbours Board was established in 1936 to operate a series of major harbours considered to be essential to the national economy. It is responsible for both administration and construction in the harbours of Montreal, Three Rivers, Chicoutimi, Quebec City, Saint John, Halifax, Churchill, and Vancouver. The Board reports directly to me, rather than through my department.
2. Local commission harbours, established by separate Acts of Parliament, report to the Department of Transport in the first instance. These harbours include Toronto, Hamilton, Belleville, Oshawa, Windsor, the Lakehead,

Winnipeg - St. Boniface, New Westminster, North Fraser, Nanaimo and Port Alberni. They are administered by commissioners appointed by the Federal Government and by the various city and municipal councils. As you may know, it is the policy of the Government to look favourably upon the establishment of local harbour commissions when local initiative to promote the harbour is forthcoming, when there are significant prospects for long-term development, and when the revenues are sufficient to support a separate administration. If such a commission is established, it is understood that the federal and municipal works and property in the harbour area are transferred to the commissioners for administration. The commission collects all harbour dues, wharfage, and other revenues, which are then used directly in the operations of the port concerned....

3. The third main category of harbours in Canada comprises public harbours, in general administered by my department under the Canada Shipping Act and The Harbours and Piers Act.

HARBOUR WORKS

"So far, I have been talking about administration, but obviously there must be structures in a harbour to administer. The National Harbours Board generally handles the construction, maintenance, and dredging needs in its own ports, with the exception of dredging in certain cases like, say, Saint John, New Brunswick, where, by a special arrangement,

(Over)

the work is carried out by the Federal Department of Public Works.

"In commission harbours, on the other hand, a distinction is made between general works, such as breakwaters and dredging, and revenue-producing structures like wharves and sheds. The former works are the responsibility of the Department of Public Works. For the latter, the local commissioners are expected to share in the cost to the extent of their overall financial capacity and the earnings which they might expect from the particular facilities. Engineering would usually be a federal responsibility.

"In the public harbours in general, the Department of Public Works undertakes the construction and maintenance of structures as well as necessary capital and maintenance dredging.

PRIVATE HARBOUR FACILITIES

"You will appreciate, of course, that there are many wharves in Canada, as well as several harbours owned and operated by private companies. In such instances, the companies are entirely responsible for their construction and maintenance operations.

"I think I should emphasize that the Federal Government is concerned with wharves for the use of the public, and not with the construction of facilities for individual private companies. Furthermore, dredging is not carried out at berths along private wharves.

"I am sure we all recognize the significance of our ports in the expansion of our country. For example, there is the St. Lawrence River and Great Lakes waterway system, the largest inland chain of lakes in the world, which extends two thousand miles into the heart of the continent from the Gulf of St. Lawrence. This natural transport system, with later additions of man-made canals, has played a central role in Canadian natural resources from the earliest days to the present time.

SPECIAL CANADIAN PROBLEMS

"Our problems here in Canada are somewhat different from those in, say, Britain, Western Europe, and many parts of the United States. They usually have the advantage of a highly concentrated population and industrial complex serving as a hinterland for their activities. Furthermore, they can operate 12 months of the year, while our ports on the Lakes and on the St. Lawrence are restricted by the severe winters. This makes it difficult for us to obtain an intense utilization of our facilities. In making our investment in a harbour, we must allow not only for revenues to be obtained in harbour dues and wharfage rates, but also give particular weight to the probable stimulating effect on the local and national economies. Basically, the Federal Government is interested in promoting the expansion of any port in Canada, if this is justified in the light of engineering and economic reality.

"With the opening of the St. Lawrence Seaway, many communities on the Lakes have understandably felt that their areas should receive major harbour works, with a view to attracting Seaway traffic. I think we would all agree that there is no doubt about the need for Seaway depths and wharfage expansion in certain harbours on the Lakes system, like Toronto, Hamilton, and at the Lakehead. All three have a hinterland engaged in overseas trade, and require appropriate shipping facilities. In the case of the Lakehead, the hinterland is, of course, Western Canada, for which this harbour provides the Seaway link.

INTERMEDIATE PORTS

"The present role of various other harbours is somewhat different. Many can be regarded as intermediate ports. They have depths running from 18 to 21 feet. This enables them to handle most coal and oil boats on the Lakes, lake package-freighters, and a large proportion of ocean-going general-cargo ships. Then, there are smaller ports, with drafts somewhat less, I recognize, of course, that, with changing needs, increased depths may be called for.

