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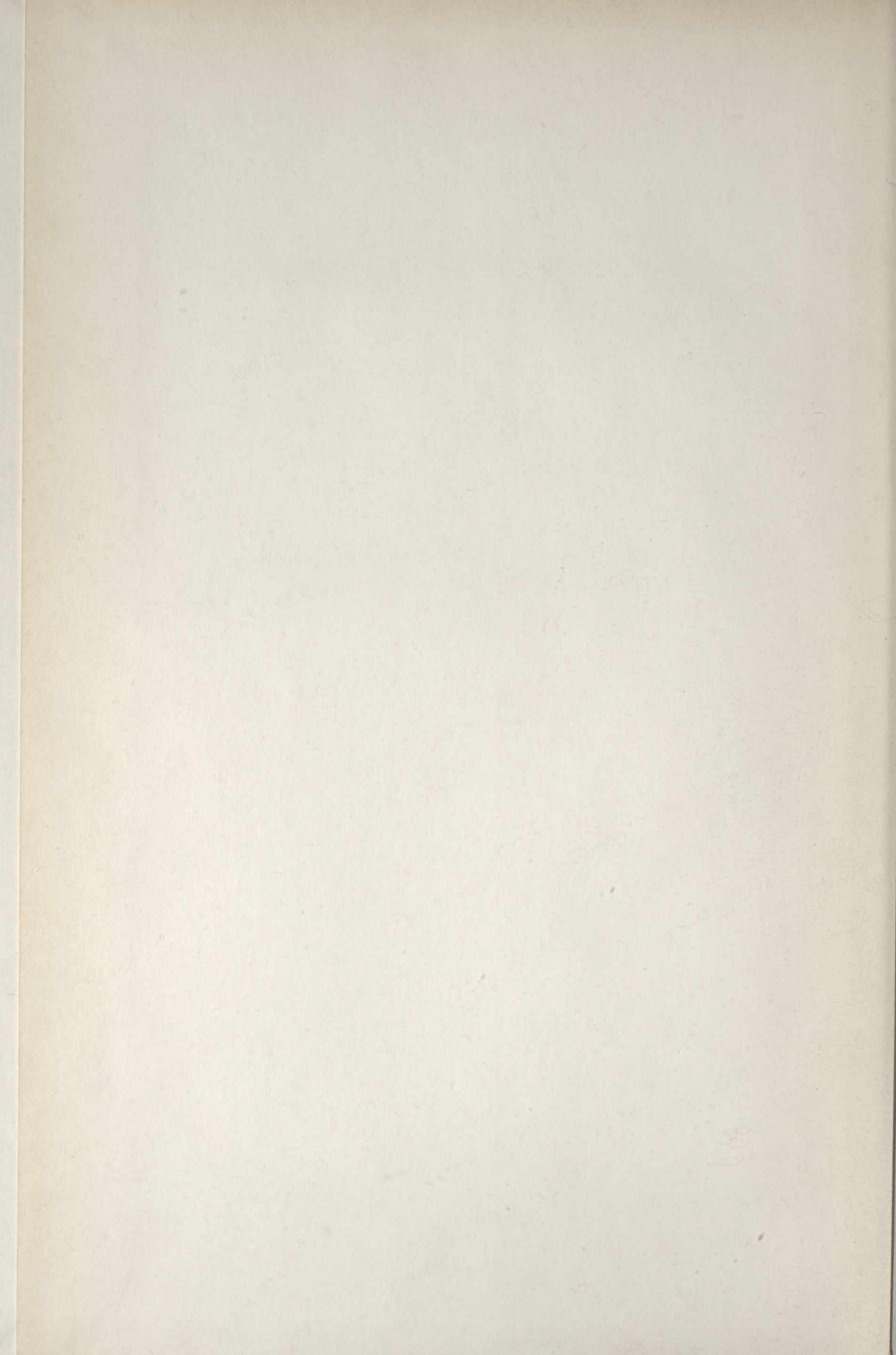
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HOUSE OF COMMONS
Standing Committee on
External Affairs

1st Session, 26th Parliament
1963

Nos.

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MINUTES OF PROCEEDINGS AND EVIDENCE

Vol. 1

TUESDAY, DECEMBER 3, 1963
THURSDAY, DECEMBER 5, 1963

ESTIMATES 1963 OF THE DEPARTMENT OF
EXTERNAL AFFAIRS

Printed by the House of Commons
Secretary of State for External Affairs

1963

1st Battalion, 50th Infantry
1942

1942

- 1. Captain, 1st Battalion, 50th Infantry
- 2. Captain, 1st Battalion, 50th Infantry
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HOUSE OF COMMONS
First Session—Twenty-sixth Parliament
1963

STANDING COMMITTEE
ON
EXTERNAL AFFAIRS

Chairman: JOHN R. MATHESON, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 1

TUESDAY, DECEMBER 3, 1963
THURSDAY, DECEMBER 5, 1963

ESTIMATES (1963-64) OF THE DEPARTMENT OF
EXTERNAL AFFAIRS

Statement by the Honourable Paul Martin
Secretary of State for External Affairs

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1963

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: John R. Matheson, Esq.

Vice-Chairman: Heath Macquarrie, Esq.

and Messrs.

Balcer	Forest	Nixon
Brewin	Gelber	Nugent
Brown	Girouard	Pennell
² Cadieux (<i>Terrebonne</i>)	Herridge	Regan
¹ Cameron (<i>High Park</i>)	Klein	Richard
Cashin	Knowles	Thompson
Chapdelaine	Konantz (Mrs.)	Valade
Choquette	Lachance	Woolliams.—35
Deachman	MacEwan	
Dubé	MacRae	
Fairweather	Mandziuk	
Fleming (<i>Okanagan-Revelstoke</i>)	Martineau	
	Nesbitt	

(Quorum 10)

¹ Replaced Mr. Walker on November 12, 1963

² Replaced Mr. Rinfret on December 2, 1963

NOTE: Mr. Kindt replaced Mr. MacRae following the meeting of the 3rd of December but prior to the meeting of the 5th of December.

ORDERS OF REFERENCE

HOUSE OF COMMONS

THURSDAY, June 27, 1963.

Resolved,—That the following Members do compose the Standing Committee on External Affairs:

Balcer	Gelber	Matheson
Brewin	Girouard	Nesbitt
Brown	Herridge	Nixon
Cashin	Klein	Nugent
Chapdelaine	Knowles	Pennell
Choquette	Konantz (Mrs.)	Regan
Deachman	Lachance	Richard
Dubé	MacEwan	Rinfret
Fairweather	MacRae	Thompson
Fleming (<i>Okanagan-Revelstoke</i>)	Macquarrie	Valade
Forest	Mandziuk	Walker
	Martineau	Woolliams—35

(Quorum 10)

Ordered,—That the said Committee be empowered to examine and inquire into all such matters and things as may be referred to it by the House; and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

TUESDAY, November 12, 1963.

Ordered,—That the name of Mr. Cameron (*High Park*) be substituted for that of Mr. Walker on the Standing Committee on External Affairs.

FRIDAY, November 29, 1963.

Ordered,—That items numbered 1 to 155 inclusive, and items numbered L10 and L15, as listed in the Main Estimates, 1963-64, and items numbered 1a to 117a inclusive, and items numbered L10a and L13a, as listed in Supplementary Estimates (A), 1963-64, relating to the Department of External Affairs, be withdrawn from the Committee of Supply and referred to the Standing Committee on External Affairs, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

MONDAY, December 2, 1963.

Ordered,—That the name of Mr. Cadieux be substituted for that of Mr. Rinfret on the Standing Committee on External Affairs.

WEDNESDAY, December 4, 1963.

Ordered,—That the Standing Committee on External Affairs be empowered to print from day to day such papers and evidence as may be ordered by the Committee, and the Standing Order 66 be suspended in relation thereto; and that it be granted leave to sit while the House is sitting.

Ordered,—That the name of Mr. Kindt be substituted for that of Mr. MacRae on the said Committee.

Attest

LEON-J. RAYMOND
The Clerk of the House.

REPORT TO THE HOUSE

The Standing Committee on External Affairs has the honour to present its

FIRST REPORT

Your Committee recommend:

1. That it be empowered to print from day to day such papers and evidence as may be ordered by the Committee, and that Standing Order 66 be suspended in relation thereto.
2. That it be granted leave to sit while the House is sitting.

Respectfully submitted,

JOHN R. MATHESON,
Chairman.

(This report was concurred on Wednesday, December 4, 1963.)

MINUTES OF PROCEEDINGS

TUESDAY, December 3, 1963.

(1)

The Standing Committee on External Affairs met at 2.10 p.m. this day for the purpose of organization.

Members present: Messrs. Balcer, Brewin, Cameron (*High Park*), Cashin, Choquette, Deachman, Dubé, Fairweather, Fleming (*Okanagan-Revelstoke*), Forest, Gelber, Klein, Knowles, MacEwan, MacRae, Macquarrie, Mandziuk, Matheson, Nesbitt, Nixon, Nugent, Regan, Richard, Thompson—(24).

The Clerk of the Committee attending and having called for nominations, Mr. Forest moved, seconded by Mr. Mandziuk, that Mr. Matheson be elected Chairman of the Committee.

There being no other nominations, Mr. MacRae moved that nominations close.

Mr. Matheson was declared duly elected Chairman. He thanked the members for the honour conferred upon him and assured the Committee that he will do his utmost to deserve the confidence placed on him.

The Clerk read the Orders of Reference.

Moved by Mr. Fairweather, seconded by Mr. Mandziuk,

Resolved,—That Mr. Macquarrie be Vice-Chairman of this Committee.

On motion of Mr. Knowles, seconded by Mr. Nugent,

Resolved,—(*unanimously*)—That a Subcommittee on Agenda and Procedure comprised of the Chairman, the Vice-Chairman plus one representative from each party represented on the Committee, be appointed.

Moved by Mr. Forest, seconded by Mr. Thompson,

Resolved,—(*unanimously*)—That permission be sought to print, from day to day, 750 copies in English and 500 copies in French of the Committee's Minutes of Proceedings and Evidence.

On motion of Mr. Balcer, seconded by Mr. Cameron,

Resolved,—(*unanimously*)—That the Committee seek permission to sit while the House is sitting.

On motion of Mr. Fairweather, seconded by Mr. Forest,

Agreed,—That the Committee, meet at 9.30 a.m. instead of 10 a.m. as planned. *Carried on division.*

At 2.30 p.m. the Committee adjourned to 9.30 a.m. on Thursday, December 5.

THURSDAY, December 5, 1963.

(2)

The Standing Committee on External Affairs met today at 9.40 a.m. The Chairman, Mr. John R. Matheson, presided.

Members present: Messrs. Brewin, Chapdelaine, Fairweather, Forest, Gelber, Klein, Knowles, MacEwan, Macquarrie, Mandziuk, Martineau, Matheson, Nesbitt, Regan, and Thompson.—(15)

In attendance: The Honourable Paul Martin, Secretary of State for External Affairs; and Mr. N. A. Robertson, Under-Secretary of State for External Affairs.

The Chairman called item 1 of the Estimates of the Department of External Affairs,

Departmental Administration\$7,648,800.

and invited the Secretary of State for External Affairs to make an opening statement.

The Minister congratulated the Chairman and the Vice-Chairman for their election, and referred to a comprehensive statement he had recently made to the House of Commons on Canadian external policy.

The Minister also referred to his recent trip to Washington, to the negotiations underway with the government of the United States and the position of Canada with regard to the Columbia River treaty, the 12 mile fishing zone limit, disarmament, and other matters relating to external affairs.

He was questioned at considerable length, and was assisted by Mr. Robertson.

Since many Members indicated they had additional questions to ask, the Minister said he would be available to the Committee at 8.00 p.m. this evening.

The Chairman announced the membership of the steering committee on Agenda and Procedure as follows: Messrs. Macquarrie, Brewin, Chapdelaine, Nesbitt, Gelber, and the Chairman.

At 11.40 a.m. the Committee adjourned to 8.00 p.m. this evening.

EVENING SITTING

(3)

The Committee reconvened at 8.00 p.m., the Chairman, Mr. Matheson, presiding.

Members present: Messrs. Balcer, Brewin, Cameron (*High Park*), Cashin, Chapdelaine, Dubé, Fleming (*Okanagan-Revelstoke*), Gelber, Girouard, Her-ridge, Kindt, Klein, Knowles, Lachance, MacEwan, Macquarrie, Mandziuk, Matheson, Nesbitt, Regan, Richard, and Thompson.—(22)

In attendance: The same as at the morning sitting, also Mr. M. N. Bow, Special Assistant to the Minister.

The Chairman presented the first report of the Subcommittee on Agenda and Procedure as follows:

The Subcommittee recommends that Mr. H. O. Moran, Director General of External Aid Office, be called to appear before the Committee on Thursday next, December 12, at 10 a.m.;

The Subcommittee also recommends that the members should complete questioning the Secretary of State for External Affairs on one topic before moving on to another subject.

The report of the Subcommittee was concurred in.

The Committee resumed consideration of Item 1 of the Estimates of the Department of External Affairs, and further questioned the Secretary of State for External Affairs.

During the meeting the Vice-Chairman took the Chair.

On motion of Mr. Fleming (*Okanagan-Revelstoke*), the Committee agreed that all members of the Committee be provided with transcripts of the statements made by the Canadian representatives at the six committees of the United Nations as well as in the General Assembly.

The Minister indicated that he would be available for further questioning later on, if it is the Committee's wish.

At 9.50 p.m., on motion of Mr. Brewin, the Committee adjourned to 10.00 a.m. Thursday, December 12, 1963.

Gabrielle Savard,
Clerk of the Committee.

Faint, illegible text, possibly bleed-through from the reverse side of the page.

EVIDENCE

THURSDAY, December 5, 1963.

The CHAIRMAN: May I call the first item in the estimates for the Department of External Affairs?

1. Departmental administration, \$7,648,800

I now invite Hon. Paul Martin, Secretary of State for External Affairs, to make an opening statement.

Hon. PAUL MARTIN (*Secretary of State for External Affairs*): Mr. Chairman, first of all may I congratulate you upon your election as Chairman of this committee, and the vice chairman, Mr. Macquarrie, upon his selection. I am not quite sure what you really expect of me this morning. I made a comprehensive statement last Thursday in the House of Commons, and what I endeavoured to do there was to examine Canadian external policy in relation generally to east-west relations, and to the important fact of our times; that is, the emergence of new nations who have become members of the United Nations, and of some new nations who have not yet joined that organization. In my statement I said very little about operations that greatly concern us as members of the three truce supervisory commissions in Indochina; our objectives and our work in disarmament, details about our peacekeeping activities, and many other areas of our foreign policy. In the questioning some of these further facts may be elicited.

I would like to begin what I have to say first of all by stating that I think Canada has on the permanent side a very strong foreign service. My judgment, after being in office in this particular department for not much more than seven months, is that the service is not as large as it should be to meet the growing demands made on it. If we are going to play our role in the world in which we find ourselves, according to our traditional standards of accomplishment, we shall have to recruit more people for our service, and do that without in any way lessening the standards of competence that we have sought to establish for ourselves.

I have presided over no department of government that has more well trained, more dedicated public servants than those serving in external affairs both here in Ottawa as well as in the service abroad.

I prefaced what I had to say in the House of Commons by predicating that much of our foreign policy currently depended on the character of east-west relations, and I said that in our judgment we were experiencing a very greatly improved relationship with the Soviet union, and that this was due to a number of circumstances. I said that in my judgment it was due primarily to the fact that as a result of what Mr. Gromyko calls the "Caribbean situation" last October the Soviet union had been brought to realize that they, and all of us, were closer to nuclear war as a result of action taken by President Kennedy with regard to the installation of offensive nuclear weapons in Cuba than at any other time in our history, and that undoubtedly the present relaxed state of Soviet-west relations was in part due to the problems involved in Sino-Soviet relations, and to the economic picture that attends the Soviet union, and so much of Europe at the present time, including the communist countries behind the iron curtain. I said that all this had

been demonstrated by the partial test ban treaty of last summer which was welcome, and which in turn had been followed by an agreement between the United States and the Soviet union for the banning of nuclear weapons in outer space. I indicated that this further agreement gave us reason to believe that we might usefully explore at the 18 member disarmament meeting, which will be convened at Geneva in January, two other areas at least, one, an agreement to eliminate the possibilities of accidental war, or war by miscalculation, through the installation of inspection teams on both sides of the iron curtain, and the other an effort to bring about the non-dissemination of nuclear weapons.

I have just come back from Washington and I feel there are other areas in the field of disarmament which could open up and which might yield, or lead to, further agreement. It is not possible for me to give details of this in public at this time. But I hope that the meeting that will open in January might lead to further agreement. However we are still far short of an agreement—a general or substantial agreement in the area of disarmament. I think before general disarmament can be obtained we must realize that the exigencies of the situation demand a solution to some of the major political problems that divide the east and the west.

I do not think I need to repeat here what I said in the house, although I am prepared for interrogation to the extent of my abilities and knowledge in this matter with regard to our relations with other countries in the world and particularly with the Chinese peoples republic. I think what I would like to do before I open myself to interrogation is to say something more specifically on two matters that took me to Washington yesterday and also say something about disarmament, and then I will be ready for questions, if that would be your wish.

We have currently underway now some important negotiations with the government of the United States. One has to do with the Columbia river treaty project that is now being negotiated with the United States. Yesterday I had a talk with the secretary of the interior, Mr. Udall, and subject to the meetings that we shall have on Monday and Tuesday next week with the United States spokesmen here in Ottawa, I would think that we might anticipate progress in this matter.

However the Canadian position is well known, and its position is fully subscribed to by both the government of British Columbia and of Canada. One of the essential factors involved in the current negotiations is the obtaining of a satisfactory price in the agreement to sell downstream benefits.

We shall be meeting on Friday with representatives of British Columbia for further negotiations prior to our meeting on Monday. I think there is general disposition to recognize the importance of a decision one way or another, and while we will not abandon our course simply for that reason, this would be an important factor. I would hope that we could reach a conclusion at least on the level of the executive arm of government by the end of the year.

We also dealt yesterday in Washington with the question of Canada's unilateral declaration of a 12 mile boundary limit as announced by the Prime Minister on June 4. When the Prime Minister saw the President of the United States at Hyannis Port, he announced the intention of the government of Canada unilaterally to declare a 12-mile fishing boundary limit. This was done about a week after an announcement concerning fishing boundaries had been made by Her Majesty's government in the United Kingdom.

Then on the 4th of June in parliament the Prime Minister announced that, having given notice of intention, Canada proposed to establish this 12-mile zone limit by mid-May of 1964, but that in the course to be taken we would

take into consideration the historic rights of countries concerned, rights that might have been established by way of treaty or by way of long usage, and that we would begin talks with the United States at the earliest moment. We began talks with the United States on August 27 and the second series took place yesterday. What I hope will be the final talks will take place here in Ottawa sometime in January.

Obviously while these talks are on it is not possible publicly to discuss the position taken by the various countries, but I made it clear yesterday and before, that it is our intention to establish a 12-mile fishing limit at the period stated, and that this will be preceded by the discussion which we are now having.

I might say that I think we made very considerable progress yesterday, and I think I can say without violating the nature of our discussion that there is now acknowledgement by the United States of our right to establish this 12-mile fishing zone. The action taken by Canada was not a precedent. It has been taken by close to 50 other countries, some of whom have not only established 12-mile fishing zone limits but have actually settled on a 12-mile territorial sea limit which, as international lawyers know, is much more comprehensive as a substantive decision.

Canada has made an effort to arrive at the 12-mile fishing zone limit on the basis of collective arrangements. The former government was engaged in a long period of negotiations at Geneva towards that objective which was defeated by only a single vote, if I recall correctly. Then in the month of February last the former administration likewise tried to effect some understanding on a multilateral basis but without success.

The present government, as I said a moment ago, in the light of these efforts at collective arrangements have not failed to take the course which we feel is in the long-term economic interest of Canadian fishermen, and the current discussions have to do with the historic fishing rights of the United States in the bay of Fundy, in the gulf of St. Lawrence, Hudson bay, Dixon entrance, Queen Charlotte sound, and Hecate straight. I am satisfied that we made very considerable progress yesterday.

Now we will be taking steps almost forthwith to carry on negotiations with France, Spain, Portugal, Norway, and countries that claim they have in some of these waters certain historic rights. Finally since I am reporting on yesterday's talks, I had an hour's discussion with the Secretary of State, Mr. Rusk, at the State Department when we discussed matters having to do with the visit of the Prime Minister to the President on January 22 and more particularly when we took advantage of my being in Washington to discuss some matters having to do with the next NATO ministerial meeting, and certain problems which are engaging our common attention at the United Nations in the current general assembly.

Finally may I just say something about the disarmament picture as I see it. As the committee will recall, the goal—the goal of general and complete disarmament was accepted by a unanimous resolution at the United Nations in 1959. Since then negotiations have been carried on in Geneva, first in the ten power disarmament committee, and since March, 1962, in the 18 nation disarmament committee. The Canadian government shares the view of course that all countries would feel more secure if there were no nuclear weapons, no intercontinental ballistic missiles, no long-range aircraft or other means of delivering these engines of vast destructive power.

The problem is how we can move towards this desired goal from the present position where our security depends on what has been called the balance of terror. Before general disarmament can be obtained there must be established a system—a peaceful system of justice upon which all nations can

rely. There must be organized an international military force for the protection of the peaceful existence of all nations. In this context we think that the modest efforts that we have made in establishing outside the United Nations an embryonic element of what ultimately could become a world or United Nations peace force deserves support to set aside military forces for future use by the United Nations. The efforts made by other countries such as the Scandinavian countries and now the Netherlands, and I would hope one other country whose name has not yet been officially given, might serve to provide the basis for what ultimately could become a United Nations standing peace force, although the activity in this connection is all outside the United Nations at the moment.

To achieve these things involves problems of enormous difficulty. The general problem however of disarmament itself is a greater problem, and we will not make progress towards it unless we fully appreciate how difficult it is in the light of the current world situation. So what we should aim for is reduction of the danger of nuclear warfare, and indeed of any kind of war, and we shall have to proceed step by step until in time we reach the goal.

There have been some achievements in the realm of disarmament, but I think it would be wrong to overstate the effect of the consequences of single areas of agreement. There are, first of all, those agreements involving the direct communication link which has been established now between Moscow and Washington; the Moscow treaty banning nuclear weapons testing in all environments with the exception of underground, and the declaration by the Soviet union and the United States that they would not put into orbit in outer space weapons of mass destruction. These represent positive achievements, and they seem to be part of what is currently being called the "Moscow spirit".

I believe we are either experiencing a slight *détente* or are close to moving to one. But it would be well for us to be cautious and hopeful at the same time and not forget what went on in 1954 with what was called the "spirit of Geneva" when there was a period of optimism followed by a period of continuous bickering and darkening of the international atmosphere. While we hope for disarmament and a peaceful world, we must, it seems to us in the government, and I am sure to most of the members of the committee—we must in the meantime depend for our national security on our membership in the NATO alliance. One practical consequence of this is that any steps forward to greater security and reduction of armament by mutual agreement between the west and east are matters which must be taken into consideration by and with our NATO allies. This is the first phase in disarmament negotiations.

The second phase is that of bargaining with the Soviet union and its allies. We feel that the place to do this is where we have now agreed to continue to do it, in the 18 power disarmament committee. That committee will reassemble on January 21. General Burns is our spokesman there and he has been in Ottawa for sometime. We have been reviewing the course which we feel we should continue to pursue, and I am sure that I express on behalf of all the members our deep appreciation for the contribution which over the years in this area as well as in other areas he has been making.

Other measures that will be considered will be those designed to prevent further dissemination of nuclear weapons, to establish nuclear free zones, and perhaps to put a limit on military budgets. These are three areas where I would hope that in the next immediate session of the 18 power meeting, some agreement might be reached. These would probably fall short of substantial disarmament but they would be measures preliminary to general disarmament.

The committee will undoubtedly also discuss the first stage of general disarmament which is contained in the plans of the Soviet union and the United States, and that is for the reduction of conventional forces. Mr. Gro-

myko has brought out some important suggestions and these relate to the retention of a relatively small number of intercontinental ballistic missiles by the Soviet union and by the United States until the third and final stage of general disarmament. This could be called the acceptance of the principle of minimum nuclear deterrence, while the disarmament process goes forward. But what precisely the Soviet union means by these proposals is one of the things which General Burns and his colleagues, I hope, will be able to ascertain as a result of the discussions which will be underway shortly in the United Nations.