"In the case of all these ports, the question of enlarged facilities must clearly depend upon the potential need. Sometimes the point is made that, if the Federal Government would provide facilities, the traffic would come. This may be partly true. But I think you will agree that, if the Government were to go ahead with every such proposal, it would soon be involved in tying up very large sums which could be devoted to purposes much more immediately in the public interest.

"Let us take a case where there is no large hinterland to absorb general cargo or to provide a large-scale movement of basic materials. Here the expansion of facilities would probably turn upon the needs of particular private industries located in the area. These would have to be industries whose operations were based on bringing in significant quantities of heavy materials for processing, or on the outward shipment of bulky products. Needless to say, the industrial growth of an area does not necessarily mean that harbour facilities are required. Perhaps the industries concerned are best able to carry on their operations by using rail or road transportation.

"I feel that, in our democratic system, the basic initiative for promoting the development of a port rests with the local people -- development associations, chambers of commerce, boards of trade and municipal authorities. If they feel that a harbour development is called for, they should make their cases known to the appropriate authorities. But these individual cases must be grounded on more than an indication of general interest on the part of some industry, some time, in some harbour.

(Continued on P. 6)

CABINET CHANGES

On October 11, Prime Minister Diefenbaker announced the following changes in the Cabinet:

Four new Ministers were sworn in, six Ministers changed their portfolios and two Ministers resigned from the Cabinet.

NEW MEMBERS

Walter Dindsdale, M.P. for Brandon-Souris, Minister of Northern Affairs and National Resources.

Noel Dorion, M.P. for Bellechasse, Secretary of State.

Hugh John Flemming, former Premier of New Brunswick, in a new portfolio, Minister of Forestry.

G. Ernest Halpenny of London, Ontario, Minister without Portfolio.

CHANGES IN PORTFOLIOS

William J. Browne, former Minister without Portfolio, became Solicitor-General.

Léon Balcer, former Solicitor-General, became Minister of Transport.

Gordon Churchill, former Minister of Trade and Commerce, became Minister of Veterans' Affairs and Chairman of the Privy Council Committee.

Alvin Hamilton, former Minister of Northern Affairs and National Resources, became Minister of Agriculture.

Douglas Harkness, former Minister of Agriculture, became Minister of National Defence.

George Hees, former Minister of Transport, became Minister of Trade and Commerce.

RESIGNATIONS

George Pearkes left the portfolio of National Defence to become Lieutenant-Governor of British Columbia.

Alfred J. Brooks left the portfolio of Veterans Affairs to enter the Senate.

The other 14 portfolios remain unchanged.

* * * *

POPULATION AT SEPTEMBER 1

Canada's population reached 17,930,000 at September 1, an increase of 252,000, or 1.4 per cent over this year's January 1 total of 17,678,000, and a rise of 380,000, or 2.2 per cent, from last year's September 1 estimate of 17,550,000. The increase since the 1956 Census was 1,849,000 or 11.5 per cent. At the present rate of growth the population should reach 18,000,000 by mid-November.

Alberta had the largest proportionate increase in population among the provinces in twelve months a rise of 3.4 per cent, followed by Ontario and British Columbia each with 2.3 per cent, Newfoundland 2.2 per cent, and Quebec 2.1 per cent. The increase in New Brunswick was 1.7 per cent, Manitoba 1.6 per cent, Nova Scotia 1.1 per cent, Prince Edward Island 1.0 per cent and Saskatchewan 0.8 per

cent. The increase in the Yukon was 7.7 per cent, and, in the Northwest Territories, 4.7 per cent.

Estimated population of the provinces on September 1 this year, with comparable figures for September 1, 1959 in brackets: Newfoundland, 462,000 (452,000); Prince Edward Island, 104,000 (103,000); Nova Scotia, 726,000 (718,000); New Brunswick, 603,000 (593,000); Quebec, 5,140,000 (5,032,000); Ontario, 6,130,000 (5,990,000); Manitoba, 902,000 (888,000); Saskatchewan, 913,000 (906,000); Alberta, 1,296,000 (1,253,000); British Columbia, 1,618,000 (1,581,000); Yukon, 14,000 (13,000); and Northwest Territories, 22,000 (21,000).

* * * *

CONSUMER PRICE INDEX

Canada's consumer price index rose to 128.4 at the beginning of September, 0.4 per cent above the August index of 127.9. The increase was largely seasonal, with the food index showing the largest gain, 1.3 per cent, and the other four component indexes registering only fractional changes. Last year's September index was 127.1.