Finally, Mr. Chairman, I simply wish to say that there are a number of other matters which I would like to have had an opportunity to discuss in the House of Commons last week, but I had taken up a considerable amount of time and I felt it was not fair that I should say more at that particular stage of our discussion. I mean, for example, matters involving the various ideal of what period of credit should be extended to communist countries in east-west trade relations. These were matters discussed at a recent meeting of the O.E.C.D. in Paris, and also informally at the NATO ministerial meeting. I left aside also matters involved in our responsibility—heavy responsibility—as a member of the three international supervisory teams in Indochina, and other matters which I believe might be more usefully elucidated as a result of questions and answers which I may have an opportunity to give to the committee.

The CHAIRMAN: Thank you, Mr. Secretary of State. Now, may we have questions? I shall try to recognize the members of the committee in the order in which they indicate some interest.

Mr. NESBITT: Mr. Chairman, I have a few questions I would like to put to the Secretary of State for External Affairs. My first question concerns the Pacific in view of the remarks of the Secretary of State that at the moment at least relations seem to be improving between the U.S.S.R. and its immediate allies and the western powers, and his remarks the other evening about the apparent determination of the Peoples Republic of China to continue an increasingly aggressive approach to the western powers. Has any thought been given to protecting our possible future interest—our vital interests—in the Pacific area by means of some sort of treaty with some of our friends in that area with a view to heading off possible trouble in the Pacific in the future?

Mr. MARTIN: Outside of the normal association that we have with member states there is no contemplated formal action along the lines that you suggest in our minds.

Mr. NESBITT: The reason I ask this question in particular is due to the fact that India, one of our sister countries in the Commonwealth, was under an aggravated attack by the Peoples Republic of China last year, and there is certainly the possibility of it recurring; also the fact that Malaysia, our new sister in the Commonwealth, is certainly under a considerable threat from Indonesia. Now, if trouble should arise in either of these cases, to what extent is Canada prepared—putting it in general terms, because I know these are matters for decision at the moment when the time arises—but what type of assistance is contemplated by the government on behalf of these countries if trouble should arise?

Mr. MARTIN: Canada has welcomed the establishment of the Federation of Malaysia which became a fact in the month of September, and when my colleague Mr. Tremblay represented Canada at the ceremonies connected with the establishment of the new confederation. We expressed strongly views similar to those expressed earlier this week by Mr. Butler, the British foreign

secretary, as to our concern over action that might be taken by any Asian state that would prejudice or interfere with the integrity of the new confederation.

At the United Nations early in October at a Commonwealth meeting I expressed, as did other Commonwealth members, our common concern over the threats that were being made in certain quarters in Asia towards the Federation and as to what form of assistance Canada could render in the event of any overt act involving Malaysia and any other country. That would be a matter of government policy which would obviously have to be discussed as well in parliament. I see no useful purpose in my making any statement as to our intentions beyond what I have just said. But I want it to be known that Canada shares with Commonwealth countries generally concern about any situation that would threaten the integrity of Malaysia as a state, and a state which has now become a federation as a result of a decision on its own part.

Mr. NESBITT: I now turn to another field.

The CHAIRMAN: Excuse me, but if your questions are going to be on another subject would you be agreeable to following an order? I have indications that three or four other members would like to ask questions. Would you be prepared to wait for a second round? I do not want to disturb any chain of questioning which you might have but we have today perhaps a limited time.

Mr. NESBITT: There is one other thing I would like to ask the Secretary of State for External Affairs. I realize this, and I would suggest that perhaps we might come to some agreement among ourselves as to the length of time any one member might ask questions, because in other committees we have had the experience where one person might hog the floor, and that is not very satisfactory. Perhaps the Chairman could suggest a length of time in which we might be permitted each to ask questions in one field. Could we perhaps have a definite length of time set up or some rule of thumb which we could follow to guide us in the length of time of the questioning by any one member?

The CHAIRMAN: I have been assisted by the whips with respect to our steering committee which I hope will meet this afternoon, in order that there may be a meeting to follow. Perhaps we might try to see how the questions work out today, and be guided by that experience in settling up ground rules which would be fair to everybody another time.

Mr. NESBITT: Well, in this case there is another question I would like to ask. In fact I have a good many. But there is one I would like to ask the Secretary of State for External Affairs which concerns the United Nations. The first of my two questions in this regard is this: could Secretary of State for External Affairs elaborate a little bit on the type of peacekeeping machinery and the potential now contemplated with respect to the United Nations, not only as to military forces but perhaps arrangements to set up some kind of United Nations personnel which might be used in certain situations, should trouble arise in any part of the world.

Mr. MARTIN: Well, Canada of course attaches great importance to the peacekeeping operations of the United Nations and indeed, this is one area in which we have made our greatest contribution. We have served and are serving on most if not all of the United Nations peacekeeping operations such as in UNEF, and in UNTSO, in the UN Observation Mission in Yemen, in the UN Command in the Congo; and we served in the old United Nations observation group in Lebanon in 1958. While Indochina commissions are not United Nations

operations, we serve along with Poland and India, on all three of these. We expressed the view that ultimately the United Nations should have a United Nations police force.

Indeed the Soviet union and the United States in their respective disarmament proposals of September 1959 or 1960 put forward proposals for the establishment of such a body after a program of substantial disarmament has been achieved. It is inconceivable, of course, that we could have any substantial measure of disarmament and not have in existence some international body capable of meeting situations of local conflict.

Now, it is not possible in our judgment at the present time apart altogether from the lack of substantial progress in disarmament to get in the United Nations sufficient support for the establishment of a United Nations police body—certainly not of the kind that was contemplated by President Eisenhower in the proposals that he made in 1958 to the United Nations, and that from time to time have been mentioned by the present Prime Minister of Canada. The reason for that is the suspicion that lurks in the minds of some groups in the United Nations that such a body would serve particular regional interests.

However Canada has always taken the view that while this is the case, we as nations individually should be prepared to do something ourselves to make available forces for potential use by the United Nations. As we all know, forces in Canada have been set aside for that purpose. And very considerable studies are underway in the Department of National Defence and the Department of External Affairs towards making more effective these potential units if they at any time should be called upon for use by the United Nations. There are some difficulties in this. The standby force that we did create was not used in the Congo for certain reasons. Instead we were called upon to make a more specialized contribution than the kind of establishment for which we had made provision. But Canada and the Scandinavian countries now and the Netherlands have taken action on their own to establish standby forces. We have had some discussion with these countries about what further use can be made of these individual national components, and we have had in mind in those discussions and in others that might take place later possible measures of co-ordination and collaboration with these countries. I do not want to overstate this, nor do I want to understate its significance, but I believe this is a very important development.

I hope that one other country perhaps—an Asian country—and now I would not want to identify it—might be able to join with this group. I do not say “join this group” in the sense that there would be direct relationship between the two at this stage, but that another nation would think it desirable to set aside forces on its own for use by the United Nations in event of an emergency. This whole process, as I see it, is a very important one, both conceptually and by way of example. It is inconceivable to me in this interdependent world in which we live, and which is becoming increasingly contracted, that we will be able to preserve order unless international organization becomes increasingly more effective, and that includes the existing collective security organization of the world.

The United Nations having at its disposal the kind of forces necessary in the long term to make effective its decisions—this is an ideal, some will call it, but I think it is a very practical ideal—and one that we are going to work towards, and one that is going to happen, and one that is inevitable if this interdependent world of ours retains its present characteristics.

Now all of these standby arrangements that I have been talking about—all the experience that we have acquired in the peacekeeping forces and operations that exist in the United Nations emergency force in particular—

all of these will provide experience and foundation for what I believe to be an inevitable development. I think that collaboration between interested countries in this particular is all to the good.

Finally I would say, Mr. Nesbitt, that I think that the Secretariat has got to take on certain added functions; there has to be opportunity given to it to provide in advance for situations where the peacekeeping techniques of the United Nations will be called upon increasingly.

When he spoke at the United Nations in September the Prime Minister outlined in greater detail the greater preparations that must be assumed at the centre, at the United Nations level.

Mr. NESBITT: I was wondering if the Secretary of State for External Affairs could answer a specific question in this regard. Is it the intention of Canada and perhaps of the countries she is working with to arrive at an arrangement similar to the O.P.E.X. which was approved by the assembly a couple of years ago, where the countries would have military forces abroad, and civilian personnel to serve in the United Nations, and to file a list of those persons or forces to be made available for the secretary, so that should an emergency arise, a good deal of time would be saved for the Secretary General, in his wisdom to decide, should he want to use troops from Sweden, or certain material from the Netherlands, or certain personnel from Canada, he would know from material already made available to him, without having to go through the long routine of asking one country, and having to get approval, with all the waste of time which might be involved?

Mr. MARTIN: This is the kind of thing we had in mind as to the work that might be done by the Secretariat, but that is not the only point. We have in mind also what could be done by the countries which now have standby forces. The question arose in the establishment of peacekeeping operations involving differences in languages, in logistics, and all that sort of thing. A great deal of anticipatory work can be done in advance.

Mr. NESBITT: My last question is in regard to the danger to the commonwealth seat in the security council, with nine permanent members under the so called general agreement of a few years ago, in view of the fact that the Soviet Union has made it clear at present that it will not permit the extension of the security council until the present republic of China is given a seat on that council. I realize it is difficult for the Secretary of State for External Affairs to answer directly, because these things involve private negotiation. But could he give us any information as to how it is expected that the commonwealth seat in this body would be able to withstand the pressure of Asia and many African countries for increased representation by means of dividing up the seats, with two for Latin America, two for East and two for West Europe, and one for the former middle east?

Mr. MARTIN: All Canadian governments have taken the position that it was desirable to have a universal United Nations organization and that every state that qualifies should not be denied membership in the United Nations. That was the position we took at many assemblies, and in particular in 1955, and consistent with that position is the view that with the addition of new members—more than doubled since that period—there must be an expansion of the councils of the United Nations to take into account new memberships, particularly from the Asian group; and we in Canada have always supported the view that at these assemblies there should be an expansion of the security council and the economic and social councils to take into account these facts. We are aware, and we were aware that when we made this affirmation of

policy, there was a threat to the existence of the Commonwealth seats and particularly as it affected countries like Australia, New Zealand, and Canada.

I expressed the view in committee myself about six weeks ago that it would be regrettable if there were to be an ad hoc redistribution as a result of any expansion which did not take into account the possibility of membership by properly constituted enfranchised countries like our own. This is the danger. You stated it the other day in the House of Commons and I agreed that there is great danger that in the redistribution which might take place, the commonwealth seat in particular could be lost in the shuffle that could take place between new countries in Africa and Asia, and in the byplay between those two important regions and other sections of the world. This would be very regrettable.

We believe that to take care of the immediate requirements of Africa and Asia there should be added four new members instead of two. We would hope that the members of the security council, particularly the permanent members, would recognize the importance of meeting our objective by accepting the addition of four, and not two new members.

I might say that there are some very important discussions underway now, Mr. Nesbitt, in this matter, and I am not unhopeful that we may be able to make some progress. But at any rate we are trying to put forward our point of view, and I hope with successful results. I would be greatly surprised however, if, for other reasons, any formal decision was taken at this time on enlargement of the security council. It is a body under the charter and in the final analysis its five permanent members must be satisfied on any enlargement. I do not think I can say anything more than that.

Mr. NESBITT: I agree that no formal decision is likely to be taken. There might be informal decision which would be more important in this regard.

Mr. MARTIN: Yes, it would be regrettable if a country like Canada, because of the desire of new regions to be represented on the council, were not accorded an opportunity to take its position on the economic and social council, for instance. Canada has not run after membership in these bodies. We have pretty well followed the general functional approach to these things. We have accepted responsibilities where we thought our opportunity, talent and capacities warranted a belief that we might make a useful contribution for example to the United Nations Economic and Social Council, which is one of these bodies. But you may be sure that we are aware of the danger. Other countries are aware of it too. Certainly the countries that are involved share our concern. There are very active diplomatic discussions going on at the present time on this very matter.

Mr. NESBITT: I have other questions, but I will hold them for another occasion.

Mr. THOMPSON: As this is the first formal meeting of this committee apart from the organization meeting the other day, I would like first of all to express my appreciation to the minister that the meeting has been convened and that he has been willing to appear at this first session.

I took careful note of the remark of the Chairman the other day when he stated that this is not just going to be a committee concerned with formalities and platitudes, but was going to accomplish something and make a contribution to this very important subject of external affairs. This is our first meeting, and as you started our discussion by referring to your organization, I would like to ask a few questions—quick questions—which do not relate to specific policies, but which do relate to the organizations' projected planning by departments. First of all, what is the method used by the department in recruiting new staff? You stated, Mr. Minister, that this organization is expanding, that

this department is expanding, and I agree with you that it is a well qualified and well trained department. But what are the methods used to bring in young men for the expanding operations?

Mr. KNOWLES: And young women.

Mr. THOMPSON: Yes, young men and young women.

Mr. MARTIN: We seek to take advantage of contacts with universities to bring to the attention of young men and young women the opportunities that are open for service in external affairs. I have emphasized since I have been in this post the desirability of recognizing the bicultural quality of our country and I have urged those who are bilingual to take advantage of the opportunity which is open to them. I mean by bilingual in this context not only those who are capable of speaking French and English, but also those who are capable of speaking another language in addition to French and English. This is the kind of step that is taken to try to improve the number of qualifying candidates.

Mr. THOMPSON: Is departmental policy concerned with bringing only young people who will come in as career diplomats, or do you also reach out to men and women who may be of older years, but who have had experience in this particular field?

Mr. MARTIN: At the head of post level, there are a number of non-career persons serving Canada in this area. In the field of foreign service generally the endeavour is to get young men and women in at a level following their university training period, so that they can get the necessary training and have an opportunity to serve not only in Ottawa but also abroad, ultimately qualifying for top positions in our service. I might say that I am quite concerned about the increasing obligations that fall upon the department, and the extent to which recruitment is not commensurate with those obligations. First of all, last year or the year before there was a stop order against increasing personnel in government service. While we have had some relaxation of this, I regard this as very serious in the development of the service as a whole. The total budget of external affairs is about \$42,000,000. This is apart from supplementary estimates and external aid. This is relatively a very small amount compared to other assumptions of financial responsibility by the government. But if it is desirable to have a good external policy, and if it is desirable to have the best of relations with other countries and to make a contribution, we must have the staff to do it. This is a very serious problem and one that I cannot emphasize too strongly. I am very happy to take advantage of this committee to do so, and I would urge through this committee young men and women in Canada to regard this service as one which lends itself to a very satisfactory career for those who are qualified for the particular opportunities that arise.

Mr. THOMPSON: Are there more applicants coming to the department than there are opportunities, or is the reverse true at the present time? Are our young people alert to the opportunities that await them for service in this matter? This question does not demand an immediate answer. Now I would like to ask a question regarding training. In addition to the in-training that goes on, starting at the lower levels and working up, is there a program for training people coming into your department? I am thinking of languages particularly.

Mr. MARTIN: With regard to languages, we have some plans for improvement in the facilities that are being provided at the moment. But this is pretty well dependent upon the facilities that the individual applicants have. With regard to training generally we have a training program for junior officers.

Mr. THOMPSON: I ask that question for a specific reason because at times I have found members of foreign missions unable to communicate correctly with the people they are working with in that particular area of assignment. I believe this is a very important field, where we in Canada could show leadership to many of the other countries particularly the western countries, because the communist countries are away ahead of us in that regard.

Mr. MARTIN: We have requests to assist with the development of foreign service departments in other countries. We had a request only last week to assist in the training of an external affairs department of two different Caribbean governments. This happens, and we do make an endeavour, subject to our only responsibilities, to assist in this regard.

We have had from time to time attached to our delegation at the United Nations individuals from other commonwealth countries for service at the United Nations as well as for service here in Ottawa.

Mr. THOMPSON: Mr. Chairman, could we not put down that subject in our agenda for discussion in more detail at another time? I think it is a very useful point for discussion. Are there plans for new missions in this immediate year?

Mr. MARTIN: Yes, we have plans for a number of missions. This is a matter subject to cabinet decision because it involves the expenditure of money. We have plans for a number of missions. There are some areas—one I have in mind particularly, but I cannot say very much about it—it is a small country which I think is a very vital area in the world. I would hope we could do something about this, but I regret I cannot mention the name. It is a matter of government policy on whether we establish a mission.

Mr. THOMPSON: I regard such organizations as more or less indigenous in their origin or nature, such as the organizations in an African community, to be of great importance to the future development of harmonious and peaceful world affairs. This likewise applies to the Organization of American States. Is there any policy in the department where we have an observer, where we are studying or reporting back developments that are taking place? I do not mean to bring up the Organization of American States at this time, as I did the organization of African communities, because I think many of the countries of these areas look to Canada for leadership. I have heard disappointment expressed however many times that Canada was not interested enough to have an observer, or have liaison with these organizations.

Mr. MARTIN: With regard to the organization of African states particularly, that stemmed from the conference presided over by the Emperor of Ethiopia. I am not aware that we were asked to send an observer. I fully agree with you on the importance of those meetings, and of what has eventuated since. The emergence of so many new states on the continent of Africa is one of the outstanding international facts of our time. Canada must increasingly extend her contacts with Africa. We are endeavouring to do this in a number of ways by getting to know the personalities now in charge of the government in those countries and in the United Nations. I myself at the recent assembly made it a point to meeting as many of those delegates as I could. I have now established a working contact, I think, with most of their foreign ministers. But we have limited means, and a limited number of missions in Africa. We hope in our external aid program for 1964-65 and the following years to establish greater contact through this particular channel.

I might highlight as an indication of our interest and our concern for African states the fact that we have an opportunity—if I might be permitted to digress momentarily—because of the fact that there are so many French

African states, and the fact that we are a bicultural country. For instance, we have been able to assist the small state of Ruanda in establishing a new state university, and we have undertaken the responsibilities to provide initial funds for the small staff which is now operating in that country under Father Lévesque, a well known Canadian clergyman, and we shall be increasing our interest in one particular way which I hope that I will be able to announce after the new year, after we have formulated the details of our external aid for 1964-65.

With regard to international organizations in Latin America we have had observers, and in some cases actual participants at I think five different Latin American bodies. We attended for the first time, in the month of June last, a meeting of Latin American labour ministers, and we had a delegation in attendance there in an observer capacity.

Our contacts with these international organizations are increasing. We have had discussions with the president of the Latin American development bank, three months ago, and only last week we had two days of discussion here with Mr. Prebisch formerly of the Latin American Economic Commission, who is a distinguished banker, and who is in charge of preparations for the United Nations Trade and Development Conference which will begin its operations in Geneva next spring.

These discussions are of considerable importance. They give us an opportunity to establish further and further contact with Latin America. I would like to say right here and now that I am sure that this is an area in which Canada has to take an increasing interest, an interest stimulated not only by potential economic advantages but also because of the fact that Latin America is a very important segment of the world where there are great movements underway, movements that are as vital to the peace of the world as in many other areas. We are fully conscious of this.

I think that Canadians generally are unaware of the fruitful results that can flow from increasing contacts with Latin America and particularly because of the potential linguistic, cultural and spiritual heritage that is ours, we have to take advantage of this community of interest.

Mr. THOMPSON: By way of closing, I noted that the minister mentioned our limited missions. I realize the tremendous financial cost involved in establishing missions all over the world. I think we are opening a very important field of discussion, since we mentioned the Organization of American States, and the organization of African community, and I think we should make sure that all these fields of discussion are included on our agenda for future meetings.

Mr. CHAIRMAN: Thank you, that will be brought to our attention.

Mr. KNOWLES: The question I shall ask at this time will be very brief, as will be the replies, I imagine.

Mr. MARTIN: Not if you want the full story.

Mr. KNOWLES: We are old friends. We know each other.

Mr. MARTIN: You and I know one another too well.

Mr. KNOWLES: My questions have been pretty well answered through the questions asked by Mr. Nesbitt. I had one with regard to the general availability of forces which Canada and the other few countries have designated. I believe the designation of forces by Canada was effected by the previous administration and supported by this government.

Mr. MARTIN: The designation was made by the St. Laurent government.

Mr. KNOWLES: The minister has definitely told us that we are unanimous on this very important concept in terms of trying to achieve world peace. I shall not repeat my question, or ask for a repetition of the answers. But I do have two supplementary questions I would like to put to the minister. The first one is this: could he tell us a bit more about Canada's own standby unit or units? Are they involved in anything else to the effect that they would not be readily available, or are they ready and available at any time when they could be usefully employed in international peacekeeping operations?

Mr. MARTIN: The answer to that is that they are ready and available, but there could be no guarantee where in particular circumstances they would be used. They were ready and available for use in the Congo, but they were not used for other reasons.

Mr. KNOWLES: My second question is this: What relationship is there between the countries who have standby forces, I mean Canada, the Scandinavian countries, and the Netherlands, as well as the secretariat of the United Nations; how is the secretariat kept informed on what forces are available? What information does he have concerning these forces, or concerning what progress is being made towards the possibility of creating a UN force which might actually be used in case of need?

Mr. MARTIN: There is no official recognition by the United Nations of the existence of these forces. Whatever discussion has taken place between the countries from time to time, within the precincts of the United Nations, has been as a result of arrangements made by the participants themselves. I do not want to suggest that the Secretary-General is opposed to these features because he is not. But he takes no official cognizance of its existence because of the state of public opinion in the United Nations itself.

Mr. KNOWLES: I have a question in other fields, but I shall wait for another chance.

The CHAIRMAN: Would you like to continue? I have Mr. Martineau and Mr. Fairweather.

Mr. MARTINEAU (*French*):

The CHAIRMAN: I regret to say that due to the great pressure on committees this morning we have a problem of reporting in French. We do want a record, and this committee has stretched the resources of our committees to have one.

Mr. MARTINEAU: I shall repeat my question in English.

The CHAIRMAN: I would be grateful if you would.

Mr. MARTINEAU: Might I ask the minister if in view of his reference to the forthcoming conference between President Johnson and the Prime Minister he could tell the committee what steps Canada will propose as a basis of discussion at that meeting particularly and particularly can he say if the question of Canada's adhesion to the Organization of American States will be discussed? and if the government is in a position to tell the committee its attitude towards Canada's admission to the Organization of American States?

Mr. MARTIN (*First he spoke in French*): I would simply say that this is a matter between the President and the Prime Minister, and that it was only decided yesterday. The work has already begun on the matters that will be discussed between the heads of our two governments, and I am not in a position to announce the particular subject matters. Some of the questions are quite obvious. I was present when the Prime Minister saw President Johnson on the day of President Kennedy's funeral. This was a conversation naturally that did not give an opportunity for the widest discussion in our case, as

indeed in the case of other heads of state who saw the president. I would like to say however as one who was at that meeting, that it became quite apparent to me that Canada plays a very important part in the relations, in the concept of the relations that the President has with other countries, and I would draw some significance from the fact that the Canadian Prime Minister was the second person to be received by the new President a week ago last Monday. At that meeting we discussed the desirability of an early meeting, and it has been decided upon for January 22 following the visit of the Prime Minister to France on the 15, 16 and 17 of January.

I would not want to say what particular subjects will be discussed, Mr. Martineau. It may be that before the Christmas prorogation or adjournment whatever it may be, I may be in a position to say more about this, if you wish. The question of the Organization of American States is a matter which would depend on the attitude to be assumed by the United States government itself. I can only say that when the Prime Minister met the late President Kennedy at Hyannis Port this matter was not raised by the President of the United States. I am sure that the government of the United States regards this as a matter that depends on action to be taken by the Canadian government in the light of its consideration of what it should do.

Mr. MARTINEAU: I have a supplementary question. A few minutes ago the minister stressed the increasing importance of ties with the Latin American States both economic, as well as cultural and the rest.

Mr. MARTIN: Yes.

Mr. MARTINEAU: I was wondering if in doing that he or the government had made any significant review of the position in regard to the eventual adherence to the Organization of American States.