The food index at 123.3 was 1.3 per cent above the August index of 121.7 and 0.7 per cent above the September 1959 index of 122.4. Egg prices increased by 15 per cent over the month to 65¢ a dozen, about average for this month in previous years. Higher prices were also reported for fats, oranges, some beef cuts, bacon and canned salmon. Prices for most fresh fruits and vegetables moved lower and decreases were appreciable for tomatoes, potatoes and apples.

SHELTER AND CLOTHING

The shelter index rose 0.1 per cent from 144.0 to 144.2, with both the rent and home-ownership components contributing to this movement. The clothing index increased 0.2 per cent from 110.3 to 110.5, as a result of scattered and minor price increases in men's wear as well as some items of women's wear and footwear that moved up from sales levels of previous months.

The household-operation index edged up 0.2 per cent from 123.1 to 123.3, reflecting price changes for furniture and floor coverings up from earlier sales levels and price increases for coal and some utensils and household equipment. Most household supplies were somewhat lower but laundry rates were higher. The "other" commodities and services index declined 0.1 per cent from 137.7 to 137.6, as a result of seasonally lower prices on 1960 model cars, which more than counterbalanced price increases for tires, automobile repairs, lubrication and batteries. Lower prices occurred for brake relining and, with local price wars in several cities, gasoline prices also decreased.

UNIVERSITY YEAR 1959-60

The highlight of the year was the solution of the problem of making federal grants available to universities and colleges in Quebec. This province experienced a radical change of policy that promised more money for education at all levels. Federal grants accumulated for Quebec universities by the Canadian Universities Foundation since 1956-57, amounting to \$25.3 million, were paid to those universities as a result of legislation passed by the Quebec Legislature -- the agreement being that the universities would turn the money over to the Quebec Government's new sinking fund for support of university construction.

CHANGES IN TAX-SHARING

The Parliament of Canada amended the Federal-Provincial Tax-Sharing Arrangements Act for the years 1960-61 and 1961-62 to allow any province to collect an additional one per cent corporation income tax for the purpose of paying university grants at the rate of \$1.50 *per capita* of the population of the province. In preparation for adoption, in 1960-61, of this alternative to payment of the same amount by the Federal Government through the Canadian Universities Foundation, the Quebec Legislature passed an enabling act providing, in addition, funds to supplement the grant by the amount necessary to bring the rate up to \$1.75 *per capita*.

The Quebec Legislature also made statutory provision for basic grants and grants based on enrolment to classical colleges, effective in the year 1959-60.

* * * *

FARM PRODUCTS CASH INCOME

Cash income from the sale of farm products is estimated at \$1,279 million for the first half of 1960, slightly lower than the preceding year's total of \$1,320 million for the same period. These estimates include Canadian Wheat Board participation payments and deficiency payments made under the Agricultural Stabilization Act. Total cash income, which includes supplementary payments as well as income from the above-noted sources, is estimated at \$1,309 million, compared with \$1,341 million in the same period last year.

Supplementary payments for the first half of 1960 were \$29.6 million, higher by \$8.7 million than last year's like total of \$20.9 million. This increase can be attributed to joint Federal-Provincial Government payments on unthreshed grain left under the snow in 1959. These payments came to \$12.2 million and, when coupled with Prairie Farm Assistance Act payments of \$17.4 million, brought total supplementary payments up to \$29.6 million. Supplementary payments made during the first half of 1959 consisted only of Prairie Farm Assistance Act payments.

EAST VS. WEST

Estimates of income from farm marketings in the half-year period are higher than in 1959 in each of the five Eastern provinces and lower in each of the four Western provinces. The higher estimate for the Eastern provinces can be attributed, in part, to higher potato prices and larger cattle marketings. In the Prairie Provinces the declines can, in the main, be attributed to lower grain marketings, particularly in the first quarter of the year, when country elevators were faced with the problem of moving damp and tough grain to the Lakehead.

Returns from the sale of livestock and livestock products are estimated at \$807 million, about 3 per cent smaller than the preceding year's record first-half total of \$829 million. In the main, the decline can be attributed to reduced income from hogs and eggs.

Estimated at \$445 million, cash receipts from the sale of field crops and Canadian Wheat Board payments on previous years' grain crops in the first half of this year were 5 per cent lower than in the corresponding period last year. Smaller marketings and slightly lower prices for cereal grains, particularly in the Prairie Provinces, accounted for this decline.