Mr. MARTIN: Yes. My own views on this subject are well known. They have been views which I have maintained personally for a quarter of a century in this parliament. They have not in any way altered. No decision on this matter has been reached in the field of foreign policy, but that is not to say that there could be any difference between personal and collective views. I do not say there are differences because this stage has not been reached. But as Secretary of State for External Affairs I have been examining this matter in the light of a number of considerations. And I frankly do not hesitate to discuss this. What the ultimate decision will be I do not know. There have been some developments in Latin America that would warrant no decision being taken at the present time. There is to be a meeting of the Organization of American States on April 1. Whether Canada will be at that meeting as an observer is a matter yet to be decided. There is considerable discussion under way among member states in the organization at the present time on the terms of membership which will be imposed on any new member that wishes to come in or be invited to join. It should be noted that until now there has been no occasion to give consideration to this subject since the Organization came into being.

One of the reasons why there is some discussion now in the organization on the qualifications for membership arises out of the fact that there are disputes between member states in the organization and ones outside, on the ownership of territory that may be involved in areas that may acquire independence. In any event whether it has to be unanimous, whether it has to be a two-thirds vote, whatever other conditions are to be established has not yet been decided by the organization itself. We have been following these developments. I do not think that the electoral situation in the organization affects potential Canadian membership. I would be of the opinion that if Canada indicated its desire to join, there would be no problem. However, we have not reached that stage. I am giving this question the most careful consideration, but it has not

reached the stage where I am in a position to make any recommendation one way or another to my colleagues. I do not propose to be hurried into doing something which has very important consequences. Some people think the economic and social problems of Latin America are so serious that Canada has an obligation to assist these underdeveloped areas and this section of our home continent. There may or may not be a connection between membership in the Organization of American States and assistance to Latin America. I do not see there is any connection between the two myself. But I must recognize that there is a view held that there would be a strong moral obligation on Canada if it became a member of the organization to participate extensively and in an important way in giving economic assistance to Latin American countries. If there is this moral obligation, I think it exists whether we are in the organization or not. But we have to assess our capacity to meet obligations in or out of the organization in the light of other considerations and our obligation to other areas of the world as well.

I have had some important talks, Mr. Martineau, with the president of the Organization of American States, and I have had some talks, as I mentioned a moment ago, with the president of the Latin American development bank. We have participated in the Economic Commission for Latin America, and we are taking part, as I told Mr. Thompson, in a number of cultural auxiliary organizational studies and instruments. That is the situation. I believe that Latin America represents a very important section of the world. I believe there is a great bond between Latin America and Canada. I am conscious of the fact that in Canada there is no strong public opinion on this subject. I say I am conscious of it because of my correspondence and because of my conversations with others; but that does not alter the fact that one in such a position as mine has attitudes and views on this important subject. Latin America is a very important area in the United Nations. Much of the peace of the world depends upon developments in Latin America. I think you will recognize the effects of the current interdependence, and you cannot overlook the growing significance of Latin America.

Now, one other aspect of this might be mentioned in what is a frank statement of the present position, which is very fluid. As you can see, I cannot be otherwise if one is going to be responsible. Some say: "Oh well, we should make a quick decision". I do not believe in the field of foreign affairs you can make a quick decision in many areas if you want to do a responsible job.

But we are very proud, and I am sure other commonwealth countries are, the way in which some of the Caribbean commonwealth countries have grown from colonies to nations. We are proud of the stability and the capacity in organization and in government in countries like Trinidad, Tobago, Jamaica and some other countries in the Caribbean. While Canada is not a country which seeks to build up imperial bases, I think Canada has recognized that there is a special relationship with commonwealth countries in the Caribbean, and this I think is their viewpoint. We would have perhaps a different view ourselves if it were otherwise. This is a view, I am sure, of our good friends the United States and the United Kingdom, and it is an area in which I think we shall be having increasing contact. Some of these commonwealth Caribbean countries have been giving consideration to membership in the Organization of American States. I should not be surprised if within the next period—I would not want to be held to what period—there was not some progress made in this regard. There would not be some time set in this regard by the organization, or by one or more of these commonwealth countries, or by both. In any event this is a factor which may well have a very significant bearing on the consideration which is being given to this whole question.

Mr. MARTINEAU: I have a third question for clarification. The minister stated there were no strong opinions in Canada on this subject of the Organization of American States. Could he say if the opinion in Canada was stronger in one section of the country than in another in this regard?

Mr. MARTIN: To be frank with you, I have been surprised since taking this post, to find the number of people who were against this thing. That is not a consideration that should be foremost in the mind of a responsible foreign minister, but it is a fact. I have been surprised too at the extent of the interest, and neither is this a dominant consideration in the mind of a foreign minister. I just state these as facts.

Mr. THOMPSON: Does the minister not think that while he says there are no quick decisions to be made in external affairs, that some of these countries are looking for a bit of leadership in some of these things? Or do we have to sit back and wait to see what happens first?

Mr. MARTIN: I think most countries in the Organization of American States would welcome Canadian participation.

The CHAIRMAN: Now, Mr. Brewin.

Mr. BREWIN: Before I put my question I would like to say to the Secretary of State for External Affairs that in the debate last week I expressed a rather critical view of the fact that this committee had not been called into operation earlier.

Mr. MARTIN: You hurt me too, when you said that.

Mr. BREWIN: I would be less than courteous if I did not remind you that I did not say that it was because of his fault.

Mr. MARTIN: I will not accept any responsibility for the fact that we did not meet earlier. I have been very anxious that we meet, because I thought it would be a good thing to do.

Mr. BREWIN: Does the Secretary of State for External Affairs think it would be possible at future sessions to have this committee—the importance of which he obviously recognizes—meet rather earlier in the session and not wait until, shall I say, until the dying weeks of the session?

Mr. MARTIN: You have my reply to that. I have already discussed it with you. I think it would be very desirable, and I would be anxious that we meet early in the next session. But that is a matter which does not depend on me, but upon the business of the house and the effectiveness of the opposition's suggestions. That is a factor which must not be overlooked.

Mr. KNOWLES: There is a rule in the book which permits you to do this at any time.

Mr. MARTIN: You know perfectly well that my reply is the correct one.

Mr. BREWIN: I must say that I think the Secretary of State for External Affairs has influence enough to see to it that this objective is achieved with which he agrees.

Mr. MARTIN: Oh yes, I have great influence on the government, but I do not know how much influence I have with Mr. Pickersgill in this area.

Mr. BREWIN: If I may get on with a different line of questioning—

Mr. MARTIN: That is a fruitful line.

Mr. BREWIN: You have spoken of the emphasis that Canada puts on the subject of disarmament. Do you believe it is possible to contemplate disarmament realistically as long as a nation like China is isolated from the rest of the world? Is that not part of the problem of disarmament?

Mr. MARTIN: Well, I am sure we cannot look forward to an effective nuclear disarmament without the participation of the Chinese Peoples Republic. I think this must be elementary. Indeed this was recognized by President Eisenhower and by President Kennedy. But this does mean that we should not seek within the group—without China and in some instances France—to reach the widest possible area of agreement. Another limiting effect of course, apart altogether from China—and in the case of nuclear testing from one of our friendly countries—is the fact that with the existence of political problems which divide east and west; the problems of a divided Berlin, a divided Germany, and other places in the world, but particularly that one it will not be easy to reach, in my judgment, substantial disarmament. Those are the areas I spoke of in my statement in the house. I think we have made some progress in those areas, but that does not mean to say that we should not try to seek to make every endeavour that we can to take advantage of the test ban, and regard it as a breakthrough. I would hope, as in the case of the partial test ban, it might specifically happen in some other areas. But I do not think it is useful to indulge in wishful optimism that is not warranted. I think it is important for us to recognize the difficulty of pursuing a course as zealously and instructively as Canada is seeking to do through General Burns at the present time. I saw him late last night in Washington when he had had some discussion there with the responsible bodies in the government of the United States, and this discussion I am sure will prove very valuable to him in the position which the Canadian government will authorize him to take when the meeting opens in Geneva.

Mr. BREWIN: May I ask the Secretary of State for External Affairs to move on to the first sentence of his remarks when he said that he thought that without the participation of the Peoples Republic of China it would be difficult to move into nuclear disarmament, and also what he said in the house the other day, that he saw great danger arising out of the isolation of the Peoples Republic of China. Might I ask what steps if any Canada is taking eventually to bring to an end this isolation?

Mr. MARTIN: I repeat, I think there is danger in isolation. This is recognized by the Leader of the Opposition who spoke in reply the other night. We all remember the danger that attended the isolation of the Soviet union in the post-war period up until a few years ago, certainly during most of the Stalinist years.

I well remember at the United Nations being instructed to urge the Soviet union as early as 1949 to enable increasing contacts to be made with western powers, when the reply of the Soviet union always was of course very strongly in the negative. It was a fact that there was just no contact whatsoever. In fact, that lack of contact was embodied in the dogged posture taken by the Soviet spokesman at the United Nations. Mr. Knowles will remember from the early days of the United Nations in London, when he played a very useful part in the Canadian delegation, that the contacts were very, very unopen. I think that this developed over the years, up until quite recently, as a sort of cause. More open contact has served the cause of better understanding and peace.

I know that this liberal position—and I spell liberal with a small “l”—will be found amazing to people who feel that there should be no contact with an ideology which they find unacceptable. Most of us in this country do not accept the ideological program of the Soviet union or of the communists, but we do recognize the facts of life.

I think that the conclusion which have just stated was emphasized, if I may say so, by the late John XXIII himself who, as head of a church which is violently opposed to communism, nevertheless expressed strongly the view that we had to recognize that for the good of mankind there were good elements in

this camp which was ideologically opposed to us. I think this is coming to be recognized increasingly as a responsible position to take. If this is applied deservedly to the Soviet union, it seems to me it should apply to any other group, and certainly communist China, a country of tremendous population. The population of communist China in 1975 will I think have grown to an estimated 875,000,000. It has declared itself to believe in the inevitability of war, unlike the Soviet union, and that alone should admit the closest examination by us.

There are good reasons in my judgment why we cannot agree at the present time to the demand of communist China for seating in the United Nations, but equally in my judgment why we cannot recognize the Peking regime as a government. Among those considerations is the right, we feel, of self determination for the people of Formosa. There are reasons at this time which I do not think I should discuss publicly. But I would be happy to discuss them with Mr. Brewin and give him further reasons which I believe at this time warrant the position we are taking in this matter.

But we have clearly to indicate to those people that we are ready to trade with them, and I can see no reason why we should not have other contacts with them. The policy of the government, as was the policy of the previous administration, is to pursue those contacts to the extent that they can be pursued.

Mr. BREWIN: I do not want to probe the Secretary of State for External Affairs into anything that he does not think would be right or appropriate, but does it not seem to follow from this that the diplomatic recognition of the Peoples Republic of China would be a step in the direction which he thinks is important? What are the real obstacles? Could he tell us what they are?

Mr. MARTIN: Formosa is one.

Mr. BREWIN: Britain recognizes the Peoples Republic of China diplomatically. Does that involve any admission in regard to the state of Formosa?

Mr. MARTIN: That was a decision taken at the beginning, and the Labour opposition expressed the view—I am not expressing those views—but the Labour opposition through a former Prime Minister—expressed the view the other night in the house that it would have been wise if that decision had been taken *ab initio*. That was I am sure a studied observation. And it is a fact that Britain recognized communist China at that time. But I can say to you in the light of all the facts open to me and which must be open to foreign ministers, that I believe the course at this time that we are taking is the right one. I may be wrong, but I am just stating this because I think it is implicit in your question, and sincerely I am not criticizing you—I say that this is a logical position. Here we are trading with China. Why do we not recognize her? I am not saying what the future may hold. I am not going to try to read the future. I have enough trouble trying to read the present. But—I say this in the light of the information before me—I say the course we are pursuing is the one which commends itself to my judgment. Some people say it is an illogical position. Some very good friends of mine argue that strongly, and it is implicit in your question. Of course it is illogical, but government is the art of the possible. You and I are doing illogical things continually, but they are the only course at a particular moment that we can pursue, and this is one of them.

Mr. BREWIN: Could you give me some of the obstacles?

Mr. MARTIN: Yes, I can, but I do not feel I can give them in a public way.

Mr. BREWIN: Do they involve Canadian public opinion?

Mr. MARTIN: No, they involve important facts which foreign ministers must consider. I cannot say anything more than that, but I would be glad to discuss them with you.

Mr. FAIRWEATHER: Could the rest of us be there when you discuss them?

Mr. MARTIN: I did not mean to single out Mr. Brewin, I would be glad to invite even the press to a coffee party.

The CHAIRMAN: When?

Mr. MARTIN: An off the record discussion of these things. It must be obvious there are matters which fall in a category which cannot be dealt with in any other way.

Mr. BREWIN: I was interested in what you said about the standby force or assistance which might be available for the United Nations peacekeeping operations. I understood you told Mr. Knowles that this would be available, but is it available in a form which could be used quickly in an emergency?

Mr. MARTIN: It is available in a form which could be used if it was politically possible to use it. It was available in the case of the Congo but for reasons which you know that particular standby force was not used and we were asked to send in signallers.

Mr. BREWIN: That is not what I have heard in another committee. I heard it would take at least 30 days to get the equivalent of that force to Europe.

Mr. MARTIN: How long did it take you when you made your trip to Europe just recently?

Mr. BREWIN: I suggest that an armed force is not as easy to transport as a committee.

Mr. MARTIN: I am sure that if it were thought desirable to use a standby force in a particular situation it could be taken there quickly. But no one can say where a particular standby force will be used. We cannot envisage a situation which could develop. I know that national defence and our own department are co-operatively studying ways and means of changing or reorganizing these standby forces in the light of developments that could ensue. We had a situation in Yemen, that was a rather difficult situation which confronted us shortly after the change of government. There had been an injection of large forces by the United Arab Republic into Yemen to supply assistance to the forces of the royal government. This situation threatened the peace of this traditionally turbulent area of the Middle East. This is where the most successful peacekeeping operations of the United Nations have taken place, and the secretary general, acting under powers which he thought were his, decided to set up an observation group in Yemen. I had early talks with him and I took the view that the authority which he thought he had, he did not really have. He had authority to spend money for a particular observation group, or for an authorized peacekeeping operation, but I thought the resolution was not wide enough to permit him to do what he proposed to do. In any event a meeting of the Security Council was held, and with the Soviet Union abstaining, it was made possible for the Security Council to get an observation group into Yemen to observe whether or not the process of disengagement was taking place on the part of the United Arab Republic, having regard to its troops and on the part of Saudi Arabia, in regard to the form of help which it was giving. We had no idea what we would be called upon to do. Yugoslavia was asked to supply ground troops, and we were asked to supply the air component. Our standby force does not envisage this kind of work. Consequently it could not be used in that particular operation and that kind of problem. But we are seeking the development of standby forces

which will have the potential of wider use, I hope not only on our own part but in collaboration with other countries in time.

Mr. MANDZIUK: I was going to suggest that we adjourn at this time out of deference to the minister of external affairs.

The CHAIRMAN: I have on my list members who apparently would like to ask questions of Mr. Martin. I wonder if it would inconvenience the Secretary of State for External Affairs if we could meet this afternoon? Is that possible?

Mr. MARTIN: I have a meeting at 4.00 p.m., a cabinet committee.

The CHAIRMAN: What would be the pleasure of the committee?

Mr. MARTIN: Here is my timetable. I think we could meet tonight. Tomorrow I have to meet with the British Columbia delegation concerning the Columbia. I have Monday and Tuesday on the Columbia with the United States government. So I do not think I would be free tomorrow, Monday, or Tuesday. And I am going to the NATO meeting on Friday.

The CHAIRMAN: Mr. Martin says he would be available at 8.00 p.m. tonight. Is that the pleasure of the committee?

May I now announce the members of the steering committee as follows: Messrs. Macquarrie, Brewin, Chapdelaine, Nesbitt, Cashin and your Chairman. These gentlemen will compose the subcommittee on agenda and procedure. Perhaps these gentlemen would be good enough to meet with me briefly after the orders of the day in my office, room 454D. The meeting is now adjourned until 8.00 p.m. tonight in whatever room the members will be advised.

EVENING SESSION

THURSDAY, December 5, 1963.

The CHAIRMAN: Gentlemen, I call the meeting to order and report that the subcommittee on agenda and procedure met this afternoon. The subcommittee recommends that Mr. H. O. Moran, director general of the External Aid Office, be called to appear before the committee on Thursday next, December 12, at 10 o'clock. It also recommends that the committee should complete questioning the Secretary of State for External Affairs on one topic before moving on to another subject. Therefore, if we may have a question from who ever is recognized and then any supplementary questions there may be and pursue them, we can perhaps move in an orderly way.

(Report agreed to.)

Mr. REGAN: Mr. Chairman, I would like to ask the hon. minister, arising out of his general remarks with reference to O.A.S. and the West Indian area, whether he would outline what specific plans Canada has for relations with the West Indian federation and other commonwealth states in the area, and whether it is intended by the government to have closer economic relations with this are in the future. I would also like to ask whether it is contemplated that Canada should take any responsibility for the defence of these areas in as much as they are commonwealth nations in the western hemisphere.

Mr. MARTIN (*Essex East*): May I first of all deal with your last question? The question of defence is a matter on which there is nothing I can say.

Because of the fact that we share with the Caribbean countries in the commonwealth a community of interest as members of the commonwealth, and on that account have had with them a long-time association, I think it would be expected that Canada would have a very special interest in these countries.

So many of them now have acquired independence, they can speak for themselves. We treat them, of course, as we do any other independent state in terms of their sovereign policy. There is no paternal attitude on the part of Canada towards these countries, but the Prime Minister made it clear in discussion with the President at Hyannis Port that we did recognize that these nations, which have developed orderly and stable governments, have problems that are common to other developing nations and that it was our intention to increase our external aid to them.

In the announcement I made a few weeks ago in parliament about our program, for the fiscal year 1964-65 I confirmed that in it provision was being made for increased assistance to the Caribbean countries. We are now, of course, discussing the estimates for the fiscal year 1962-63, and this is not the place for me to discuss the program we have in mind for 1964-65 in regard to this area. That will come in the appropriate fiscal year when the details of that program are made known.

However, I am sure we would welcome consideration by the committee of the kind of assistance which this committee, in its judgment, might think we might bear in mind in the formulation of this program for them. Two of the countries are represented in Ottawa by missions. These are two very distinguished high commissioners representing Trinidad and Tabago, and Jamaica. We in turn have high commissioners in these two countries. This year we have had a visit from the Prime Minister of Barbados, a country whose constitutional evolution is now in progress. We had anticipated a visit from the Prime Minister of Jamaica this fall, but for particular reasons only within his control this visit was not realized. But I saw Prime Minister Bustamante a few days ago in Washington and one of these days I am sure we will look forward to a visit from him.

In a general way I can say, Mr. Regan, that we have a traditional friendship with these countries, and it is the intention of the Canadian government to pursue these relations and to see that they are made stronger than may now be the case, strong as these relations are. There are situations, of course, in the Caribbean that may engage the attention of any commonwealth country. We are not represented, for example, in British Guiana but the developments there are of interest to us; and Canada has an economic interest in that country through the existence of large bodies of bauxite and through one of our great corporations in this country. For that reason, and because this is a commonwealth country in the Caribbean, we have a very great interest in developments there.

Generally speaking, we are not a country that has the quality of imperial expansion in our make-up, and nothing of that sort, of course, is involved in this; but we do regard this as one of the areas in which we would be expected to have a very special interest.

Mr. FLEMING (*Okanagan-Revelstoke*): May I ask a supplementary question? Can the minister not tell us specifically, on the basis of what we are doing now, what we project doing.

Mr. MARTIN (*Essex East*): I can outline for you what we are now doing in the field of foreign aid. I thought at this stage we were going to have a general discussion and, that we would then take advantage in the committee of the External Aid Office, through Mr. Moran, to give the details of our program.

Mr. FLEMING (*Okanagan-Revelstoke*): The government has had 18 months in which to consider programs for the Caribbean countries, and we can no longer think of them in those terms, as the West Indian federation no longer exists. We are dealing with them as specific areas, as an independent entity, Trinidad and Tobago as another. I presume the government has considered

the approach they must take to policy; and what the government is planning to do will give us an indication of the general terms of the policy the government has for this area.

Mr. MARTIN (*Essex East*): Do you mean in terms of external aid?

Mr. FLEMING (*Okanagan-Revelstoke*): In all respects and in specific respects.

Mr. MARTIN (*Essex East*): "All respects" is a pretty wide area; I would have to ask for specific designations. We do have in mind, as I said, assistance for Caribbean countries, the main feature of which will be in the form of credits. This will meet their requests more than any other particular form of assistance. The details of that belong to the fiscal year 1964-65, and until that program has been fully developed in consultation with these countries it is not possible to go any further.

Mr. FLEMING (*Okanagan-Revelstoke*): Do the representatives of the Department of External Affairs, for instance in Jamaica, work closely with the representatives of the Department of Trade and Commerce in commercial matters?

Mr. MARTIN (*Essex East*): Yes, very closely.

Mr. FLEMING (*Okanagan-Revelstoke*): Is there a foreign policy principle involved—that is, an attitude—which fits in with both our relationships in external affairs policy and also commercial policy, and an integration of the two?

Mr. MARTIN (*Essex East*): In terms of our trade policy, those are questions that will have to be sought from the appropriate department. In terms of foreign policy, we are, with them, as I said and as you have mentioned, members of the same commonwealth. We share together common views with regard to the commonwealth, its usefulness, and its future. We have had discussions with them with regard to our relationships to existing institutions in the Americas and we have common attitudes with them with respect to problems such as disarmament, with regard to nuclear testing, and with regard to the problems that confront the United Nations generally. I think it can be said along broad lines that we maintain the same basic attitudes in respect of the relationships that we would like to see established between our respective countries as we do in respect of other countries of the world at the present time.

Mr. FLEMING (*Okanagan-Revelstoke*): But in this eight month period during which the government has been in office there has been no direct consultation for reshaping and creating specific programs for the individual countries?

Mr. MARTIN (*Essex East*): You mean in terms of external aid?

Mr. FLEMING (*Okanagan-Revelstoke*): Yes.

Mr. MARTIN (*Essex East*): There have. We have very active consultations proceeding now with these countries. I myself have had a number of discussions with officials, and particularly with the high commissioners, about the forms of assistance which they have in mind and which we feel we might be able to extend. We have had very considerable discussion with them.

Mr. FLEMING (*Okanagan-Revelstoke*): What conclusions have been reached as a consequence of these discussions?

Mr. MARTIN (*Essex East*): As I said, when the program is before parliament in 1964-65 those details will be given, but we cannot now deal with

a program that is for another year. We can now deal with and discuss the details of what we have done in the fiscal year 1963-64.

The CHAIRMAN: Mr. Herridge, Mr. Chapdelaine, Mr. Balcer and Mr. Mandziuk have indicated they wish to speak. Do any of these gentlemen have questions which are supplementary?

Mr. BALCER: Mine is related.

The CHAIRMAN: May I recognize Mr. Balcer.

Mr. BALCER: Two years ago Canada built and gave two merchant ships.

Mr. MARTIN (*Essex East*): Yes, there were two ships with a value, Mr. Balcer, of \$5,866,000. These were provided in 1960 for inter-island traffic.

Mr. BALCER: I would like to know now which country is holding these ships and which company is actually operating the ships.

Mr. MARTIN (*Essex East*): I will obtain that information.

Mr. BALCER: This is West Indies trade.

Mr. MARTIN (*Essex East*): I will get that.

The CHAIRMAN: Mr. Mandziuk.

Mr. MANDZIUK: I would like to ask the minister to tell us briefly whether Canada differentiates in its assistance—outright gifts or credits—between countries with a democratic system of government, or countries which are on their way to developing full democracy, and those which started out as democracies and are gravitating to dictatorships. Will the minister tell us whether among all these we give any preference to the nations of the commonwealth and whether among them also we have this division, because some of them are not real democracies.

If my memory serves me correctly, Mr. Chairman, the United States government intends to follow a policy of decreasing aid and assistance to nations which are not carrying on under democratic policies.

Mr. MARTIN (*Essex East*): Our external aid program, of course, began with the Colombo plan which was, in the initial period, confined to commonwealth countries in the area. The chief beneficiaries were, of course, India, Pakistan and Ceylon. The form of government in one of these countries differs at the present time from the form of government in the other two. We have not sought to extend further aid because of any changes in the form of government, for instance, in Pakistan. We give assistance now to other countries, to Indonesia, to Laos, to Viet Nam, to Nigeria, and to Ghana.

Mr. MANDZIUK: Will the minister comment on this: Ghana is not a democracy; they have outlawed and imprisoned all opposition. I want to know whether the government is showing any preference, in giving assistance to a member of the commonwealth, which lives according to the democratic form of government, and to one like Ghana. The United States government is going to do that.

Mr. MARTIN (*Essex East*): I cannot say that we are or that we contemplate so doing. We give assistance to Ghana; we provide many teachers to Ghana. In the consideration of our program we have not taken into account the facts which you now allege and about which I make no immediate comment; but we do give assistance to Ghana.

Mr. MANDZIUK: I do not imagine the minister has the figures at hand so that he could tell us how much is going to Ghana.

Mr. MARTIN (*Essex East*): I can give you the figures but I had thought we were conducting a general discussion at the present stage. The usual practice is to have Mr. Moran do that, but I can give it to you if you wish.

The CHAIRMAN: If Mr. Thompson and Mr. Kindt's questions are supplementary I will hear them, otherwise I will hear Mr. Herridge.

Mr. THOMPSON: Since the collapse of the West Indies federation there are a group of islands that have reverted to more or less colonial status or at least are under the jurisdiction of the colonial office. I am thinking of the Leeward Islands, Barbados and Grenada which would come into the same classification as St. Vincent, Dominica and St. Kitts-Nevis in the Windward grouping. Has the minister any words for us as to what developments are taking place regarding an eastern Caribbean federation where these smaller units may come in together as a new federation?

Mr. MARTIN (*Essex East*): I do not think I would want to make any comment about this development. This is something that is outside of our particular sphere of control. I would not want to say anything that could be regarded in any way as a suggestion as to what course these nations should pursue.

Mr. THOMPSON: I was only speaking of factual developments.

Mr. MARTIN (*Essex East*): I do not think there is anything I can usefully add other than what is generally known about the conference of the chief ministers of what is known as "the little eight" which was held in May of this year at Bridgetown to seek to work out recommendations for a federation of these small islands. A difference of opinion was revealed as to whether the federation should be a closely knit one with substantial powers added to the federal government, or a loosely knit one with reduced powers at the centre. I believe that there is reason to think that a further constitutional conference for these eight countries will be held in London before the end of the present year. That was the information that we had as of the month of October. There are indications, at least there were at that time, that Grenada preferred to merge with the united state of Trinidad and Tobago rather than form part of any future eight island federation. In any event, committees are at present examining a proposal for a merger of these larger islands.

I should like to add to that that I think this conference which I envisaged might take place before the end of 1963 will clearly not take place by then.

Mr. KINDT: You stated that the government was considering credits for the Caribbean countries. Would you mind commenting on what form of credit is being considered, that is to say is it government credit or commercial credit, or a combination?

Mr. MARTIN (*Essex East*): Government guaranteed credit. There are no government to government credits practised by our country.

Mr. KINDT: I have one other supplementary question. Could you give us the figures on the total aid given to Tobago as the result of the hurricane disaster?

Mr. MARTIN (*Essex East*): The sum was \$20,000 given the Caribbean area including \$5,000 specifically for Tobago.

Mr. BALCER: I have another supplementary question. I wonder if the minister could give us any indication on the possibility of the Canadian government and the West Indies joining into a large confederation, as has been suggested by the press? This has raised quite a lot of interest, especially in the maritimes. What are the possibilities for this and have any steps been taken in that direction either by the Canadian government or by the West Indies?

Mr. MARTIN (*Essex East*): Would you mind stating the first part of your question again? Do you mean the Caribbean countries?

Mr. BALCER: There was a rumour as well as a report in the press that there might be a possibility of Canada and the West Indies joining, or rather the West Indies becoming a province of Canada.

Mr. MARTIN (*Essex East*): I have no comment to make on that.

An hon. MEMBER: Or Bermuda?

Mr. MARTIN (*Essex East*): No comment on that.

Mr. BALCER: Do you mean by "no comment" that there has been no discussion on that?

Mr. MARTIN (*Essex East*): You know me well enough by this time, Mr. Balcer, to know that by "no comment" I mean no comment.

Mr. HERRIDGE: The minister is not the Secretary of State, he is the minister.

Mr. MACEWAN: I would like to ask a few questions.

Mr. NESBITT: I have a supplementary question.

The CHAIRMAN: Do you yield for a supplementary question, Mr. MacEwan?

Mr. MACEWAN: Yes, as long as I am next on your list.

Mr. NESBITT: My question concerns the East Indies.

The CHAIRMAN: I think that is too much of an extension.

Mr. NESBITT: I wish to speak on the Colombo plan. This refers to the matter of the Colombo plan.

The CHAIRMAN: I do not consider this to be a supplementary question to the matter of the West Indies. I will put you down on my list.

Mr. MACEWAN: I would like to speak on the question of the 12-mile limit. First of all I should like to ask the minister a question concerning the rights of the four countries which he mentioned this afternoon or this morning, France, Spain, Portugal and Norway, in the 12-mile offshore limits. Is there a treaty on this?

Mr. MARTIN (*Essex East*): This question must be divided into three parts, first of all, the difference between the expansion of the territorial sea within the understanding of that term under international law, the expansion of the fishing limits which a country deems as part of its fishing property, and the consequences of a unilateral declaration such as the one that was made in parliament on June 4 by the Prime Minister. We said that we felt that having exhausted every effort to try to reach a collective international arrangement to extend the fishing zone, we proposed to establish unilaterally such an area for Canadian fishermen, but that in doing so we would take into account the historic fishing rights of the countries concerned.

Of course, we recognized at once that there were certain claims to historic fishing rights on the part of the United States in the gulf of St. Lawrence, the bay of Fundy, in Hudson bay, in the Queen Charlotte islands, in the Dixon Entrance and in Hecate strait. The extent of these historic rights is now the subject of talks which are taking place between the United States and Canada. We had such talks, as I indicated in the house, today and yesterday in Washington. I cannot say anything at this stage while these negotiations are going on for obvious reasons—about the particular claims that are put forward, or the responses that are made thereto by the Canadian government. I should think that by the end of January this problem will have at least reached the point where we can say that there is a consensus between the two countries in the matter.

Now, as to these claims you have asked me about. You asked me whether these arise out of the treaty rights or, you might have added, out of international usage. Some of the claims put forward are on the basis of treaty. In

the case of the St. Lawrence, I suspect that the U.S. claim would be based upon the treaty of Paris of 1763, the Convention of Commerce of 1818 and the Treaty of Washington of 1912 and the French claim upon the Convention of 1904. Other claims are based upon the usage over a long period by the claiming country. In the case of Portugal, in the case of Norway, also in the case of France claims are being asserted with regard to the historic rights, and we will have to wait until we have a meeting with these countries to ascertain the full nature of the claim that we will put forward.

Mr. MACEWAN: I have just one more question on that. If no agreement, or as the Minister of Fisheries put it in Washington yesterday, no understanding is reached with the United States and these various other countries, I take it the government would still go ahead with the unilateral action?

Mr. MARTIN (*Essex East*): That is right.

Mr. MANDZIUK: I have a supplementary question on a related subject to this discussion. I would like the minister to give us information, if any, on whether we have any historic or treaty rights in American waters, such as the Americans claim in our coastal waters.

Mr. MARTIN (*Essex East*): I do not know.

Mr. MANDZIUK: I doubt very much if we have.

I have another question. You spoke this morning about renegotiating with the United States. Does that mean Canada is going to try to change the terms of these treaties to the advantage of Canada or will it just be a summary of what has been going on to make it clear for the future?

Mr. MARTIN (*Essex East*): I do not think it is correct to say that the process involved is one of renegotiation.

Mr. MANDZIUK: I think you used that term.

Mr. MARTIN (*Essex East*): If I did, I used it inaccurately because we are not negotiating towards a treaty. What we are negotiating is towards a recognition which will not be solemnized necessarily in any formal agreement; it will be more of a consensus.

Mr. HERRIDGE: Mr. Chairman, I am very interested in external affairs and I regret I was not able to be here at previous meetings but had to attend other committees. I understand the minister gave a statement in respect of the organization of American states. I expect it was a very carefully, superbly worded, guarded statement which can be interpreted in several directions.

Mr. MARTIN (*Essex East*): I assure you it was a careful statement.

Mr. HERRIDGE: This is a very interesting subject for discussion to people who are interested in these questions. I find there are three schools of thought among those people. I want to ask the minister to comment on them. First of all I find there is quite a large school of thought who are of the opinion that recent experiences and recent history have shown that if we join the organization of American states we will simply become a lackey of the United States in supporting their policies in South America.

The second school of thought is that while it might be desirable theoretically it would be too costly for us to undertake at this time, in view of our heavy budgetary deficits and things of that sort.

The third school of thought, and I find it very general among people who are interested, is that we would have more influence on the situation if we were outside the organization of American states, as has been demonstrated with respect to Cuba. We are not in the organization of American states and

we have taken a separate policy. Our policy has been not only of benefit to Canada but of benefit to the North and South American hemispheres generally. I would like the minister to make some definitive comments on the opinions of those three schools of thought.

Mr. MARTIN (*Essex East*): As you say, you were preoccupied this morning. I know of your interest in this problem but I did cover quite a lot of ground on this subject. I am not reluctant to do so again, but I do not think I could state the divisions of opinion any more succinctly or any more ably than what you have done yourself.

Mr. HERRIDGE: You recognize there are those divisions of opinion?

Mr. MARTIN (*Essex East*): There are also other opinions. There are those who look upon association with Latin America in spiritual, cultural and linguistic terms. There is a great body of opinion in this country that finds itself sharing a cultural affinity with much of the Latin American civilization. I suppose there are other reasons given for one attitude or another. However, you have stated some of the arguments. I am not saying what argument I favour. You are in the happy position, as I once was not very long ago, of being a private member. I am no longer a private member and I have not the right to comment on some of these things just as freely as you are. I think if you read what I said this morning, you would find that I covered the ground which you mentioned pretty well.

Mr. HERRIDGE: As soon as I get a copy of the minutes, I will take it home for bedtime reading.

Mr. MARTIN (*Essex East*): It will put you to sleep.

Mr. CHAPDELAIN: Why does Canada not have an ambassador to the Vatican?

Mr. MARTIN (*Essex East*): I am sure all Canadians welcomed the leadership given to the peaceful relations in the world by Pope John XXIII. I am sure that Canadians recognize that Pope Paul VI will follow in the same tradition. The particular question you asked me is one involving government policy. As you know, government policy is always decided by the government, and the government decides when to announce its policy. Beyond that I cannot go.

Mr. CHAPDELAIN: What are the reasons for Canada not having an ambassador there while most other countries have? Is it a question of the religious differences in Canada?

Mr. MARTIN (*Essex East*): I cannot add anything to what I have said.

Mr. FLEMING (*Okanagan-Revelstoke*): I intend to change the directions of the questions and go to the problem of the Columbia river. I will therefore defer until I may do that.

Mr. MARTIN (*Essex East*): If you do, you will get support from Mr. Herridge.

The CHAIRMAN: Mr. Chapdelaine, is your question supplementary?

Mr. CHAPDELAIN: It is in another sphere completely.

Mr. FLEMING (*Okanagan-Revelstoke*): Mr. Chairman, with respect to the Columbia river treaty, I would like to ask the minister whether the government of Canada, quite apart from the question of price which we have heard about to some extent, is renegotiating the terms and conditions of the treaty as it now stands?

Mr. MARTIN (*Essex East*): The policy of the government on this subject was stated by the Prime Minister during and after the election. It was said

and reaffirmed by the Prime Minister in his conversation with the President. We said that we found the treaty in the form in which it was before us when we took office as not being fully satisfactory and that we would like to propose certain additions to the treaty in the form of a protocol. The President acknowledged that he would accede to our right to put forward certain suggestions which would be put in a protocol, and if accepted by the United States could form a codicil to the treaty. The instrument of a protocol was used to avoid the necessity of taking the treaty back to the Congress. This meets the constitutional requirements in the United States. We have negotiated with the United States with regard to the protocol and to what we believe should be contained in it. We have reached a substantial measure of agreement, and this is not the subject of immediate negotiation and does not stand in the way of finalization.

Mr. FLEMING (*Okanagan-Revelstoke*): Mr. Chairman, on February 28 last the premier of British Columbia is reported to have said that all we need is a just price. Premier Bennett on Wednesday ridiculed the opposition proposal for the renegotiation of the Columbia treaty. Now, has this proposal, which amounts in fact to renegotiation of some of the terms, been accomplished with the acquiescence and approval of the premier of British Columbia?

Mr. MARTIN (*Essex East*): Yes.

Mr. FLEMING (*Okanagan-Revelstoke*): Could we find out what has been negotiated?

Mr. MARTIN (*Essex East*): No. Quite obviously we have already discussed this in the House of Commons. No one would expect, while negotiations are under way, that there would be any public revelation of those negotiations, and the protocol is a very important part of them.

Mr. FLEMING (*Okanagan-Revelstoke*): Has the American government agreed to this proposal?

Mr. MARTIN (*Essex East*): Yes.

Mr. FLEMING (*Okanagan-Revelstoke*): Has the province of British Columbia agreed?

Mr. MARTIN (*Essex East*): Yes.

Mr. FLEMING (*Okanagan-Revelstoke*): What possible danger is there in revealing it?

Mr. MARTIN (*Essex East*): For the simple reason that the question of price is very closely related to the protocol itself.

Mr. FLEMING (*Okanagan-Revelstoke*): That has not been settled.

Mr. MARTIN (*Essex East*): No.

Mr. FLEMING (*Okanagan-Revelstoke*): Are meetings taking place this week?

Mr. MARTIN (*Essex East*): We are meeting with British Columbia tomorrow at ten o'clock and we will be meeting with the U.S. negotiating parties on Monday, and if necessary on Tuesday.

Mr. FLEMING (*Okanagan-Revelstoke*): What will be the basis of that negotiation?

Mr. MARTIN (*Essex East*): I do not know what the basis will be, but the subject matter of the discussions will involve the question of compensation, the question of price, and the interpretations that will be placed upon certain clauses in the treaty that have a very definite bearing on the price.

Mr. FLEMING (*Okanagan-Revelstoke*): Does part of this negotiation depend upon the premier insisting there be a mill rate price for the downstream benefit?

Mr. MARTIN: In this matter there has been close agreement between British Columbia and Canada. We go into the negotiating room on Monday with regard to the question of price.

Mr. FLEMING (*Okanagan-Revelstoke*): Is five mills accepted as the figure?

Mr. MARTIN: You would not want me, on the eve of negotiations, to reveal such a matter.

Mr. FLEMING (*Okanagan-Revelstoke*): The premier of British Columbia has insisted this be the price.

Mr. MARTIN: I am not the premier of British Columbia. Any examination I have made of what he said since the agreement with British Columbia has led me to believe there is the fullest agreement between the government and British Columbia.

Mr. FLEMING (*Okanagan-Revelstoke*): He has said it will be five mills.

Mr. MARTIN: I am sure, on reflection, you will understand why I cannot comment on a specific figure. If this is the subject of negotiation, I would be a very poor negotiator if, before the meeting opened, I revealed what our position is to be. Of course, you and I know only too well how good a negotiator is the premier of British Columbia.

Mr. HERRIDGE: Is the minister confident the negotiations will come to an early and satisfactory settlement?

Mr. MARTIN: Perhaps it can be asserted by some with authority, but I am not one of those with the right to make such an assumption.

Mr. FLEMING (*Okanagan-Revelstoke*): Will the negotiations also include the amount of the payment to be made for flood control benefits in the United States? Is this also a subject for negotiation or renegotiation?

Mr. MARTIN: All matters having to do with any benefits extended by Canada, any obligations incurred by Canada—and I mean Canada as signatory of the treaty, and on behalf of the owner of the resource, British Columbia—naturally are matters related to price.

Mr. FLEMING (*Okanagan-Revelstoke*): Can the minister say when he hopes to be able to make a full statement on all the terms now to be negotiated or likely to be negotiated?

Mr. MARTIN: Just as soon as there is an agreement.

Mr. FLEMING (*Okanagan-Revelstoke*): In other words, the minister is no longer hopeful of a settlement in the early autumn.

Mr. MARTIN: Early autumn is past.

Mr. KINDT: Would the government of Canada be bound forever in respect of the flood control aspect of the treaty, through the committee which is set up to regulate it.

Mr. MARTIN: This is a matter which is covered by the treaty, and this, too, is a matter involved in the interpretations which are very closely related to the negotiations.

Mr. HERRIDGE: I have some friends who are willing to wager you \$1,000 the treaty will never be signed. I have been requested to ask you to accept the wager.

Mr. MARTIN: Let me give you some free legal advice. Under the laws it is illegal for a legislator to make a bet.

Mr. FLEMING (*Okanagan-Revelstoke*): May I inform the minister that on January 10 this year the leader of the Liberal party in British Columbia made

just such a statement—there is virtually no chance of there being ratification by the Liberal party in Ottawa.

Mr. MARTIN: He is quite right. The ratification would not be by the Liberal party; the ratification would be by the government after approval of the ratification is given by the parliament of Canada.

Mr. FLEMING (*Okanagan-Revelstoke*): Is it a political matter?

Mr. MARTIN: I believe in these matters none of us is really political.

Mr. FLEMING (*Okanagan-Revelstoke*): I would like to ask the minister for one assurance. That is, that in any negotiations the Mica Creek construction will be protected and there will be no agreement of any kind which does not provide for the reconstruction of the Mica Creek dam.

Mr. MARTIN: The Mica Creek project is a very essential part of this, but I would be revealing the position Canada is taking in this matter if I were even to discuss it.

Mr. FLEMING (*Okanagan-Revelstoke*): I must ask you again: does the minister suggest by this answer, in which he does not give a direct reply, that there is a possibility Mica Creek may not be built?

Mr. MARTIN: It would be wrong to draw that conclusion.

Mr. GELBER: Mr. Chairman, I have two questions; one is in respect of NATO, and the other in respect of technical assistance. We all recognize we have many compelling engagements in peacetime is our NATO commitment. We have stressed Article 2 of the treaty, not always successfully, among our partners; but are we not facing a situation where, with the abuse of Britain by the European common market, the possibility of expanding NATO in respect of Article 2 is remote, and with the difficulties which France is placing on United States' leadership in NATO, the military position of NATO might be weakened. Does the minister feel that NATO is becoming less important among our engagements, or will it change to meet these new challenges?

Mr. MARTIN: You have asked a series of questions. I will try to deal with each one in order if I can remember them.

First of all, it is true Canada has attached a great deal of importance to Article 2 of the treaty based upon the principle we have affirmed from time to time that military assistance and military agreement in the alliance is an important aspect of the organization's purpose, but the welfare of the community itself could be furthered by a recognition of the economic interests of the members of the NATO alliance.

It is true there has not been a real implementation of Article 2, as you well know; but since the existence of O.E.C.D. this problem has been met substantially. The organization for European co-operation and development, the successor to the organization which carried on the operations of the Marshall plan, is an organization which is made up not only of the members of the North Atlantic Treaty Organization, but made up as well of countries which were in the European community, the common market countries, the E.F.T.A. countries, the European countries which belong to neither one of these economic groups, as well as the United States and Canada.

In the O.E.C.D. organization an attempt is made to deal with the economic interests of the members of the alliance as well as those countries to which I have referred who are not in the alliance. At the time when O.E.C.D. was set up, as we were reminded by the former minister of finance, that organization was to seek to do this very thing as well as to establish some kind of liaison between the North American countries—Canada and the United States—and the common market countries. To a very large extent this has been

achieved. The O.E.C.D. organization is engaged in some very important considerations involving economic welfare of the countries concerned. It is going to play a part, not as an organization, but through members of the organization, in the trade and development meeting of the United Nations which will be held shortly in Europe, when the developed countries in the organization will be dealing with matters of trade with the less-developed nations of the world.

This fact of O.E.C.D., together with the Kennedy round providing for a 50 per cent lineal cut—the Kennedy initiative—and the discussions at GATT all are playing a part in meeting the need which was felt in the early period of NATO to deal with economic relationships by countries such as Canada. I may say that the processes of consultation have considerably improved, and, as I myself saw the other day at the meeting in Paris, I am sure we will find in O.E.C.D. the kind of vehicle which we would have looked for if there had been a full implementation of Article 2 of the treaty.

In respect of the further role of NATO, this question can be answered only by remembering the circumstances which brought NATO into being. It was brought into existence in part as a result of a suggestion made by a former Canadian prime minister, Mr. St. Laurent, in a speech he delivered in a committee at the United Nations in 1946. It was brought into being to provide for a defensive alliance in the absence of the kind of military co-operative effort which was contemplated when the United Nations was set up. Because of the intransigent position taken by the Soviet union, the nations of the world concerned with the growing armed might of the Soviet union felt, in their own defence interests, the only course to which they could resort within the provisions of Article 51 of the Charter of the United Nations, was to establish a common defensive alliance.

In my judgment, the existence of that organization will depend on the extent to which it will be possible to rely on the United Nations to provide the kind of defence pool, which nations must rely on so long as there exists the present challenge in the world; how long that will be, I cannot say.

I would like to say one further thing. We must recognize that in the NATO alliance, apart altogether from the military significance, we have a grouping together there of a number of nations who have a strong series of bonds which unite them and have united them for many, many years. I would hope the time would come when the present threat will have been removed—no one can say when that will happen—when we might look for an expansion of the Atlantic idea, an expansion, I hope, which would be outward looking and not inward looking.

Mr. HERRIDGE: Although for years the value of Article 2 was touted, year after year, as one of the main reasons we should support NATO, owing to the changed circumstances now, Article 2 really has no substantial value.

Mr. MARTIN: I would not want to say that; I would not want to put it that way. I would not want my words to be misunderstood. Article 2 is still part of the treaty. But I think substantially at the moment O.E.C.D. and the other instruments I have mentioned provide a vehicle for a substantial part of our concern.

Mr. GELBER: But you do not visualize a weakening of the bonds of NATO itself and Canada moving away from Europe?

Mr. MARTIN: No; I know of no ground for suggesting there is any reason for suspecting that Canada is displaying less interest in NATO than she has hitherto. Canada takes her obligations in NATO quite seriously. I would say there is a great deal of exaggeration about the state of disarray in NATO. NATO is an alliance of freedom loving states, and that freedom inevitably

carries with it the right of dissent. I do not wish to emphasize the word "dissent", but it does carry with it the right of dissent—the right of disagreement. This is inherent in any organization of free states; but it would be wrong to exaggerate the suggestions which are made from time to time that there is not in the organization a prevailing unity. There are different ideas about the way in which some military aspects of NATO should be pursued; that is well known the world over. However, my judgment of the situation is there is no ground for saying NATO is in a state of disarray. NATO is a vital defensive organization which provides for the defence of its constituent members adequately. I think this is necessary in the face of the situation which confronts these nations in the world at the present time.

Mr. KINDT: I have a supplementary question. Because Article 2 is economic in contrast to military, has nothing originated through the discussions to produce many beneficial results among the various countries which are a part of NATO? I would not like to hear it said that Article 2, and what has flowed as a result from the discussions on Article 2 at NATO conferences, did not produce some results.

Mr. MARTIN (*Essex East*): Nor would I.

Mr. HERRIDGE: Would the minister tell us the results economically?

Mr. MARTIN: You cannot have a foregathering of members with a wide community of interest meeting in concert continually, and on the ministerial level at least twice a year, without giving to the member states the fullest opportunity of discussing not only military but other problems as well.

Mr. HERRIDGE: Could the minister give us any concrete result from this?

Mr. MARTIN: I have indicated we were never satisfied there had been substantial implementation of Article 2. But I have indicated the very existence of the organization itself was bound to produce results of benefits. I am not speaking militarily; but think of what might well have happened in NATO if there had not been the opportunity of these countries with a strong community of interest to meet as often as they did, to talk over problems other than military problems. The discussions involved trade; then there was the work of the Three Wise Men—the recommendations they made. All these things undoubtedly have played their part.

Mr. HERRIDGE: But they were never given effect.