* * * *

OLDEST AIRPORT REJUVENATED

A new chapter in the long and colorful history of Regina Airport, Canada's oldest flying field, began on October 12, when the new Department of Transport air-terminal building was officially opened by Transport Minister George Hees.

The fine new structure, built at a cost of \$1,500,000, is completely designed to meet the requirements of modern aviation. In addition to providing for the speedy and comfortable handling of air passengers arriving or departing from Regina, it houses all the associated aviation services such as meteorology, telecommunication and air-traffic control that ensure the safe and efficient movement of aircraft both in the air and on the ground.

As in other air terminals recently opened in Canada, the new building is laid out in such a way that the flow of incoming and outgoing passenger traffic will not conflict. The restaurant seats 65 persons. A second-floor spectators' deck is provided for the public, enabling visitors to watch the arrival and departure of aircraft.

Regina airport's history goes back to 1912, when the first airplane ever seen in that area was flown by a pioneer pilot, C.W. Staffer. It became an actual base of flying operations after the First World War, when two veterans, Roland John Gromme and Edward Clarke, formed the Aerial Service Company Limited, with

Regina as home base. Ever since that time, Regina has been active in the aviation scene, from the standpoint of both private and commercial flying.

* * * *

FOREST FIRE RECORD

For the second successive month, the number of forest fires in Canada has been the largest on record.

The federal Forestry Branch has reported that 2,174 forest fires destroyed 297,000 acres of forest in Canada during August. This is a greater number of fires than has previously been reported in August.

July also showed the worst forest-fire experience on record, when 2,867 fires ravaged more than 628,000 acres of forest.

Until this year, the largest number of August forest fires was 2,109, recorded in 1953, a total that did not include fires in the Yukon and Northwest Territories. This August, excluding the fires in the northern territories, there were 2,149.

Statistics issued by the Forestry Branch of the Department of Northern Affairs and National Resources show that 7,170 fires had destroyed or damaged 1,089,000 acres of forested land this year by the end of August. With two dry months still to be reported on, 1960 may be one of the worst years for forest fires on record. Forestry officials note only one sign of improvement in the figures they have been compiling on fire losses: the average area burned this year is 137 acres, a decrease from 151 acres of last year.

* * * *

CANADA COUNCIL LECTURES

In an effort to enable Canadian universities to bring outstanding scholars to their campuses for short periods, the Canada Council has inaugurated a programme of aid to visiting lecturers. Under this scheme the Council will help defray travel costs and contribute to the honorarium paid to the lecturer on the condition that other expenses be paid by the host university. The Council also stipulates that an attempt be made to arrange for a visit to one other Canadian college, in order that the maximum number of students may benefit from the presence of a senior scholar of international reputation in the country. In March the Council announced grants to the following universities: McGill, to bring professor A.K. S. Lambton of the University of London to lecture at the Institute of Islamic Studies; Carleton University, to bring Mr. Bryan Keith-Lucas of Oxford to conduct a graduate seminar in Municipal Administration; the University of British Columbia, to bring Dr. A. Richmond of the University of Edinburgh to hold seminars in the Department of Anthropology and Sociology; University of Montreal, to bring Professor

B. Inhelder of the University of Geneva to lecture at the Institute of Psychology for a short period in the course of his visit to the U.S.; and to the Royal Military College, to bring Professor Angus McIntosh of the Scottish Dialect Survey for a similar short term. A grant was also given to McMaster University to bring Professor C.J. Sisson, noted Shakespearean editor and scholar to the Shakespeare seminar held at the Stratford Festival this summer.

* * * *

HIGHWAY TO YELLOWKNIFE

Yellowknife, Northwest Territories, is now on the highway map of Canada.

On October 6, Northern Affairs Minister Alvin Hamilton announced that the 281-mile "Great Slave Lake Highway" to the mining capital of the Territories was open after five years of sub-arctic road building and the expenditure of nearly \$12 million. While work remains to be done, the road can now be used for most of the year. Traffic will be interrupted during freeze-up and break-up periods.

Ferry service is to be provided this year, until freeze-up, where the road crosses the Mackenzie River at Fort Providence by the motor-vessel "Snare", which was used by the road builders to transport material across the river. Next spring, a new MV, of 65-tons capacity, will be put into service. Ferry service will continue until late October or early November. For the winter months, an ice bridge will be constructed to carry traffic across the Mackenzie.

"The completion of this new road will have a stimulating effect on the economic development of the area it serves" said Mr. Hamilton, "and there are already indications that it will be used to move substantial tonnages of heavy freight for the mining industry".