Mr. MARTIN: You and I as citizens of a free world know the value of free discussion. We know that while no agreement necessarily follows talks, various points of view which the different countries have put forward are borne in mind by governments in the formulation of their policies; not to the extent, perhaps, that one would like, but there is a forum provided for discussion. That certainly has been done by NATO on an economic level as well as military; but to put one's finger on a particular specific advantage, is something I cannot do, and I am not sure anyone could. From my own former contacts with NATO, and now as minister in charge of this department, I have no doubt in respect of the great value of this association altogether apart from its military value. That value is enhanced now very considerably by the supplementary organization, the O.E.C.D., in which all the NATO countries among others are represented, and now Japan.

Mr. HERRIDGE: You say it is a supplementary organization. It is entirely separate.

Mr. MARTIN: Supplementary in the sense it supplements the purposes contemplated in Article 2.

Mr. CHAPDELAIN: I have a question of the minister. In view of the virulent declaration or statement made by the minister in the house the other

day against Pretoria and Portugal, does Canada intend to take commercial or other action against those countries in order to take a firm and positive step toward the betterment of policies in respect of racial recognition?

Mr. MARTIN: There are two countries involved. I think we will have to separate the two. First of all, in respect of Portugal, what I said in the house the other day with regard to our condemnation of the colonial policy in some aspects practised by Portugal was not a statement which was a new statement. It had been stated by the previous government; it had been stated by myself at the United Nations. It was a reaffirmation of our regret about the pursuit by that particular country of certain aspects of its colonial policy.

With regard to what steps have been taken thus far to deal with these violations of human rights and fundamental freedoms, Canada already has some time ago placed an embargo on the sale of arms to Portugal although she is a NATO member. Whatever arms are sold to her are in her capacity as a member of NATO and not for use in the exercise of her colonial power.

With regard to the situation in South Africa, Canada at the United Nations current general assembly joined with some 100 countries in a condemnation of the policy of apartheid as practised currently in South Africa. We announced in the House of Commons about six weeks ago, pursuant to a request made of us by the secretary general following a decision of the security council, our policy of arms embargo against that country. Yesterday in the security council, based on a resolution put forward by the delegate for Norway, a decision was taken by the security council and we will be examining the implications of that decision. As a loyal member of the United Nations, we will give full consideration to the decision, which is a recommendation under the charter, to see whether or not the action we have already taken meets that recommendation.

Mr. BREWIN: Does South Africa still enjoy preferential rates as a member of the commonwealth?

Mr. MARTIN (*Essex East*): Not as a member of the commonwealth.

Mr. BREWIN: I asked "as if she were a member of the commonwealth".

Mr. MARTIN (*Essex East*): The rights she enjoyed as a member of the commonwealth have not been abandoned.

Mr. MANDZIUK: I think we can have nothing but praise for the government's attitude of condemnation of Portugal for its colonial policy as well as condemnation of South Africa for its apartheid policy, but I think many Canadians were disappointed that the minister and the rest of the House of Commons did not go farther, and that the minister had not in this committee condemned colonial policy that exists in Europe, knowing full well the interest that the Prime Minister himself has taken in these countries behind the iron curtain where an attempt is made to destroy the people culturally, religiously, financially and in every other way.

My question leads to this, Mr. Chairman. Is there a change in Canadian policy in that we now prefer to "soft-pedal" Mr. Khrushchev for one reason or another and write off these people and these nations behind the iron curtain which have been deprived of the right to speak and to decide for themselves what form of government they wish to have in their territories? I think the minister has expressed himself personally very favourably on that point. Is there now a difference of opinion between you as minister of external affairs and you as an individual? Is there a difference between you as a Canadian and as a minister of the crown?

Mr. MARTIN (*Essex East*): Mr. Mandziuk, I welcome your questions. The fact that I have not said anything about this up to this moment in this com-

mittee is largely because I have not been asked the question. In the statement you expressed disappointment that I did not deal with this subject in my statement in the House of Commons. My statement, as I said in the opening part of that statement, was related to Canada's external policy in relation to two aspects of world development—with regard to east-west relations and our assessment of the way those relations were evolving, and to the emergence of new states, many of whom have become members of the United Nations. It was not intended to deal with any problems other than those particularly referred to. However, you have now given me the opportunity and I unhesitatingly grasp it.

I said in the statement that I made in the United Nations on the question of apartheid and in my statement on this subject in the house on the orders of the day a few weeks ago, when I announced our embargo policy towards South Africa with respect to military equipment, that while we deplored the existence of the policy of apartheid in South Africa, indeed discrimination anywhere, this does not mean that we subscribe to the view that the way to punish a recalcitrant nation for a discriminatory practice was to expel that nation from the United Nations itself. The policy of the government is that we do not believe we would further the ending of discrimination by any country by expelling that country from membership of the organization; that there is great advantage in keeping that country within the family of United Nations confrontation; and that is our policy. We take that attitude not only with regard to the United Nations but with regard to membership of states whose actions we do not condone in this regard in other organizations, such as the International Labour Organization or any subsidiary bodies of United Nations itself. I made clear in my statement in the house that the reason we take this position is because there are member states in the organization, other than South Africa, other than Portugal, themselves guilty of forms of discrimination which we cannot and do not condone. I need not spell it out for you, I am sure, Mr. Mandziuk—

Mr. MANDZIUK: But you should spell it out for the world, Mr. Minister.

Mr. MARTIN (*Essex East*): If you will allow me to finish, I was saying that I need not spell out for you what was so obviously implied in my statement in the house and which I repeated earlier at the United Nations general assembly. Of course, there are member states that have practised forms of discrimination resulting in enslavement of peoples, in Europe and elsewhere, that we cannot and do not condone. I look forward with you to the day when this period of subjugation will have been removed.

I took advantage in the month of June in a public statement to reaffirm the policy of the government of Canada on this subject, a policy that has been stated by all governments since the end of the second world war, and the statement that I made on that occasion before the Slovaks in Toronto was a reaffirmation of a repudiation of the discriminatory policies that are practised with regard to peoples in Europe as well as in other parts of the world. I tabled some correspondence the other day in the House of Commons between myself as the Secretary of State for External Affairs and some Jewish organizations in Canada with regard to the discriminatory practices that were being perpetrated against the Jewish peoples now domiciled and resident in the Soviet union. All governments in Canada from the beginning of United Nations have expressed in strong and forceful terms their repudiation of practices by the Soviet union and by other countries discriminatory towards individuals, towards groups and toward nations.

You may well have in mind the formulation of more definitive steps—I think you used the word “definitive”. You will recall the former government had given notice of its intention to introduce a resolution at the last general assembly of the United Nations on this subject, but that resolution was not

pursued. I have the advantage of knowing the documentation in the Department of External Affairs, and it is not my purpose to comment on the practices of another administration in regard to this particular matter. However, it was not pursued.

Mr. MANDZIUK: We know why it was not pursued.

Mr. MARTIN (*Essex East*): The reason it was not pursued may well attend why no similar resolution was introduced in the current assembly, but Mr. St. Laurent, as Secretary of State of the Department of External Affairs, and the Prime Minister, in that capacity, have repeatedly established without any doubt the view of the governments of which they were a member with regard to this matter. The former Prime Minister Mr. Diefenbaker, in the general assembly of September, 1957, made a notable speech, to which I have already paid tribute in another context, when he used concepts and indeed language that had been used by two of my predecessors on other occasions. On one occasion in the United Nations we did move a resolution—I forget the specific year, but I think it was 1950, in which we condemned discrimination against religious leaders in three of the satellite countries. You know the consequences of that resolution.

Mr. HERRIDGE: Did you refer to Spain in the same resolution?

Mr. MARTIN (*Essex East*): No, it was not in that resolution. Spain is another matter. This is a complicated enough matter without introducing at this particular moment extraneous material.

I know of your interest in this problem, Mr. Mandziuk, as a distinguished Canadian of European descent, and I assure you that we share the views that have been expressed by prime ministers and secretaries of state for external affairs with regard to this matter. I am particularly conscious of this subject because I represent in parliament a very wide section of Canadians of European origin, many of whom still have relatives in some of these countries. You may be sure that those steps which we can take to try and bring about a correction of this situation are being and will continue to be taken.

Mr. MANDZIUK: Thank you, Mr. Minister, but when we remain silent those people will just lose hope. I think all that has kept them going has been their hope of freedom—and I refer to all the satellite nations.

Mr. MARTIN (*Essex East*): I may assure you that we are not remaining silent nor have we remained silent on this subject, nor do we intend to remain silent.

Mr. MANDZIUK: I understand we have not the support of United Nations due to the fact that the nations of Africa and Asia do not understand colonialism as whites over whites, they understand it as whites over blacks and whites over yellows.

Mr. MARTIN (*Essex East*): I would not like this last remark to be taken as meaning that I am blaming the African nations for the failure to propose or have accepted a resolution.

Mr. MANDZIUK: Then who do you blame?

Mr. MARTIN (*Essex East*): I do not propose to blame anyone.

Mr. MANDZIUK: No one but yourself?

Mr. MARTIN (*Essex East*): If you think I am blameworthy.

Mr. MANDZIUK: I remember what addresses were made to the United Nations by Mr. Macquarrie who is presiding over this meeting tonight, and I think that was well received by you personally. Now we remain silent. What does that indicate?

Mr. MARTIN (*Essex East*): You say we are remaining silent. I deny that we are remaining silent.

Mr. MANDZIUK: When you speak of Slovaks in Toronto, it does not mean anything; you have to speak of a world forum.

Mr. MARTIN (*Essex East*): And we have.

Mr. REGAN: On a point of order, I know there are other members wishing to ask questions of the minister. This is resolving into a debate.

Mr. MANDZIUK: I apologize. I did not think this would last so long.

Mr. MARTIN (*Essex East*): I simply wanted to finish what I have said, that we have not remained silent on this subject. We do not intend to remain silent, but we do not propose to resort to practices that may have a spectacular appeal for a particular purpose but will not further one bit the legitimate cause that both Mr. Mandziuk and I share together in this matter.

Mr. MANDZIUK: Thank you.

The CHAIRMAN: Are there any further questions along the lines opened up by Mr. Mandziuk?

Mr. FLEMING (*Okanagan-Revelstoke*): My question is supplementary to this. What I would like to ask is whether the minister, through his good offices, might provide all members of this committee with transcripts of the statements made by the Canadian representatives at the six committees of the United Nations, as well as in the general assembly, so that we may have available to us throughout these proceedings as near as possible the complete statements of the various Canadian representatives.

Mr. MARTIN (*Essex East*): I do not see why we cannot do that.

The CHAIRMAN: Is it the wish of the committee to ask for this material? It is agreed.

Mr. GELBER: I would like to ask the minister a question on the matter of technical assistance. It is a proposal which I put forward in the throne speech debate. It was based on the original suggestion that Dag Hammarskjold made when he spoke to the International Law Association at McGill University. At that time he proposed the establishment of an international corps of civil servants who would be available for secondment to developing countries who would require their services, and yet whose careers and promotions would be assured through an international agency. This has not gone forward in the United Nations, and I am wondering whether, within the context of the civil service of Canada, a special group of people could be recruited and trained and seconded as part of our assistance to underdeveloped countries with the purpose of developing these countries who request special assistance? I am speaking of men who would seek careers in areas of assistance, who would get their promotions, security and retirement as members of the Canadian civil service. The British had a very distinguished record during the period of their colonial regimes, whatever the judgment may have been about their policies in their term of office. Many Englishmen, Scotsmen and Irishmen, as well as others, gave service throughout the world. I am wondering whether, within the context of the 1960's, when we think in terms of assisting free and independent states, we could not provide such an avenue for Canadians to participate in the growth and development of these new states?

Mr. MARTIN (*Essex East*): I well remember this proposal of the late Dag Hammarskjold. No concrete step has been taken in the United Nations, but I may say that in Canada we have quite a number of civil servants who are serving, as you know, in a number of countries and whose pension rights are

being protected under our practices. There is an increasing flow of this kind of contribution. We provided assistance to a number of departments of external affairs in friendly countries. I covered some of this I think this morning. We have provided assistance in the form of direct participation from various departments of the Canadian government. We have provided some of our own officers. We have assisted in the training of some individuals in the foreign services of some commonwealth countries. At the recent assembly of the United Nations, for instance, attached to our delegation was a young man serving in the foreign service of one of the African states. After he did a period of duty there, he came to Ottawa and served for a while in our Department of External Affairs, for a month I think. This practice is growing, and I would hope that it will continue to grow because I agree with you that it is a very valuable source of assistance to many of these developing countries.

Mr LACHANCE: I do not know whether my question is within the scope of your department. I will try to put it nevertheless. I noticed, as some of the members did, during the last NATO conference in Paris which we attended, that serious thought was given to the fact that the same person acted in the capacity of supreme allied commander of allied forces as well as supreme commander of American forces in Europe. Do you not think there would be an ambiguity and a conflict of interest in case there was war or in case any problem arose?

Mr. MARTIN (*Essex East*): At the present time SACEUR is in the person of General Lemnitzer who is the citizen of one of the countries in the North Atlantic Treaty Organization. It is true that his predecessor, General Norstad, and the bridge player, General Gruenther before him—he was a bridge player and also a good soldier—these gentlemen were all nationals of the same country; that is true. They happen to be nationals of the main contributing power. I do not see, on that account, any potential conflict. Whoever would be picked, would be a national of one of the countries of the organization, and in principle you could raise the same objection. I personally do not see any necessary conflict.

Mr. LACHANCE: But the fact that he is the supreme commander of the allied forces as well as supreme commander of the American forces might cause some conflict of interest in case of war or in case of problems arising between the NATO council and the United States.

Mr. MARTIN (*Essex East*): I do not see any necessary conflicts. I would simply like to say this, that the contribution that the United States makes to NATO of course, is very great. It is a contribution that all of us recognize and properly evaluate. I would only want to say, as spokesman for one of the members of NATO, that we are very grateful to the United States for the contribution that it is making to NATO.

Mr. LACHANCE: Suppose the Nato council gave an order to its supreme commander, what would happen then?

Mr. MARTIN (*Essex East*): I am sure the interests of the United States are based not only upon its own national interests, but upon the interests of the alliance itself. Each country has a contribution to make, and it is a contribution it is making not only towards its own defence but towards the common defence. I think this all-prevading principle would prevent any unnecessary conflict of interest between what might theoretically be regarded as a divided power.

Mr. KINDT: What is the proportion of representations from the various NATO countries giving direction to it?

Mr. MARTIN (*Essex East*): Every nation has a representative on the council of NATO. Canada has a representative who holds ambassadorial rank.

He is a member of the council and he takes part, on an equal footing, with all other representatives of countries who form the council. Twice a year ministerial meetings are held, in May and in December. Foreign ministers attend all of these meetings, defence ministers are expected to attend one of these ministerial meetings, and occasionally the finance ministers attend. However, all delegations are there on an equal footing. They have the same rights of participation and decision. The decisions by NATO are not decided by a group, they are decided by the members of the alliance.

Mr. DUBE: I would like to obtain the minister's view on the so-called split between Russia and Red China. Should that be explored and perhaps exploited, or is it better left alone?

Mr. MARTIN (*Essex East*): It must be obvious that there is an ideological cleavage, or that there is a cleavage in the two main communist camps of the world. This is clear from the recent meeting in Moscow, and it is evident from other developments that have ensued since. It is based upon a series of differences, notable among which is the view taken as to the inevitability of war and the advocacy by one side of the desirability of what is called co-existence. I think that the cleavage is a very significant one and I think it is a deep one. It would be dangerous to take a certain position with regard to the evolution of this difference, but it seems to me unmistakable. It would be wrong, I think, for us to conclude because of this difference that there had been any let-up in the desire shared by each side in this conflict of views with regard to the promulgation of communism itself. Indeed, Chairman Krushchev has made it clear that while there is this difference, there is no let-up as far as the Soviet union is concerned in affirming the desirability of promoting communism in the world. Nor is there any suggestion of any let-up in the communist state to the extent that it does exist in the Soviet union itself. The reasons for this cleavage are perhaps many, but I would think that this cleavage is one that began some time ago. It is not a matter of recent origin; it is something that I think has been growing for some time. I think that it is not unrelated but it has not been caused by events within the past year. It ante-dates that by a number of years. It goes back to discussions and to postures taken by both sides a number of years ago but it is not unrelated to the detente that exists now or to the movement towards a detente, whatever position you wish to take with regard to the present state of east-west relations. These, in turn I suspect are due to the events of last October when, perhaps as never before, the nations of the world looked down into the pit of nuclear fire as the result of the action taken by United States with regard to the installation of offensive nuclear weapons on the soil of Cuba by the Soviet union. It may also be due to the absorption of interest and attention by the Soviet union in its problems with the Chinese peoples republic, and it may also be due to the economic factors arising out of conditions in Europe itself.

Mr. KINDT: Is the trend widening?

Mr. MARTIN (*Essex East*): I do not want to make any firm observation on that point. I would prefer to say that while we must recognize the existence of this cleavage we must not overstate its significance, but it would be wrong for us to hastily draw conclusions in so far as our own immediate military requirements are concerned. This is not, it seems to me, the moment to let down our guard. This is certainly not the moment to change our policies in NATO basically. The need for NATO continues to exist. On the other hand, we must recognize that there are millions of people in the Soviet union, and in the satellite countries, that share the desire for peace in the world, and the opportunity to enjoy to the full whatever standards of living may be provided for them as well as for others. I think we should take advantage of this detente, or approach to a detente, to the fullest extent possible and grasp every oppor-

tunity we can for understanding and for settlement of the differences which prevail between us. The fact that I speak of a *détente* or something approaching a *détente* does not mean we have resolved the major problems dividing east and west. The real fact is that while there have been a partial test ban treaty, an agreement on the part of the United States and the Soviet union to ban nuclear weapons in outer space, and some grounds for thinking we may make further progress in other areas, the outstanding political problems which divide east and west continue to exist. We still have a divided Germany and a divided Berlin; we have the problems of Indochina and the over-all problem of disarmament itself. We can only hope now, with this improvement in east-west relations, we will be able to take advantage of the climate thus afforded to achieve a wider area of agreement on matters which divide us.

It seems to me, with regard to these differences between the Soviet union and China, we must not gloat. I think we must take a responsible and sophisticated view of the developments which are underway at this time in world history. I believe the situation has been well symbolized now by the President of the United States by his intention to pursue policies of accommodation and understanding, which have been in turn welcomed by chairman Khrushchev; we should note with special satisfaction the statement made yesterday by chairman Khrushchev himself of approval for the declared policies and the general attitude assumed by the new President of the United States.

We see a reflection of this liberalization of attitude on the part of the Soviet union in the obvious freer movement that is taking place in eastern Europe. This is something to be welcomed. There is an evidence there of a growing right of assertion of authority, a greater movement toward real self determination, certainly in domestic matters and we would hope this would be reflected ultimately in foreign policy attitudes.

Mr. REGAN: On the general subject of the Russian-Chinese split and their relationship, could the minister tell us the state of our relations with the government of Formosa, commonly known as the nationalist Chinese government; do we recognize that nation as a democracy? In general we are satisfied with the right of self-determination of the people in Formosa?

Mr. MARTIN: We do have here in Ottawa a representative who is the head of a diplomatic mission from the government in Formosa. We do recognize the government in Formosa as the occupier of the China seat at the United Nations.

Mr. KNOWLES: Is he styled as the representative of the government of Formosa?

Mr. MARTIN: He is styled the ambassador of China.

Mr. HERRIDGE: Canada recognizes that?

Mr. MARTIN: Yes; we have received a diplomatic mission.

Mr. HERRIDGE: It is a fact.

Mr. MARTIN: You say it is a fact. It is a fact.

Mr. LACHANCE: We have been speaking of recognition of red China. Do you think the problems which exist between Russia and China right now would hamper the recognition?

Mr. MARTIN: I cannot say anything about that. All I can say is while the Soviet Union did not initiate the motion to accept or to turn down the credentials of the representative of China at the United Nations at the present time, the Soviet union did support a proposal along that line which was made by Albania, I think.

Mr. LACHANCE: Coming back to Canada—

Mr. MARTIN: I have no comment to make on that.

The CHAIRMAN: Do you have a question, Mr. Brewin?

Mr. BREWIN: No, Mr. Chairman. I was wondering whether I might ask for information on a procedural point; that is, how long do you propose to continue? Would you entertain a motion fairly soon for adjournment? The minister has been fairly generous with his time. If he is not a little tired, I would be surprised. I know he is a man of iron disposition. However, we have imposed on him a little, and I would like to move we adjourn.

Mr. KNOWLES: Will we have the minister before us again?

The CHAIRMAN: We hope to have Mr. Moran here on December 12. I also hope the minister will be available again.

Mr. MARTIN: I will not be available tomorrow, nor Monday, nor Tuesday, and I will be at NATO on Friday.

Mr. BREWIN: When you return perhaps you will have more to tell us about NATO.

Mr. MARTIN: I hope I have the same fortitude in respect of that as you have given me tonight.

The CHAIRMAN: I would like to thank the minister for his lucid answers.

HOUSE OF COMMONS
First Session—Twenty-sixth Parliament
1963

STANDING COMMITTEE
ON
EXTERNAL AFFAIRS

Chairman: JOHN R. MATHESON, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

Thursday, December 12, 1963

ESTIMATES (1963-64) OF THE DEPARTMENT OF
EXTERNAL AFFAIRS

WITNESS:

Mr. H. O. Moran, Director General of the External
Aid Office.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1964

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: Mr. John R. Matheson

Vice-Chairman: Mr. Heath Macquarrie
and Messrs.

Balcer	Forest	Nixon
Brewin	Gelber	Nugent
Brown	Girouard	Pennell
Cadieux (<i>Terrebonne</i>)	Herridge	Regan
Cameron (<i>High Park</i>)	Kindt	Richard
Cashin	Klein	Thompson
Chapdelaine	Knowles	Valade
Choquette	Konantz (Mrs.)	Woolliams.—35
Deachman	Lachance	
Dubé	MacEwan	
Fairweather	Mandziuk	
Fleming (<i>Okanagan- Revelstoke</i>)	Martineau	
	Nesbitt	

(Quorum 10)

Gabrielle Savard,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, December 12, 1963.

(4)

The Standing Committee on External Affairs met at 10:20 a.m. this day. The Chairman, Mr. Matheson, presided.

Members present: Messrs. Brewin, Forest, Gelber, Kindt, Klein, Knowles, MacEwan, Macquarrie, Mandziuk, Matheson, Nesbitt, Nugent, Thompson—(13).

In attendance: Mr. H. O. Moran, Director General of the External Aid Office, and Mr. K. W. MacLellan, Executive Assistant to the Director General of the External Aid Office.

The Chairman called Item 50—External Aid Office.
Salaries and Expenses

He introduced Mr. Moran who made a statement.

Referring to a document that had been distributed in advance to the members of the Committee, Mr. Knowles moved, seconded by Mr. Nesbitt, that the said document entitled, "A REPORT ON CANADA'S EXTERNAL AID PROGRAMS, NOVEMBER 1963", be printed as an appendix to this day's proceedings. *Agreed unanimously. (See Appendix "A")*

Mr. Moran was questioned on his statement and on the above-mentioned document with respect to External Aid.

Questioning still continuing, at 12:10 p.m., the Committee adjourned to 5 o'clock this day.

AFTERNOON SITTING

(5)

The Committee reconvened at 5.15 p.m. The Chairman, Mr. Matheson, presided.

Members present: Messrs. Brewin, Cameron (*High Park*), Dubé, Forest, Gelber, Klein, Knowles, MacEwan, Macquarrie, Matheson, Regan, Thompson, Valade—(13).

In attendance: Same as at the morning sitting.

The Committee resumed questioning Mr. Moran, on Item 50—External Aid Office—Salaries and Expenses.

Mr. Brewin gave notice of a motion, respecting the urgent need for the early appointment of an administrative staff to administer the expanded aid programs proposed by the government.

The motion, subject to rewording, was seconded by Mr. Thompson.

Mr. Cameron proposed, and the Committee agreed, that the matter be referred to the steering committee.

Item 50 was allowed to stand.

Item 55—Colombo Plan—was called and adopted.

Item 60—Commonwealth Caribbean Assistance Program—was called and adopted.

Item 65—Special Commonwealth Africa Aid Program—was called and adopted.

Item 70—Economic Assistance to Commonwealth Countries and Territories not included under other Canadian bilateral aid programs—was called and adopted.

Item 75—Commonwealth Scholarship Plan—was called and adopted.

Item 78—Educational Assistance for Independent French-Speaking African States—was called and adopted.

The Chairman thanked Mr. Moran for his presentation, and at 6.15 p.m. the Committee adjourned to the call of the Chair.

Gabrielle Savard,
Clerk of the Committee.

EVIDENCE

THURSDAY, December 12, 1963.

The CHAIRMAN: Gentlemen, we have a quorum; will you please come to order.

As announced at our last meeting, we invited Mr. Moran, the director general of External Aid Office, to appear before us today. Members have received a report on Canada's external aid programs and, I believe, they have had some time now to study these programs.

Mr. KINDT: Mr. Chairman, before we go any further and in view of the discussions which have been taking place in respect of the Columbia river treaty, are we to have the minister this morning to give us a talk on that subject and answer any questions directed by the members of this committee?

The CHAIRMAN: No. If I could remind you, the steering committee made an arrangement that our first witness following the minister would be Mr. Moran, who would be here today.

Of course, the minister will be available later. I understand Mr. Moran is available all day.

Mr. Moran, would you be kind enough to give us a statement and then prepare yourself for questions directed by members of this committee?

Mr. H. O. MORAN (*Director General, External Aid Office*): Naturally, Mr. Chairman, I welcome this opportunity to meet once again with members of this standing committee of the House of Commons, with which I have had an association going back to 1948, except for those periods when I have been serving abroad.

We have made available to the committee members a document which provides some information on Canadian activities in the development assistance field over this past year and, in addition, this might serve as a background for questions by the members. I had also in mind that this document would make unnecessary any lengthy introductory statement by me and, therefore, I would propose to confine my remarks at this stage to some very brief and quite general observations.

The first observation is that while I am somewhat more satisfied to-day with the progress and achievements of the External Aid Office than I was when I appeared before you in 1961, there is, nevertheless, still much to be accomplished and many improvements to be made in our procedures and operations. These administrative and organizational matters will continue to receive my close personal attention.

We have continued to stress the quality aspects of the Canadian programs through careful selection of projects and by the appointment overseas of Canadian teachers and technical advisers who are well qualified both personally and professionally. We have endeavoured to meet the priority requirements of the developing countries as established within their own national development plans. Mr. Chairman, in this connection committee members should know that the United States and Canada are the two countries which, so far, have made the most favourable response to the requests of India and Pakistan for a higher proportion of non-project assistance. The World Bank, in its consortia for India and Pakistan has drawn attention to the urgent need for this type of assistance, and it has suggested that con-

tributing countries should aim at having their annual programs include 40 to 50 per cent of non-project aid. The United States and Canada have achieved that target in each of the past two years.

About three years ago there was a shift in emphasis in the Canadian programs to more help in the field of training, both technical and academic; for example, when the African programs were set up in 1960-61 it was decided, as a matter of policy, that priority would be given, at least in the initial stages, to educational and technical assistance. In 1959 about 525 training programs for all areas were arranged in Canada. In 1962 that figure had increased to 1,043 and this year it probably will be in excess of 1,400. In 1959, 74 Canadian teachers and technical advisers were sent overseas. In 1962, the number had grown to 235, and this year it will be in the neighbourhood of 340. I think these figures represent reasonable progress, having regard to the fact that Canada is itself a developing country and that there are very heavy demands at home for the same types of persons we are being asked to recruit for the developing countries.

Canada continues to attach importance to the principle of self help in development assistance. As a result, all of our projects are joint undertakings in which Canada meets the foreign exchange costs, such as the salaries and allowances of the Canadian personnel as well as the purchases in Canada of the required materials and equipment, while the receiving government pays all of the local costs, including local labour and materials, living accommodation for Canadian personnel and transportation within the country.

Our programs continue to operate on the basis of procurement in Canada. This means only domestic purchases. In this way we meet the demands of the developing countries for particular goods and services and at the same time we provide a stimulus to our own economy and a betterment of the employment situation through substantial purchases each year of equipment and commodities to be supplied under the aid programs.

Canada supports the Colombo plan objective of more regional training within the Colombo plan area and to that end we have, during this past year, helped to create new facilities and strengthen existing facilities for training not only in southeast Asia but in other parts of the world. Among other things, we supplied equipment to 18 schools in Malaysia. We are helping to establish a teacher training college in that country, and the creation with Canadian assistance of a school of business administration at both the Kuala Lumpur and Singapore wings of the university of Malaysia is proceeding on schedule. With counterpart funds in India we have played a part in the construction of seven engineering institutes. We have staffed one of these and the possibility of providing staff for a second is being investigated.

In Pakistan an effective Canadian contribution of staff and equipment has been made to the institute of industrial accounting in Karachi. We are building a boys secondary school in Sierra Leone and a technical training centre in Accra. We are helping to maintain two professors at the new law faculty in Dar es Salaam. At the University of Lagos we have provided professors to the medical faculty and expect shortly to conclude arrangements for the establishment of a faculty of education. In the West Indies we are just starting the construction of four schools in the smaller islands, and vocational training equipment has been sent to three schools in Jamaica. The construction of the university residence hall in Trinidad will be completed this month. In addition, there are of course, the individual Canadians who are serving abroad under our program as teachers and advisers, consisting of 160 secondary school teachers and 24 vicinity staff. Included in these numbers are the French speaking teachers and professors on assignment in six states in French Africa.

I might add we are stressing the recruitment of teacher trainers so that developing countries may more quickly be in a position to meet their own needs from their own resources.

In respect of capital projects, they still represent in dollar terms the major part of the Canadian aid effort. One development during the past two or three years has been the increasing extent to which Canadian engineering services are employed in these programs. Not only are Canadian engineering consultants supervising the construction of various major projects but they are also engaged in larger numbers on feasibility studies and preliminary engineering reports. As of this date 15 engineering firms spread geographically across Canada from St. John's, Newfoundland to Vancouver, British Columbia, are under contract to the External Aid Office.

The position of the head of the training division remained unfilled until early this year when, through regular civil service procedures, an appointment was made. Since then we have been able to devote more direct attention to improvements in our training programs.

In the 1963 academic year we offered for the first time sub-professional training courses. This offer was in recognition of the grave deficiencies of middle level manpower skills in the developing countries and also of Canada's growing capability in this field. In this first year 47 trainees were placed in Canadian institutions, of whom 11 were French speaking candidates.

We hope to introduce group training courses on a larger scale. At the present time group training in Canada embraces such fields as public administration, co-operatives organization, labour union management and industrial group training. We are now discussing with the C.B.C. and the National Film Board the possibility of more formally organized group courses in communications and film production. It is our intention to expand this form of training since it is clearly more effective, more economical and makes the best use of Canadian expertise.

Perhaps the most notable achievements have been in our administrative procedures, including standardized salary scales for persons going abroad, uniform terms of employment for the teachers and advisers, assisted leave for those who are remaining abroad for a further year, and new financial provisions for students and trainees coming to Canada. I know all of you will recognize these are fundamental to the success of any aid program. However, I do not propose to dwell on them now because I am sure you are awaiting your turn to ask questions on some of the more exciting aspects of our activities.

It would be ungracious of me to end these introductory remarks without an expression of appreciation to the provincial governments. Education lies within provincial jurisdiction, and without the generous assistance of the departments of education and of the hundreds of school boards across this country, the External Aid Office could never have managed the educational program which I have outlined briefly this morning. Last year I was granted the privilege of speaking to the ministers of education at their annual meeting, where they recorded their sincere desire to co-operate to the fullest extent possible in this important undertaking in which all Canadians are now engaged.

The CHAIRMAN: Thank you very much, Mr. Moran.
Have you a question, Mr. Kindt?

Mr. KINDT: Well, Mr. Chairman, I would agree—

Mr. KNOWLES: If I may interrupt, Mr. Chairman, before questions are asked, has consideration been given to having the document which was circulated made an appendix to the printed record?

The CHAIRMAN: Do you so recommend?

Mr. KNOWLES: I do.

Mr. NESBITT: I second the motion.

The CHAIRMAN: All those in favour?

Motion agreed to.

Mr. KINDT: By way of a little preamble to my thinking on this subject, no one would deny the fact that this external aid program is a tremendously important work in foreign countries, but, first of all, I want to ask a question in respect of page one. I note there is roughly \$50 million going to that program every year. Is that not so?

The CHAIRMAN: Are you referring to page one of the report?

Mr. KINDT: Yes.

Mr. MORAN: I do not seem to have the particular document but, in any event, to answer your question, roughly, yes.

Mr. KINDT: It mentions \$50 million roughly a year.

Mr. MORAN: Yes.

Mr. KINDT: You already spoke of the demands of developing countries and training of these people in these virgin areas, so to speak, from the point of view of culture and I sometimes wonder just how far we should be going in developments of this kind in foreign countries, important as this is and without minimizing the importance of it in view of the Indians we have in this country who are asking and crying for help, the situation in respect of our Eskimos and, above all, the development of our north country. As you know, we are just in the stage of a developing country; we are not developed yet. We are in our infancy and yet we are spending \$50 million to develop programs in other countries.

Mr. BREWIN: On a point of order, Mr. Chairman, are we asking questions or making speeches at this stage?

Mr. KINDT: Mr. Chairman, I am leading up to a question. Just hold your horses, Mr. Brewin.

Mr. BREWIN: I did not recognize that it was a question.

Mr. KINDT: Mr. Chairman, we are here to discuss this external aid program and, in the light of the remarks that I have made in respect of our own economy, which is known to everyone, how far do you feel we should go in appropriating funds to take care of external aid, without any thought of minimizing its importance, but comparing it with the importance of our own particular problems in the same field.

Mr. MORAN: I would not think you would expect me, as an official, to be in a position to answer a policy question of that nature.

But I should like to make two or three personal observations on your general statement. The first is that I have never believed there are such things as rich nations and poor nations in which a redistribution of the overall wealth is going to solve the type of problem we are discussing today. There are rich countries with poor areas within them, and every nation has its own development problems. I also believe that while charity begins at home, surely within your heart and mine it does not end there. In respect of the problems that are facing us at home you and I are trying to make our contribution to their solution, partly through taxation, partly through support of the united services appeal fund, but I cannot see why these humanitarian instincts must end at our national borders. I have lived for 8½ years in the countries of the Middle East and southeast Asia, and I say to you that if you can move among these people and view the indescribable poverty and misery in which they exist, and then turn your back on them and say no, you have stronger guts than I have, Mr. Kindt.

Mr. KINDT: Do not get me wrong. I did not say "no" to any program on foreign aid; I would be one who would want to increase the amount which is

going to foreign aid. But, since we are limited in terms of taxation my question was how far should we go in extending help in respect of the same problems that we have in this country? After all, there has to be a balance.

Mr. MORAN: That lies within your province as a member of parliament. My job is to make the best and most effective use of the funds that are voted by parliament.

Mr. KINDT: I think that is a sensible answer.

Mr. NESBITT: Mr. Chairman, I have one question.

Mr. KINDT: Just a moment. I have my problem on the record, and that is a policy question we have to decide.

Mr. NESBITT: Mr. Moran, are there any arrangements for work in co-ordination with certain voluntary groups in Canada? I believe there are one or two voluntary groups which are, in a small way, the Canadian counterpart of the United States peace corps. But, what type of co-ordination is there with your department?

Mr. MORAN: In respect of the co-ordination which I think is desirable I would say, briefly, that the achievement so far is pretty limited. I have found, for example, that in international conference on aid I am at a disadvantage because I have no idea of the amount of assistance that is flowing through private Canadian channels. The Americans, on the other hand, have fairly good information on this.

In the United States there is a total of some 6,000 voluntary agencies which are extending help in one form or another to the developing countries and which report regularly on their activities to a central body. Thus, U.S. representatives, after they have finished their statement on the official programs, are in a position to describe what is being done in the private fields. In my view it would not be appropriate for a government office to attempt to co-ordinate the efforts of these private groups. Some of the larger organizations in this field like the Red Cross, Save the Children Fund, the African Students Foundation and C.U.S.O. are in regular contact with us and consequently we are familiar with the type and extent of their effort. We asked the Overseas Institute of Canada, about 1½ years ago, if they could convene a conference of representatives of all the voluntary agencies in Canada that were giving help to the developing countries and the Institute, in turn, handed over the task to the Canadian welfare council. The council convened a conference in Toronto last February, with a follow-up here in Ottawa in May. It was called the workshop committee. Representatives of some 70 or 80 private organizations attended, and it was my hope that they would agree to register somewhere, half yearly or annually, the extent of their contributions, not only for my information but also because I think it should be known to the Canadian public.

I think that Canadians would be exceedingly impressed if they knew the extent of the effort being made by the voluntary organizations. However, this possibility was not really carried to a conclusion at that conference. I am afraid the conference was diverted into a more general discussion of what foreign aid involves and how it should be carried out. I have not lost hope that we will still find it possible to have these people register with some central body the details of the work they are doing which, as I say, is very extensive. It is also my hope that this first step might eventually lead to some sort of co-ordinated effort because, as you will appreciate, it would be awkward for a government body to attempt to co-ordinate their activities or have a voice in what private organizations are doing.

Mr. NESBITT: It would be helpful from the point of view of allocation of funds if your department were to know to what extent and in what way the organizations are giving assistance.

Mr. MORAN: Yes, this is very important.

Mr. NESBITT: I was wondering if perhaps there might be some greater effort made. I realize your difficulties from the government's point of view. Perhaps you are aware there is a resolution pending at the United Nations at the present time which, I believe, is sponsored by one of the major western powers, which is going to suggest in addition to government help in the various plans, like the Colombo plan and others, that various communities in groups within the member states sponsor communities in the newly developed countries and provide them with educational services and perhaps in some cases food and medical supplies, and that sort of thing on a voluntary basis. For instance, the city of Regina may sponsor the city of Timbuktu. This is contemplated in the United Nations at the present time, and if that sort of resolution were to go through there would be much greater need, I would think, for co-ordination between, we will say, community projects and service club work in this field than there is now.

Mr. MORAN: I think there is a very great need right now quite apart from this expanded effort you have referred to.

It is not unusual to have people telephone from a distant part of Canada to say they have collected \$1,000 or a greater or lesser sum, to help a developing country and they would appreciate suggestions as to how and where it might be used. Schools particularly are doing this type of thing today. School children will collect a few hundred dollars worth of books or something of this nature but they do not know how to go about offering it or where to send it. I think this is one aspect of the whole voluntary effort that could be improved. Perhaps it is our responsibility in the External Aid Office; certainly, someone needs to do something about this.

Mr. BREWIN: Mr. Moran, I think this is an excellent report of what, in fact, we are doing in external aid. I was wondering if your branch or anyone in the government is responsible for collecting the various requests for aid or assistance to the needy.

The sort of thing I have in mind is the various agencies of the United Nations, for example the special fund, requesting certain contributions and making them known. Perhaps the World Food Organization makes suggestions. Individual countries such as the West Indies, perhaps through the Colombo plan, make requests and suggest possible types of aid. Perhaps individual agencies, such as the Canadian Universities' Overseas Service request assistance or make known their needs.

I think the general public—and I presume that includes members of parliament—are sometimes confused because they do not obtain an over-all picture of the need, and if they did they could better tell how far the dollar sign, as it were, the budgetary limitations, are preventing us from meeting the need. A picture of the voluntary agencies might give a better view of whether we are living up to or failing to live up to the requirements throughout the world in this field. I think it would be helpful if, in addition to a report which says what we are doing, we could have a report compiled with various suggestions of need from various agencies in different fields. Some may overlap; some may be good; some may be bad. Would it be possible to collect that sort of information and give it to us? I think it would be very helpful to the committee.

Mr. MORAN: This breaks down into three parts, I suppose. First, there are requests that come to us from organizations that have set themselves up in Canada to extend help, but who immediately turn to the government for financial assistance. As you will appreciate, this does not give any additional benefits to the receiving countries because if for political or other reasons there is in fact a ceiling on the amount of money any parliament can appropriate for aid

purposes, then to direct it through two channels rather than one does not increase the total assistance that is being made available to the developing countries. There have been a great number of these requests sent in by organizations seeking financial grants of one size or another from the Federal government. To date we have not been able to offer any help from the External Aid Office because of the way in which the aid moneys have been voted by parliament. They have been voted for specific programs of economic development and must be used under those programs.

In the last two weeks—and this is far from policy, it is no more than thinking at the official level—we have been discussing interdepartmentally the possibility of a presentation of estimates to parliament in a somewhat different form to make possible the use of some of these moneys for a grant to organizations on a selected basis. Obviously, a grant could not be made to every organization, but sometimes a voluntary group have set for themselves a target and have carried out an energetic campaign for private subscriptions and end up just short of their target. If it is a worthy organization and if the sort of help they are giving is effective, I am not sure that public funds should not be used to give them the boost they require to reach their objective.

The second category includes requests from international organizations. You mentioned the United Nations Special Fund, there is also the International Development Association and other similar organizations. There, it is perhaps a little easier to determine the extent of the Canadian contribution—certainly this is true of the United Nations—because there is, as you know, a set percentage for the Canadian contribution to the United Nations Organization, and it is usually applied also to our contributions to the various agencies. Canada at the moment, I think, ranks about fourth in its contributions to most of the United Nations organizations. Our position among other donors to the Special Fund weakened somewhat in the past year or so because other countries increased their contribution to a larger target while Canada did not but you will recall that Canada announced a few weeks ago a doubling of its grant from about \$2½ million to \$5 million. I think we are still about fourth in our contributions to the United Nations Children's Fund. The point is we do have guidelines for that type of contribution.

The third type of request directed to us comes from the developing countries themselves, and their requirements are so immense that one hardly needs to tabulate them to see if we are doing enough, not only in Canada but throughout the western world. I think the committee might be interested in the figures of the Development Assistance Committee of O.E.C.D. which are tabled each year and which reveal the growing magnitude of the western aid effort. These tables show that in the calendar year 1960 the financial resources flowing from the developed to the developing areas—and I am referring now only to the official government programs, disregarding voluntary contributions and private investments—amounted to \$4.5 billion. By the end of the calendar year 1961, this had risen to \$6 billion. Last year, 1962, it was in the order of \$7 billion. Thus, the effort of the advanced countries, measured against this tremendous need in the developing countries, is growing.

Mr. BREWIN: You mention requests from developing countries. Could we, for example, find out what requests have been made from countries in the West Indies.

Mr. MORAN: Yes, we could. I could let you have such requests as have been sent to us. I think what you are searching for is some impression of just how much more we could do, given the funds, but I doubt that those requests would be a reliable guide for that purpose. The Islands realize we have only limited funds available, and there is not much sense in asking Canada, with an annual appropriation of \$2 million for the entire British West Indies area, to

help with a hydro-electric system that might cost \$30 million or \$40 million. They do have needs which have not been directed to Canada; they present requests to the United States or other donors or seek loans from international lending institutions.

Mr. BREWIN: You referred to a ceiling. Is that dollar or financial ceiling set as a matter of policy under which we operate?

Mr. MORAN: What I said, or intended to say, was that if there is in fact a ceiling on the amount of funds a government or parliament can appropriate—

Mr. BREWIN: Is there in fact some sort of ceiling?

Mr. MORAN: This requires an answer from someone who reads public opinion polls more closely than I do.

Mr. KINDT: You would have to be Minister of the Department of Finance for a little while or to be in that department to find out whether there is a limit on funds.

Mr. KNOWLES: If he were, he would raise the ceiling.

Mr. BREWIN: I would knock some of the ceiling right out!

Mr. KLEIN: To what extent are the recipients of this aid aware that it is Canadian technical assistance and so on that is being given?

Mr. MORAN: I think this depends very much on the nature of the project. On our large capital projects there are various ways in which the local people can become aware of the source of the help.

One way is through the engineering consulting firms working on the projects who have their own buildings out there on which there will be a sign saying, for example—I must not offer free publicity—"Jones and Associates, Montreal, Canada"; the construction companies do the same thing on the project sites. A second way is that there is usually a bronze plaque erected by the receiving country on the completion of the project to say "Gift of the people of Canada", or other appropriate wording. The third is the customary—and I am referring now only to grant programs and not to aid by way of loans—a hand-over ceremony arranged by the receiving government. In January, 1961, I accompanied the minister who went out to inaugurate five Canadian grant aid projects in India and Pakistan. There was a series of quite impressive ceremonies, when it was obvious that the local people knew where the assistance had come from because at intervals along the road they had erected arches with crude printing on them reading "God bless Canada" or you would go into the villages where there would be hundreds of people congregated wanting to shake your hand, and there would be signs saying "Long live Canadians" and that type of thing. So they realized the source of the aid. That is on the capital projects.

Such things as commodities are pretty anonymous, in my view, and I think they disappear into the economy without too much national credit being derived from the gift. Take copper, for example, which we have been supplying in fairly large quantities to Pakistan. The Pakistani peasant who goes to the bazaar and buys his copper pot has very little idea that it was Canada that made that pot possible. That is why I say commodities are anonymous.

The third way is through the presence of our technicians and advisers but much depends on the individual himself. One person may spend a year or longer in a country and make little or no impression; the local people are unaware of his nationality or of even his presence—outside the institution in which he is working. Another person will go out and, through his participation in community affairs and through his help in organizing local groups, the inhabitants will become acutely conscious of the fact that there is a Canadian in their midst. I was looking for but cannot find a newspaper clipping from an African newspaper with a banner headline "Goodwill Ambassador Leaves

Us", and under this caption was a long article about the special ceremony arranged for him at which warm tribute was paid to his work and his friendship. To give you another simple example: two Canadians working in Malaya on a survey in the bush country had been taken to the site by helicopter. When the time came for them to go back to their base they found the helicopter had gone to other services, so they calmly walked several miles to the railway. At the railway station they discovered there was a railway strike and they could not get a train. This did not deter them and they set out on foot to walk the remaining distance. Those two men could have done harm to the Canadian image by complaining to the Malayan authorities about inefficiency and administrative incompetence, but they philosophically took the conditions as they found them and in the process generated a lot of favourable publicity for Canada. Therefore, it really depends on the individual's approach to his job and his personal behaviour.

In summary, of the three types of assistance I would say capital projects very clearly are the things from which the most national credit results. Commodities produce almost none, while; in technical assistance it depends to a large degree on the personality and conduct of the individual.

Mr. KLEIN: I would think one of the evils of the present day in the underdeveloped country is the advantage that is being taken by playing the west off against the east or vice versa. The underdeveloped countries perhaps are reaching the stage at which they are afraid to accept assistance from one bloc because of incurring the animosity of the other bloc. In such circumstances would not a country like Canada have a tremendous role to play in assistance of this nature, because in the giving of this assistance the underdeveloped country would not fear domination by Canada where they might fear domination by U.S.S.R., for example, in receiving the same kind of aid. Would you think, therefore, that Canada could perhaps, in considering her contribution to NATO or any other system, better divert her funds or most of her funds to this type of program rather than to huge defence programs in which, in the over-all picture, they are really negligible.

Mr. MORAN: I have always been impressed with the easy, intimate relationship that so quickly develops between local people and Canadians. Also you will find in countries where we have representation, where we have aid programs—mainly commonwealth countries—that they are very anxious to carry their problems to the Canadian representative. They feel, for example, that we probably have lived through the same problem fairly recently. They perhaps are reluctant to go to some representatives from countries that were not too long ago administering colonial rule in the area. They hesitate to go to the Americans lest Americans lose confidence in them and reduce their aid; this is a prospect that is always in their minds. They fear that if they go to an American representative and admit that they are having difficulty in solving some problem, they will lose the confidence of the Americans; but they will bring their problem to a Canadian. The right Canadian in a developing country can acquire a position of tremendous influence; he can virtually become an ex officio member of their cabinet. So I agree with you that Canada has a unique role to play if we are in a position to assume the responsibilities.

Mr. KLEIN: Can you tell us what could be done, if anything, to see that the natural resources of the countries to which we are sending technical assistance go to the people of that country rather than to the chieftains of the state for their concubines and their Cadillac cars.

Mr. MORAN: I do not think this is a problem we have to worry about too much under the Canadian programs because of the form in which our aid is given. We do not make cash grants. Our moneys are used solely to provide Canadian goods and services.

Mr. KLEIN: But we are part of a whole complex; and we are only part of the complex.

Mr. MORAN: We are part of a collective effort.