* * * *

NEW BRIDGES IN YUKON

Two new bridges, spanning the Steward and Pelly Rivers, on the highway from Whitehorse to Keno, were opened on October 9 by Erik Nielsen, M.P. for the Yukon.

The bridges replace ferry services previously operating at the river crossings and provide year-round road communication from the capital of the Yukon Territory to Keno, 280 miles distant, and Dawson, 338 miles distant. When the ferries operated, traffic could move for only nine months of the year because of the interruptions caused by freeze-up and break-up. Even in summer there were delays and inconveniences caused by limited ferry capacity.

In Ottawa, the Minister of Northern Affairs said that the construction of the Stewart and Pelly bridges, together with the Carmacks Bridge opened last year, would fill a major

gap in the Yukon road system. "The progress of the Territory depends on resource development," he stated. "For this, adequate year-round transportation is essential. These bridges are the first completed stage of a programme to make available a reliable road network for the region."

The Pelly bridge consists of three main 219-ft. trusses and two 98-ft. approach trusses, and is 865 feet wide. The Stewart River bridge, 692 ft. wide, consists of a 262-ft. centre span and two approach spans, each about 167 feet. Both bridges have a clearance of 25 feet above the extreme high-water level of the rivers at the crossing points. They have been under construction since 1959.

* * * *

ADMINISTRATION OF CANADA'S HARBOURS (Continued from P. 2)

DEVELOPMENT FACTORS

"You will appreciate that the establishment and improvement of harbours in Canada involves considerations of engineering, economic, and administrative factors. Any specific harbour development can only be carried out to the best advantage of the local community and of the country at large if these three elements have been properly considered and decisions made in the light of this combined assessment. The problem, of course, is complicated to some extent by the fact that harbour construction and maintenance are, as I have already mentioned, the responsibility of the Department of Public Works, while the administration of the finished works comes under the Department of Transport.

INTERDEPARTMENTAL GROUP

"During the summer of 1957, with the imminent completion of the Seaway and with the many requests for harbour development and improvement, it became apparent to me that a joint approach to harbour problems was a real necessity. For this reason I recommended to the Federal Government that we should establish an Interdepartmental Group that would include economists, engineers, and harbour administrators from the Department of Transport and the Department of Public Works. The first survey this Group was directed to make was at the head of the Lakes. The cities of Fort William and Port Arthur had requested a major harbour development to handle package freight, and to provide the Canadian West with a modern outlet to the new Seaway system. Since this original survey, the Group has studied the problems of many harbours, not only those related to the St. Lawrence Seaway and Lakes, but also on both the East and West Coasts of the country. Some of you may have met members of the Group during their visits to Belleville and Cobourg. In all cases, this Group makes

specific recommendations to the heads of both departments. Its reports have the advantage of covering all of the relevant aspects involved in the particular harbour investigated.

"When the two departments consider that a local request for harbour works calls for a special review, the group is directed to take the necessary steps. As a general procedure, these officials first study engineering, economic, and other data available in Ottawa and in the district offices of the two departments. The preliminary review of these data is always followed by a visit to the harbour concerned. During the course of these visits, the members of the Group are accompanied by district officers. Discussions are held with municipal authorities, boards of trade, chambers of commerce, local industrial interests directly involved with water transportation, as well as with any other parties who may also wish to present their views. As a result of these discussions, the Group obtains a much better understanding of the local points of view supporting the requests for harbour works. For example, talks with potential industrial users often provide information on expected markets, the types of materials which might be brought in, and the nature of the ships to be utilized. This enables judgments to be made regarding the depths required in the harbour and the type of structures needed. The Group always inspects the harbour in detail, in company with interested local representatives.

"A report is then prepared in the light of the information available from the survey, as well as from other relevant sources.

WORK OF GROUP

"As I indicated before the standing Committee on Railways, Canals and Telegraph Lines last May 24, the Interdepartmental Group will be directed to review future requests for the establishment of new local commission harbours. Furthermore, the Group will review proposed works in existing commission harbours. In addition, the Departments of Transport and Public Works may direct the Group to examine major harbour projects in any part of the country.

"I hope I have given you a fairly clear picture of how government harbours are constructed and administered. I would like to emphasize that the Federal Government is anxious to ensure that necessary developments take place at the right ports, at the right time. It rests with the local people to make sure that our attention is drawn to their specific needs, and that their requests are realistically based. How these needs fit into the overall development of an area clearly varies from case to case. What I have said may be of assistance to you in your efforts to put the resources of your area to work to encourage the growth and welfare of the people...."