Mr. KLEIN: We are part of a collective effort, but it would seem to me in making this effort something ought to be done even on a collective basis to see that the people of those countries we are trying to assist receive the benefits of their own natural resources.

Mr. MORAN: I can not go beyond the Canadian programs but there is, first, the point that we give no cash grants and, therefore people do not get their hands on money. The second point relates to the nature of the projects. The type of thing that perhaps serves to perpetuate an autocrat is the erection of prestige projects or elaborate public buildings but as long as we are concentrating on educational and training programs, surely we are helping to strengthen the democratic processes and to produce an informed public that will not tolerate graft and diversion of funds in the way that you have suggested.

Mr. THOMPSON: Mr. Chairman, I would first like to express my personal appreciation for being able to have this discussion today and for being able to have the benefit of Mr. Moran's evidence and that of other officials of the department who have come here to discuss with us. I would hope through the influence of this external affairs committee that the budget of \$50 million may soon be put up to \$150 million if not \$500 million, because I think we can best help ourselves by helping others. I realize the true criterion in giving is not so much the amount one gives but the amount one has left after one has given, and I think the discussion here this morning forms the basis of what could well be the most important phase of our whole external affairs program.

I would mention to Mr. Klein that there are still some ways in which we are different from the Americans, and I think that in the handling of our foreign aid programs this best reveals itself, because I would be the first to admit that the billions and billions of dollars given out by the United States foreign aid have failed to win friends and influence people, whereas perhaps the little sums we have given out have had the opposite effect where they have applied as I have watched them at work.

I have a number of questions which centre on the autumn issue of the publication of the Canadian Association of Adult Education, in which Canada's foreign aid program is taken to task.

Basically these criticisms fall under three headings. The first is that there seems to be on the part of the government of Canada no consciousness of or no leadership in respect to what Canada's part ought to be in an external aid program. I realize that does not apply to you; this applies to the committee, to the committee members as members of parliament, and to the government in making its policies. I think, Mr. Chairman, this is one of the ways in which this committee can make a very valuable contribution.

The second criticism in this article is summed up briefly under the heading of lack of planning and absence of planning in our external aid program. One of the things that I have wondered in watching foreign aid work in some of these countries is whether it would not be more advisable for Canada to concentrate on the programs in certain areas where we could make an overall contribution to aid the development program rather than just spreading ourselves thinly across the world so that in many cases our contribution is very very insignificant compared to that of the larger nations. What would your opinion be in that regard?

Mr. MORAN: As to the first criticism, I think everyone is entitled to his opinion. I have not read the article but I would be interested in the author's

experience. I have found very often that the experts on aid matters have never set foot in an underdeveloped country but they know how to solve all of the problems.

Mr. THOMPSON: I was just using this article for the basis of one question.

Mr. MORAN: I thought you were asking what my answer would be. I might just continue on this same point.

I taped a television interview a couple of days ago for a program on aid which the Canadian Broadcasting Corporation will carry next month, and I mentioned a fact which I think is significant, namely that in almost every international forum tribute is paid to Canada for the quality of its program. This tribute invariably comes from other donors as well as from the recipient countries. Also the Secretary General of the forthcoming United Nations conference on development and trade was here a few weeks ago. He had just visited a number of the countries which will be participating in this conference and he said wherever he went he was told about the merits of the Canadian program. This is not as a result of the work being done by the External Aid Office; it is due to the efforts of individual Canadians who have gone out as teachers and advisers. It is due to our engineers who can rate with the best in the world. The personal and professional qualities of the Canadians who are serving in the field are exceptional. The Canadian quantitative effort may be low and subject to criticism, but by anyone's standards the qualitative aspects rank very high.

You may have read not long ago an article in the *Globe and Mail* written from Bangkok by Charles Taylor about the quality of the Canadian program. This was based upon comments made to him at a conference he had been covering in Thailand. I think it is about time we Canadians started talking more about the quality of our country's effort rather than always leaving it to foreigners.

I agree entirely with you about not trying to spread our aid too widely. By doing so we would make no impact in any country and would not make an effective contribution to any development program. I am not sure that everyone realizes the extent to which the Canadian aid program is now concentrated. We are exposed to the reverse criticism on occasion, you know. I receive letters from people complaining that we are not in the Middle East, we are not in Latin America or other areas in which the writers have a personal interest but where there is no Canadian aid program. Ninety to ninety-five per cent of Canadian grant aid goes into commonwealth countries, and within that grouping most of our development assistance is extended to four countries—India, Pakistan, Nigeria and Ghana with modest amounts for Ceylon and Malaysia. I think it makes sense for a country of Canada's resources to concentrate its efforts and I would personally hope that with increased funds we will not undertake a global program but will try to improve and strengthen the programs in those places in which we now operate, areas like south-east Asia, Commonwealth Africa, French Africa and the West Indies. I would fully subscribe to your view, Mr. Thompson.

Mr. THOMPSON: You have mentioned that we have about \$2 million to spend on the West Indies area. We all know the West Indies is a very vital area to the western hemisphere and also to Canada in its critical position with developing political situations in Latin and central America. Might it not be better instead of having \$2 million in that area to concentrate for a period of years and, say, have \$20 million to really make an impact and make a contribution to a particular area that is of vital importance at this time?

Mr. MORAN: From my correspondence and conversations with Canadians across this country I find two schools of thought exist about the West Indies. First of all let me say that everyone seems to favour an increased Canadian effort in the Caribbean area. This view is held strongly in the maritimes, but one also encounters it right across the country; so there is broad Canadian support for a larger effort in the Caribbean. The two schools of thought are, one, that because Jamaica and Trinidad have reached a certain stage of development we should concentrate on those two countries and move them quickly to what Walt Rostow terms the "take-off point"; "Tell the little islands we will look after them later, but in the meantime let us get these two countries to a position of self sustaining economic growth". The other point of view is that Jamaica and Trinidad are now so far in advance of the Windward and Leeward islands; which have few sources of revenue, that we should direct our attention exclusively to narrowing the gap. I do not know whether the committee has views on this, but there you have the conflicting views expressed by Canadians.

Mr. THOMPSON: Another question would be in regard to concentrating on types of programs. I am very disturbed on reading about Kenya's independence, which is coming to its final objective today, that they have gone to the communist nations for instruction and guidance in setting up their public administration. For example, the department of administration is entirely trained and set up by Czechoslovakia and Russia. One of the greatest needs in these emerging countries as they develop into some form of self dependence, not only in economy but in administration, is the need for trained public service personnel. Might this not be the type of training that we Canadians are more capable of giving in a very, very vital area. Has any consideration been given to an emphasis on this type of thing?

Mr. MORAN: Yes. I indicated, Mr. Thompson, in my preliminary remarks that in both our advisers and our training programs we should focus on areas where we clearly have Canadian expertise. The field of public administration is one of these.

As you know, we have been bringing students here in recent years for a course in public administration at Carleton University. Further, we entered into a contract with the University of British Columbia to set up a school of public and business administration in Malaysia. This is a five-year project, which is now in its third year. At all times UBC has four to six professors out in the field helping to get this college started, and at the same time they are bringing selected Malaysians to the University of British Columbia for training who will eventually return to join the staff at home. If you are referring to sending people out actually to work in a government department of, say, income tax or education or something like that, one must look to our federal or provincial departments of government to supply qualified personnel. Federal and provincial departments of government are themselves so understaffed they cannot spare persons for any period of time. And here I would like to give praise to government departments for what they have already done in the way of sacrificing staff for our purposes. We are trying make arrangements for the Civil Service Commission to authorize federal departments to replace any man who is released for temporary service in a developing country. At the moment, they have to do without his services and carry a vacant position in the establishment. Much as I agree with you that this is an appropriate and important contribution, I would not be very sanguine about being able to recruit large numbers of public servants.

Mr. GELBER: Would the problem not be eased if we recruited people who would seek this type of career rather than try to induce people who decide on careers within Canada to go to some other country for a number of years?

Do you not think we could serve the purpose better if we had people who were especially recruited for foreign service rather than having people seconded to foreign governments for a period of time?

Mr. MORAN: Yes, I do. The problem in that respect is that his period of time abroad is uncertain because it depends on some country requiring and wanting his services, and one has to find a place for him between assignments overseas. The World Bank is undertaking a plan—unfortunately I forget the name they have given it—and they are recruiting a number of top flight economists who will join the staff of the World Bank and will be permanently available for overseas posts. When they come back they will be put to work in the establishment of the World Bank. Such employees will draw World Bank salaries, will qualify for World Bank pensions, seniority privileges and other perquisites, so it is in fact a career service. It will be a small group of experienced economists selected from various advanced countries around the world who will become full fledged members of the World Bank staff. If there were some way in government service in which a person could be assured that between assignments abroad he could be usefully employed and his salary paid recruitment would be facilitated, but it would not be a very effective use of aid funds to be using money intended for Nigeria or India to pay a man simply to sit in Canada. However, your scheme would ease our problem immeasurably because this business of going back and forth across the country and corresponding with firms each time we are seeking an engineer or a cost accountant is extremely time consuming. Another severe problem is that with the mounting salaries in private industry skilled persons are becoming very expensive. For example in this last month we have been trying to recruit a photo-geologist for India to take up an important assignment. There are not too many photo-geologists in Canada and we have had no luck in getting companies to release a qualified man with the exception of one firm, which will do it on almost prohibitive terms. He is relatively young with not many years of practical experience in his particular profession, but we are told we can have him for \$25,000 a year, plus substantial allowances, plus transportation to India and back. It is a proposition that we cannot economically accept. That is not necessarily the salary he is earning today in Canada, but it represents the basis on which the firm will make his services available to us. So, there is an additional problem we are running into, and one that might be overcome in some instances if we had a career service such as you have suggested. It is not, of course, as simple as perhaps you and I have represented it to be this morning, because there are a number of complications. For one thing we would clearly have to restrict ourselves to a small list of types or categories of experts, and that would perhaps mean refusing many requests that come to us. However, in those fields where Canada has expertise, I think it is not impracticable to suggest a career service; but again it means money.

Mr. NESBITT: May I ask a supplementary question in regard to Mr. Gelber's observation. Do you think, Mr. Moran, it might help to get high priced help to go abroad if large corporations were induced to give the services of these people? I know large corporations contribute to other projects in Canada, but if they were given some inducement, tax-wise, let us say, we may get more cooperation. If an engineer was needed for a year or two, the company would perhaps loan one provided he was an allowable deduction from corporate taxable income, or something like that. Might that be helpful?

Mr. MORAN: I think the financial consideration is less serious to the company than the actual loss of the man's services.

Mr. THOMPSON: I do not want to monopolize the time here but I would like answers provided for some of the criticisms that have had rather wide circulation.

The third criticism concerned the lack of evaluation of foreign undertakings and referred directly to the lack of orientation of the people concerned in these programs.

I agree with Mr. Moran that the goodwill we have across the world today is not due to any action so much from the Canadian government as from Canadian people who have gone out and done a really good job and who have been ambassadors for Canada, probably unintentionally. What is the Department of External Aid policy towards preparing or training these people, as far as it is possible, in orientation courses before they leave on foreign assignments in order that they can best utilize the time available to them?

Mr. MORAN: First I would say that I think both these criticisms are valid up to a point.

As for the preparation of an adviser to go out of the country, I think what we do is similar to the practice followed in most of the advanced countries. What we have done with teachers during these last two years is to arrange an orientation course of about four days. This is held at Macdonald College at McGill. We selected that college because it has good facilities for our requirements and the teachers with their families can live there and be within a short distance of Dorval airport from where they take off for their overseas assignments.

At that indoctrination course they are shown films of the country to which they are going. We bring to the course Canadians who have previously served overseas and can thus provide in their lectures much valuable information. We also bring their wives so they can meet with the wives of the outgoing teachers and discuss family problems like the education of children, housing and shopping availabilities. The teachers are furnished, of course, with the official reports of Canadians who have preceded them in the countries of their assignments. They also have available the detailed post reports which are compiled by our diplomatic missions, if they are going to a country in which there is a Canadian representative. Our course is not entirely adequate because it is too crammed and it does not attempt to tackle such important questions as language.

The difficulty in trying to arrange anything of longer duration is again related to the release of the men by their employers. If an employer says: "I will let you have this man for 12 months," we have to make a choice. Shall he be kept six months in Canada for preparation and six months doing his job in the overseas country, or should it be a week in preparation in Canada and 50 weeks in the overseas country doing his job? I am inclined to think that in these short assignments the advantage lies in getting him on the job as quickly as we can. After all, in most of the countries where Canadians are going either English or French is spoken, and the natives' knowledge of one of these languages is quite adequate to enable the Canadian to do his job. I have not found the language problem to be serious for Canadians.

In respect of our technical advisers, even less preparation is provided, but again it is because there is a limit on how long we can have their services. If Mr. Gelber's idea of a career service was ever adopted, then these people would be with us indefinitely and perhaps up to a year could be spent preparing them for their overseas assignments.

Mr. THOMPSON: You do not have any plans for preparation in terms of four days, ten days or two weeks?

Mr. MORAN: We could, Mr. Thompson, but I put it to you, which would you prefer? A country has asked for an adviser and it is estimated he will be required for perhaps 18 months. The best we are able to do is get him released

from his present employment for a year. What part of that 12 months, during which his services will be available, would you hold him in Canada and what proportion do you think he should spend in the developing country? Do you not think it is more important to get him quickly overseas where he can immediately start his work? This latter consideration is what really determined our short orientation or indoctrination course of a few days. My personal experience has been that there is little to choose between three days and three months because you can not accomplish enough in three months to make an important difference. If you could have him for six months it would be better, but even then he is not going to be able to master the local language or dialects and certainly he is not going to learn enough about the culture and customs of the country during that extra month or two to make any substantial difference.

Mr. THOMPSON: I was not thinking of a period for that length of time. I was thinking of a time probably two or three times as long as it is now, which is only four days, and which seems to me to be rather short.

Mr. MORAN: It is quite short, but this balance between preparation and performance is, of course, a matter of judgment, and, from my experience, the difference between four days and two weeks is not going to add anything fundamental in the preparation of this man for his task.

Mr. THOMPSON: Do you have any program by which these people send reports back enabling you to attempt to be of assistance to them during their time of service overseas or do you keep tab on them?

Mr. MORAN: Yes, we do. Again I think these people are quite inadequately served at the moment, and this is because of our shortage of staff. Our teachers and advisers are required to submit quarterly reports or, depending on the nature of the operations, they may send them in twice yearly, indicating the progress they are making on their assignment, the difficulties they are encountering, the equipment they need to perform their jobs. Somebody in Ottawa must read and take action on these reports. Our staff in the advisers' section are busy recruiting people, preparing others for their assignments abroad and looking after certain personal problems which do not fall within the duties of the administrative division. These are tasks which arise more frequently in connection with the problems which the wives encounter. Unless you can keep a wife happy the man is seriously distracted and that is one of the reasons the advisers' division becomes involved in trying to keep the morale of the men at a high point. In that division there are three officers to recruit and supervise the work of all our technical advisers.

Another thing that contributes to our difficulties in this field is the fact that we have no one abroad. I think we badly need people stationed overseas. The other advanced countries have representatives right on the ground. In this connection, the teachers in Africa have made representations to us that we should place a man at some point in commonwealth Africa to be an agent or liaison officer with whom they can consult. Very often these problems involve matters that must be discussed with the local governments. Perhaps they relate to the housing situation or to problems the teachers are having with the principals of the schools, and they would like to get together with the local Department of Education to discuss them. At the moment the only means of doing this is through our diplomatic missions and they too are overburdened and heavily worked with their own responsibilities. We cannot ask a foreign service officer of the Department of External Affairs to be devoting a disproportionate amount of his time to the increasing problems arising out of the aid programs.

While you and others, undoubtedly derived satisfaction from the announced intention to expand the program next year, it struck fear into my heart because someone has to administer it and we are already grossly understaffed.

Mr. THOMPSON: Do you not have within your own authority freedom to plan and move forward in this regard? Can you not provide these officers and probably make these much more effective ministries in this public field?

Mr. MORAN: From past experience our recruitment of officers, clerks and stenographers for the expanded program, will have a timetable something like this. Our establishment proposals will be submitted to the Civil Service Commission where it will at once go down to a junior level to be examined on what they call "the statement of duties". Our job descriptions will be compared with what this junior officer considers to be comparable duties in other departments. Eventually our proposal and his report make their way to a higher level and it is then that someone will come over to the External Aid Office to discuss with us the observations of the Commission's junior officer. In this way our request works its way up through the commission. I would be optimistic in saying we would get the commission's approval for some of the positions in three months time. That means by the end of this fiscal year at which time the new expanded program begins.

However, there is still another effort required. We go next to the Treasury Board where the more practical considerations are applied and, as a rule, where careful but prompt assessments are made. Following Treasury Board approval we must then go back to the Civil Service Commission and recruit through civil service procedures, which similarly take a minimum of three months. For instance, I think the position must be advertised for at least 30 days. Then a board is convened to examine the paper qualifications of the candidates.

Mr. KNOWLES: It is easier to get elected to parliament.

Mr. THOMPSON: Could some of these procedures be changed?

Mr. NUGENT: Mr. Chairman, perhaps we could have a stop to the number of questions along this line? I know that one can get interested in this subject and follow along with it all day, but there are other individuals who wish to ask questions in respect of other aspects, and I suggest that these individuals should be given an opportunity to do so instead of continuing along the line we have been following.

Mr. THOMPSON: This subject I suggest is very important. I do not want to monopolize all the time, but I should like to complete my questions.

Mr. NUGENT: Other members have questions to ask.

Mr. THOMPSON: I hope we can come back to this subject rather than just dropping it.

Mr. KNOWLES: Mr. Chairman, I wonder if we could have some understanding of when the committee will meet again. I know I have another appointment and another meeting but if I go away I am afraid we may not then have a quorum.

The CHAIRMAN: I wonder whether Mr. Mandziuk would be charitable to the point of permitting Mr. Knowles to ask a question?

Mr. MANDZIUK: Mr. Chairman, I want to get away as well.

Mr. NUGENT: If they both go away we do not have a quorum.

Mr. MANDZIUK: Mr. Chairman, I have a short preamble to my question, and although I do not wish to take up the time of this committee, I intend to ask several short questions requiring short answers.

Mr. KNOWLES: Mr. Chairman, I think one thing should be clear. We are not critical of the length of Mr. Moran's answers. They are extremely helpful.

Mr. MANDZIUK: I was impressed by Mr. Thompson's statement in respect of spreading our foreign aid around instead of concentrating in one specific country. Am I right in assuming that this is a matter of government policy? Mr. Moran, is it within the jurisdiction of your department to allocate so much aid to each part of the world, or does the government decide how this should be divided? I do not expect a long answer.

Mr. MORAN: Anything involving policy must be decided by the government and we do no more than try, to the best of our ability, to implement that policy.

Mr. MANDZIUK: Thank you. I take it an application is made by a given country in respect of a project, perhaps a technical school, a dam, a university or something like that. Does the Canadian government or your department, before accepting this project, send out investigators to find out the feasibility of the project and the advantages to be gained from it, deciding whether it is necessary, or is the request just accepted? In Ghana, for instance, you have a dictator, Mr. Nkrumah—perhaps I am not pronouncing his name properly—would he just ask for a certain thing and would we just go ahead and give it to him?

Mr. MORAN: If it is a simple and straightforward project it would be quite unnecessary to go to the time and expense of sending someone all the way from Canada, but in respect of the major projects the procedure you have suggested is always followed.

Mr. MANDZIUK: Thank you.

Mr. MORAN: This was done, for example in regard to schools in the West Indies. We sent out an engineer and an architect to see whether the type of schools we could provide from Canada would be appropriate for local conditions. These preliminary surveys are often fundamental and it is perhaps not understood generally by the public that they are routine on every large capital project.

Another point related to initial investigations is that today most of the developing countries have their own national development plans. This has facilitated more orderly planning than was ever possible in the 1950's. We are now able to more directly relate our aid to planned, long term economic growth. The projects within these development plans have been closely examined and approved by consortium members, in the case of those countries for which consortium has been formed, and the donor countries then pledge their funds to the projects within that development program.

When the minister of Finance for India was here a year ago he referred to a project in which his country might seek Canadian participation. But it was realized that it would be necessary for India to go to the consortium and obtain approval of this new project if it was to be financed by any consortium member. Something of an equivalent value would, of course have to be removed from the plan.

Mr. MANDZIUK: Thank you, sir.

Mr. KNOWLES: Mr. Chairman, perhaps I can run the risk of a 30 second preamble simply to say I am sure Mr. Moran is aware of the fact that presumably all of us in this committee are unanimous in the feeling that the amount of our aid should be increased and that the job you are doing should get our support in every possible way. I am sure we all hope that this is not just the usual support of motherhood, but we really want Canada to increase its contribution in this field.

I have two questions. What is the pattern today both for Canada and for all countries, if it is possible to answer in that way, as between national

earmarked aid and collective aid? Do you have any indication of the thinking along these lines, as to which is being pursued and which is likely to be pursued?

Mr. MORAN: Are you speaking now of bilateral versus multilateral assistance?

Mr. KNOWLES: Yes.

Mr. MORAN: I would think that Canada will continue its present policy of assistance through both channels because both have their advantages and disadvantages.

To touch on only a few of the considerations—multilateral assistance has the obvious advantage of clearly no strings attached. Also in these developing countries, where they have a limited number of trained administrators, it is much easier for them to plan and co-operate with one organization than to be trying to negotiate projects with the representatives of perhaps a dozen donor countries. Also multilateral assistance can be withdrawn from a country when circumstances suggest it is necessary without the same strain on bilateral relationships which might result, if the country decided to discontinue its aid.

Against that, multilateral assistance is more expensive. This has been clearly established and when Mr. Maheu, Secretary General of UNESCO was in Ottawa at a UNESCO meeting earlier this year he referred to this fact. This is not because the multilateral organizations are less efficient, but the nature of the United Nations demands quota representation by nationalities on almost every administrative body, which naturally adds to the administrative costs.

Mr. GELBER: They are dealing in smaller amounts per project?

Mr. MORAN: This depends on what you are comparing. For example, the United Nations special fund deals with much larger amounts of grant money than does Canada. Similarly, the International Development Association has many times the amount of grant funds to administer than does a country like Canada or the Netherlands. On the other hand the totals available to both these organizations are insignificant compared to the tremendous United States program of assistance.

But to continue, bilateral assistance has some of the following advantages. First of all, many countries have preferences as to the source of their aid. This preference is difficult to exercise if the aid is flowing to them multilaterally. Also, the donor has no control over where his funds will be used or for what purpose. Purchases within your own country with your own money are no longer possible unless we were able to make an arrangement whereby a percentage of each country's contribution would be spent for its goods and services, and you can see the many complications that system would create. I think bilateral assistance helps to maximize the amount of money a country can make available because it enables people to feel the benefits of aid programs, as many do in Canada.

On the Kundah project in India, over 300 Canadian firms have been suppliers of equipment. Many firms in Canada have received contracts arising from aid projects and when they derive such benefits you are more likely, as I say, to enlist their support. And, of course, the size of aid appropriations is directly related to the degree of public support they enjoy.

In any event multilateral and bilateral aid each has its advantages and disadvantages and I would suspect that Canada will continue to direct its aid through both channels.

Mr. KNOWLES: Mr. Moran, I would appreciate your comments in respect of the part played by the trade union movement in Canada in respect of the student training aspects of external aid. I would be interested in your comments of what the Canadian government has done by way of making it possible for trade unions from other countries to come here.

Mr. MORAN: You and I discussed this a couple of years ago. I think you initiated the idea, and I thought it had merit. Following that discussion, we indicated to some missions abroad that this type of training was available in Canada and could be arranged under our aid program. My recollection is that there were only one or two responses.

This type of training, I think, is very important not only because of the benefits that will accrue to the receiving countries but, as we all know, this is a field the Soviet Union is trying to dominate, particularly in the African countries. This is perhaps an added reason why we should be interested. Therefore, I would like to see Canada play a more prominent part in this type of training but, as our programs are responsive in nature, we must wait for the developing country to make a request. I may be able to give you figures of the numbers who have been brought to Canada in this field of training.

I would like to see us arrange these programs on a group basis and accept 15 or 20 at a time under a formally organized program to take advantage of the generous offer to help made by the Canadian Labour Congress.

Mr. MACEWAN: Mr. Chairman, I should like to ask Mr. Moran to refer to page 20, table (b) covering students and trainees in Canada under Canadian programs. I take it all these student trainees are undergoing academic training and not vocational or technical training in Canada?

Mr. MORAN: No, they are undergoing all types of training. Some of them will be in universities taking courses in perhaps engineering or some specialized branch of medicine. Others may be at the Ryerson Institute in Toronto or at the Ontario Agricultural College in Guelph. Some of these trainees will be with business institutions across Canada for example, if someone is sent here for training as a mill superintendent we might place him with Powell River in British Columbia. The Eddy Company in Hull has been very helpful in accepting trainees. The Bell Telephone Company has taken a number of students. The oil companies such as B.A., Shell and Imperial have also taken many trainees into their organizations for weeks or months, depending on the nature of the training. So that figure of 1,043 for last year includes a variety of courses.

I can pass on to you a breakdown of the fields in which training has been given in Canada if you should wish to have it. Our summary shows the countries of origin, the training classifications, and the numbers who have taken those courses in Canada over a period of time. I think our report covers a period of ten years.

Mr. MACEWAN: Are any of these students enrolled in any of our technical or vocational schools?

Mr. MORAN: Not at the secondary school level, no. We have not so far brought any students here at the secondary school level. This again is, I suppose, a matter of judgment on which different people would have different opinions. I am a little concerned about lifting an individual out of a primitive community, particularly young men and women at an impressionable age, and setting them down in a highly sophisticated society for long periods of time. I am even concerned about this in the case of the university students we bring here. That is why we have been placing emphasis on regional training. I believe I mentioned in my preliminary remarks that we are trying to create training facilities overseas for these people so they can get their training at home. This is the reason for the boys school at Sierra Leone, and the students training school at Accra.

Mr. KLEIN: Mr. Moran, would it be a good idea to give more publicity to these organizations such as Bell Telephone, which are assisting these programs so that this will be an inducement to other organizations to do likewise?

Mr. MORAN: Yes. This is another of our deficiencies, I think a most valid criticism of our office is the lack of information and publicity disseminated in

Canada. We have in our establishment, and have had for some time, a vacancy for an information officer or public relations officer, whose job it will be to prepare press releases and write articles for different publications. We have on hand at the moment requests from three quite responsible journals in Canada for articles on Canada's external assistance activities but have no one to write these pieces. This establishment position was caught in the austerity program and frozen, but a month ago we succeeded in having the position unfrozen and we are now involved in the complicated civil service procedures to fill it. I suppose by about next spring an appointment will be made.

It is not much wonder that the public of Canada is as uninformed as it is about what their country is doing in matters of aid, because we on our side are not putting out sufficient information on Canada's programs. But this deficiency stems directly from lack of staff.

I rather regret that Mr. Thompson was interrupted earlier, because he was discussing a problem which has significance in any country. You may remember that two years ago in his message to Congress President Kennedy said that the Agency for International Development, which is the counterpart in Washington of our External Aid Office, would have the most qualified people in the U.S. public service, and every effort would be made to attract to it the best brains in the country. Those efforts were made and it brings tears to my eyes when I see the numbers and the quality of the persons now in that organization in Washington. Mr. Thompson raised a very fundamental point, because there are two sides to an aid program, the money and the administration and one cannot succeed without the other. Parliament may vote the money for the program but who will vote me the necessary people.

Mr. BREWIN: Mr. Chairman, I wanted to raise a point of order. I find this discussion intensely interesting, and I want to hear the answers to all the questions we have. Unfortunately some of us have to leave. I have an appointment at 12 o'clock. I am afraid if some of us leave there will not be a quorum. I am wondering whether it would be possible to have this session resumed at some time when we can all be here.

The CHAIRMAN: Is it the pleasure of this committee that we resume at four o'clock in this room?

Mr. MORAN: I hesitate to mention this fact but I have an appointment to see the minister at four o'clock if he is not held up in the House of Commons.

Mr. KNOWLES: Perhaps we could meet this evening, or is that inconvenient?

Mr. MORAN: I would be very happy to come.

Mr. GELBER: I think we should meet again.

Mr. NUGENT: There is difficulty in the house in getting a quorum.

Mr. KNOWLES: This is Thursday. The agriculture estimates are being considered and they will have lots of people there.

Mr. MORAN: In other circumstances the appointment at four could be changed, but Mr. Martin is going away tomorrow and this is the only chance I will have to clear up a few matters. Otherwise I could put the appointment over until tomorrow.

The CHAIRMAN: Would it be satisfactory to have one if we reconvene at five o'clock.

Mr. KNOWLES: Unfortunately I have a meeting at 5.30.

The CHAIRMAN: We will adjourn now and reconvene at five o'clock in this same room.

Committee adjourned.

AFTERNOON SESSION

The CHAIRMAN: Gentlemen, we have a quorum.

This morning Mr. Moran, the director general of external aid, made a statement and answered questions. This afternoon we will resume our questioning of Mr. Moran.

Before doing so I believe Mr. Moran is anxious to read an answer which he obtained for Mr. Knowles into the record.

Mr. MORAN: I undertook this morning to obtain for Mr. Knowles some indication of the numbers from the developing countries who have been given trade union training in Canada. I can now report there have been two from India and four from Malaya. This year two candidates from Singapore attended the first session of the Labour College of the Canadian Labour Congress. One of them led the class. The government of Singapore has asked for the acceptance of four candidates for this training course in 1964.

Mr. KNOWLES: Mr. Chairman, perhaps you would not mind my taking a moment to say that the Canadian Labour Congress and trade movement generally not only asked the government to assist in this sort of thing but does a job in this field itself, as do many other sections of our society, and I refer particularly to the work of the Canadian trade union movement through its connection with the international federation of free trade union, through which it contributes a good deal of money to set up training institutions in Africa, India and Latin America. In other words, we asked the free trade union movement to engage in the external aid program and we are very grateful for the stand the Canadian government has taken in that it facilitates bringing to Canada these students of the labour movement from underdeveloped countries.

Mr. GELBER: Mr. Chairman, I have several questions to ask.

The CHAIRMAN: The first name I have on my list is Mr. Macquarrie.

Mr. GELBER: I think I was the next person on your list this morning.

Mr. MACQUARRIE: You go ahead, Mr. Gelber.

Mr. GELBER: Mr. Chairman, I am very much interested in the manner in which information concerning external aid is presented. I just wonder whether we are not a little preoccupied, in view of what Barbara Ward has said, and not doing as much as we should in the way of acquiring public acceptance to our program. I think the position taken by Mr. Kindt this morning may not be reflected widely in this committee, but it is widely reflected in certain sections of this country in respect of this important information.

I am very much concerned with page three of the mimeographed report which we received this morning where you speak of the total of the foreign assistance. The statement appears in the first paragraph under the heading "The Colombo plan". The last line reads:

of this total amount, foreign assistance from the donor countries of the plan through bilateral loans and grants accounted for about \$1.8 billion, approximately 33 per cent of the total.

That was for the year 1961-62. It seems to me in presenting our figures we should do as we do there and present the figures of the counterpart funds put up by recipient countries. Further on page one of the estimates for 1962-63, we show what we are giving but at the same time if we had put down the list of what the recipient countries are putting up it would be quite obvious to any person looking at this document that this is a comparative venture, in point of fact, and a much larger sum is being engaged over-all by reason of the amounts we are putting forward. I am wondering,

whenever we put the schedule forward, whether we should at the same time not only put our figure and the total sum being engaged, but the total amount the recipient country is putting up to make the program effective.

Now, coming back to page three again I should like to ask a question.

Mr. MORAN: Is this a new point?

Mr. GELBER: I am talking about the presentation of the whole problem of foreign aid.

Mr. MORAN: Perhaps I could deal with these points one at a time.

Mr. GELBER: My next point is slightly different so possibly your suggestion is a good one.

Mr. MORAN: Yes, this could be done in certain cases. It can always be done in respect of major capital projects. I think in my initial remarks this morning I referred to joint undertakings and described the portions that are met by Canada, which are in fact all of the foreign exchange costs, and the portion met by the recipient countries, which is all of the local costs.

In the case of large projects it is surprising how often the division works out to be 50-50. There would be difficulty in indicating the share of the recipient countries where they are contributing something on which it is not too easy to place a price. An example might be the accommodation they make available for Canadians who are either working on a capital project or are serving as advisers. In many of the countries the government provides houses for their own civil servants, and if it should be one of these houses they made available—and it frequently is—I do not know how you would assess the values of that contribution. I do not believe we can give you a precise figure of the contributions from the recipient country except in the case of major capital projects, and in that regard it can easily be done.

But to come back to your point. There is frequently a misunderstanding that the only persons putting money into these programs are the donors; whereas in fact the recipient countries themselves are not only making substantial contributions in men and materials toward development projects, but are completely financing many of them from their own resources. This is one of the advantages to Canadian companies which get contracts in these countries under our aid program. Their names become known and they acquire experience in Asia and Africa which serves them well when the Asian or African country is itself letting a contract on a commercial basis. A number of Canadian companies have received such contracts in that manner.

Mr. GELBER: Thank you very much. Coming back to page one, where I see the Barbara Ward attitude manifested, I am just wondering whether we could take sufficient cognizance in presenting our programs of the type in the latent position as expressed by Mr. Kindt this morning which really does exist in this country. I certainly would not be opposed to including under the estimates and again here the sums actually expended in Canada. In respect of the Colombo plan, we are putting in \$41,500,000. I do not know why we do not put a third column here which would show that of that amount so much is being expended in Canada. It seems to me the figures anticipate arguments being used against the plan, and the answers would become self-evident. I think Mr. Kindt this morning was rather persuaded by what you said, and a lot of people are becoming more familiar with what actually happens and taking a more friendly view of the situation. I wonder if that type of column also could be included?

Mr. MORAN: Again I would agree with your observation.

One Canadian correspondent who writes a syndicated column for certain eastern Canadian newspapers, wrote not long ago on the subject of aid and referred to the "niggardly" Canadian effort. He received a letter from one of his readers asking where the money would come from for increased gifts to

foreign countries. The correspondent explained in a personal letter that all of this money is spent in Canada on Canadian equipment and goods and therefore helps boost employment at home. In turn he received a further letter from his reader who said this fact had not been known to him and he would now like to withdraw his earlier remarks. This experience is perhaps evidence to support your point of view that if the exact nature of our operations were more widely known to the public we might inspire a much larger measure of support.

Mr. GELBER: I should like to ask one further question in respect of information. Would it be helpful to us instead of presenting figures as you do at page three in the first paragraph, the last sentence where, in talking about the Colombo plan you package together loans and grants, which always makes our position more modest than it really is, because we do so much in terms of grants in proportion to loans while others do much more in terms of loans than in terms of contributions, and a grant obviously is much more favourable to a recipient country. Instead of packaging loans and grants together as O.E.C.D. does, we could separate them, because this flat amount makes it look less than it really is?

Mr. MORAN: Yes. There, of course, it is not only the Canadian effort which is being recorded but rather the collective effort, including all loans in excess of five years; loans from one five years are not regarded by D.A.C. as a contribution to development assistance as that term is defined. Canada is now considering its position in the whole aid picture. We have until now, been at opposite ends of the broad aid spectrum. At one end is our grant aid which is the purest form in which aid can be extended. At the other extreme we have our long term credits which are offered at market rates of interest. In fact in most places they are looked on as commercial transactions. You will recall when the bill was being presented to the House of Commons the then Minister of Trade and Commerce described its purpose as an effort to make Canadian producers of capital equipment competitive on credit terms with the producers of similar equipment in other countries. So we have had a Canadian position with grant aid at one end of the spectrum and long term credits at six per cent interest at the other extreme, but with nothing in between.

As a result of Mr. Martin's announcement in the House of Commons on November 14, you will know that Canada proposes, subject to parliamentary approval, to fill in this middle area with a form of soft loans, the exact terms of which have not yet been worked out. It is intended that they will be similar to the I.D.A. and A.I.D. loans in the United States. For the first time we will have moved to a position where we will have three types of assistance each of which will be recorded separately in our returns to D.A.C. and to other international bodies.

Mr. MACQUARRIE: Mr. Chairman, I should like to ask Mr. Moran a few questions of a specialized and particular nature. I refer to page 14 of the very excellent report we are seized of in respect of the West Indian program. My questions are all brief and inter-related and, if no one has any objection, I might put them together fairly succinctly.

Mr. MORAN: Would you give me the opportunity of answering them one at a time?

Mr. MACQUARRIE: If you would rather have them separately I will proceed in that way.

The first paragraph indicates that Canada joined with the United States and Britain in carrying out an economic survey. Perhaps you would care to comment in this regard?

Mr. MORAN: It was a tripartite mission which visited the smaller islands of the West Indies in July of 1961. Its purpose was to gain a first hand impression of the type of projects that were most urgently needed. The mission

consisted of a senior official from the United States, one from Britain and Mr. Miller from the External Aid Office. They compiled a list of what they regarded to be priority projects. The mission also reached some agreement as to which projects might be undertaken by each of the three countries. The results of the mission have not been spectacular, because not long after this study the federation disappeared. The United States did not withdraw its assistance but they decided to return to a common pool of funds for the whole Caribbean area the amounts they had earmarked specifically for these little islands. Britain took somewhat similar action.

In the case of Canada, there were three types of projects arising from this special mission which Canada agreed to accept for Canadian financing if they were within our resources. The first was some schools, the second a fresh water supply system for certain of the islands and the third a number of warehouses. All are now under way.

Mr. MACQUARRIE: Would this report be obtainable, is it in common demand or is it for some governmental reason not quite as obtainable publicly as it might be?

Mr. MORAN: As far as the contents of the report are concerned, my recollection is that it could be a public document. It would be classified only if there were observations that might reflect in some way on the area countries. There was nothing in the report in so far as the economic aspects are concerned that should place any restricted or confidential classification on it. Let me look into this, and if you are personally interested in seeing the report, I know of no reason why it cannot be made available to you.

Mr. MACQUARRIE: Subparagraph (a) of your report refers to ships, I am wondering whether these ships are now in actual service and where they are plying.

Mr. MORAN: Yes, they are in service and they are fulfilling the purposes for which they were given to the West Indies, namely interisland traffic both passenger and cargo. At the time of the dissolution of the West Indies federation there were a number of what might be described as common service items. These two ships were among them, a meteorological service on the islands was another and all of these have been placed under the administration of a common services committee which is to carry out the administrative responsibilities until, I think it is about July, 1964, when representatives of the islands will meet in an effort to decide what future administrative arrangements should be made. But at the moment these ships are moving between the islands carrying passengers. I have talked to Canadians who have travelled on them and have been favourably impressed by the service. The ships also carry cargo; in large measure it is cement from Jamaica which is delivered to some of the smaller islands that were former units of the federation.

Mr. MACQUARRIE: I would not want you to invade the realm of policy, but have you, in your consideration of the needs of this area and in appraisal of the requests from this area, encountered what I have run across, that is an expression that perhaps something very useful would be a restoration or a re-inaguration of the ship service between eastern Canada and these islands?

Mr. MORAN: You are not asking me to express an opinion on whether I think this should be done?

Mr. MACQUARRIE: I asked you not to do that.

Mr. MORAN: I have had correspondence which has given this indication, but it is outside the realm of the External Aid Office. These letters point out that one problem the islands have in respect of their exports is lack of refrigeration ships moving between Canada and the islands, with the exception of the Saguenay lines. It is my recollection that even those ships have only

restricted refrigerated space. But there has never been a suggestion that through an aid program we should be able to resolve the problem. Therefore, to your question whether this possibility has been brought to my attention, the answer is yes, but it does not fall in my field of responsibility.

Mr. MACQUARRIE: That is quite right; it is not your responsibility. You have not encountered any expression of opinion, and you have no information which would lead one to believe that such a suggestion is not reasonably well founded?

I am not inviting you to comment on the policy angle, but I am looking at some rationale behind the view I hold that this would be a very practical and useful operation.

Mr. MORAN: I would have no knowledge in my possession on which I could make a reasonable judgment on this question. A shipping problem that would no doubt occur to all of us is the lack of wharfing facilities and deep harbours that would permit large ships to come in. This was the principal factor in our accepting the St. Vincent dock as one of our aid projects. The need for wharfage facilities in St. Vincent was very evident and it is one of the major problems in all of these little islands.

Mr. MACQUARRIE: I have another question. This comes from page 20. Is there any significance to be drawn from the statistics in your third column? For the year 1959-60 it is 27 and 28 and then a drop to 4 and 9. Does this register anything of significant nature?

Mr. MORAN: Not that I am aware of. I do not know whether it might reflect the phase after the disappearance of the central federal government, through which all requests for assistance were channelled. With no central government it meant the individual units were then on their own and had to send forward their individual requests. There might have been a period of adjustment while new channels of communication were being set up. Do you have any indication of this being of special significance?

Mr. MACQUARRIE: I have just one more question. You mentioned this morning the two points of view in respect to aid to the West Indies area in reference to those states which are now fully fledged commonwealth independent states. Is there anything in your own program which indicates or reflects any sense of priority in this respect? Is there any emphasis in the expenditure of the funds now limited to those smaller areas, whose economic political liability is indeed so uncertain, as against the commonwealth sister states?

Mr. MORAN: Are you still speaking of the Caribbean area?

Mr. MACQUARRIE: Yes, on page 14.

Mr. MORAN: No, I think I made reference this morning to the two schools of thought which exist in Canada as to the direction of future Canadian assistance to that area, but I am not yet able to give any information on the amounts or form of Canadian aid that will be available to the various islands next year. These are questions which are now being discussed and worked out inter-departmentally. You will understand that there are a number of considerations to be taken into account on questions of that nature. We had a meeting yesterday on this subject, not related solely to the Caribbean but on the whole question of the direction of future Canadian aid. There will be another meeting next Monday

Mr. MACQUARRIE: You would say that this amount of amassed facts would not indicate you belong to either of the two schools.

Mr. FOREST: Mr. Moran, on page 18 of the report you give some details on the commonwealth scholarship and fellowship plan which provides scholarships to students from the commonwealth. I do not know if the amount made available was well spent, but would your office contemplate extending this program to nations outside the commonwealth? I am thinking especially of the

French speaking countries such as French Africa, which could send students to our French speaking universities, as we have quite a few of them. That would create much good will amongst those nations.

Mr. MORAN: It would not really be a matter of our office contemplating an extension of the present commonwealth scholarship and fellowship program because it is a multilateral effort which was agreed upon at the commonwealth educational conference in Oxford in the summer of 1959. All of the countries represented there undertook to make funds available to offer scholarships to candidates from other commonwealth countries. These scholarships were intended for scholars of high academic attainment, and, in the main, for study at the post-graduate level. It was recognized, shortly after this program came into effect that while the French language universities and French speaking Canadians were eligible to participate, certain technicalities made this difficult. For example, the students coming to Canada from India and Pakistan and other parts of the commonwealth wanted to enter universities where the medium of instruction was English, so that very few of these incoming students were going into the French language universities in Canada.

The other commonwealth countries were offering scholarships for universities where the medium of instruction was English, with the result that very few French speaking Canadians were interested in accepting that type of scholarship. It was then decided to set up a counterpart to the commonwealth scholarship and fellowship program which would accomplish the same objective and offer the same type of program for French speaking Canadians and the French language universities. That is what brought into being the program for French Africa.

If you look at the wording of the vote, you will see it refers to educational assistance for independent French speaking African countries. The reason that restriction was placed on it, the reason it was confined to educational assistance, is that it is intended as a counterpart to the Commonwealth scholarship and fellowship program.

Mr. BREWIN: Could I ask you one question? First of all, what criteria are there in selecting these students who come? Secondly after they have been through their courses they return to their countries of origin, is there any follow-up to see how they get along and how it works out? Proof of the value of these things is sometimes in the results. I was wondering if there was any assessment of the results?

Mr. MORAN: To answer the first part of your question, the students are nominated, in the case of our bilateral grant aids program, by their own governments—usually through the ministry of education. We have standard application forms to be filled out, and when sent to us they are placed before a scholarship panel which meets about twice a year. The panel examines the academic record of the applicant to see whether in their opinion he is qualified to enter the course of training for which he has applied. If he is, then the panel suggests an appropriate university and submits to that university his academic record. If the university accepts the student, if it confirms the opinion of our scholarship committee and is able to accommodate the student, then the overseas government is notified and under our sponsorship he is brought to Canada on an agreed date to enter the university. The student is paid a monthly stipend for board and lodging, his fees are paid, he is given a clothing allowance to enable him to replace his tropical clothing for articles that are more appropriate for a day like today. I have the composition of this committee if you would be interested.

In the case of the commonwealth scholarship and fellowship program, there is a different committee which again examines the applications to place students in Canada under that program. The scholarship committee which

deals with applications under the Colombo plan and S.C.A.A.P., and our other bilateral aid programs, is chaired by Dr. Sheffield of the Canadian universities foundation, while the commonwealth scholarship and fellowship committee is chaired by Dr. George Curtis, Dean of Law at the University of British Columbia. The two committees are composed of eminent faculty members of Canadian universities plus the director of education from our office.

As to the second part of your question, the evaluation of the training, in my personal view, is neither well organized nor very professional in its approach. We do get reports in a variety of ways; one is from the student himself after he goes back home, another is from our Canadian missions in the country concerned who have contact with the student before he comes here and try on his return to follow up his case to see whether he is being appropriately employed. Now, we have had cases brought to our attention where it would not appear that the student is being assisted to put to the best use the training he received in Canada. This becomes a rather delicate matter, one on which you can hardly make official representations, but we are able in an informal way through our missions, to take it up with the government concerned, and we have succeeded, I think, in all cases where this has been brought to our attention, to have him placed in what would appear to be more suitable employment.

Sometimes, on investigating these cases, you will find that the person is being quite properly employed but not in circumstances or conditions that he personally enjoys. I remember a young lad who had been given some specialized training in medicine in Canada and who wrote to us complaining that his government had not taken cognizance of the advance he had made in his profession and that the sort of work he was doing was not commensurate with his superior qualifications. When it was looked into we found the basis of his complaint was that he had been posted to one of the smaller towns in India while he was anxious to live in a large city; he wanted a post in a hospital in New Delhi. Sometimes you will encounter that type of case.

I have given some thought to this problem of evaluation. I do not quite know, with students and trainees who come here for courses, just how we can best follow up their individual cases. It is not an easy thing. Take a country like India; we can hardly ask a Foreign Service Officer in our New Delhi mission to travel six or seven hundred miles to determine whether a lad who has been trained in a certain skill is in fact using it and is being employed in a proper capacity.

The CHAIRMAN: Gentlemen, if you have concluded your questions, perhaps we could address ourselves to the few items under external aid Office.

Mr. BREWIN: I drafted a resolution. It is very rough because I have not had time to consult anybody about it. It may not be appropriate, but I will read to you what I put down here. This will be subject to discussion, having heard evidence from the director general of the external aid program and it is to the effect that there is an urgent need for the early appointment of an administrative staff to administer the expanded aid programs proposed by the government. It reads:

Resolved that this committee recommend to the government that steps be taken to enable the External Aid Office to recruit necessary staff directly and outside the usual civil service commission procedures.

I do not know whether that meets the needs discussed today. You mentioned the need for somebody to look after the educational programs in Africa; you mentioned that you were trying to recruit someone for what might be called the information end, and various others, and you have difficulty in going through a lengthy procedure because the whole program would then be held back. I am not sure whether this resolution I drafted meets the needs or not.

The CHAIRMAN: Is there a seconder?

Mr. THOMPSON: I would second it, subject to re-wording.

Mr. BREWIN: I would like to be able to consult on the actual wording, if the committee agrees with the general principle. We could polish it up to fill the needs. Some members of the committee were not here this morning but we heard evidence to the point. In a sense it is a small item; it is a matter of getting this work done efficiently now.

Mr. THOMPSON: Our time is now drawing to a close. I would hope that perhaps we could have another session with Mr. Moran. Is that possible?

Mr. MORAN: I am completely at the convenience of the committee.

Mr. THOMPSON: I think there was some very basic discussion we had just started on this morning, which is involved in what this resolution is aimed at. Perhaps, at our next session, we might have a little more time to discuss this.

Mr. BREWIN: So long as we are going to meet again. I did not want it left so that we would not have a report at this session.

Mr. THOMPSON: I would hope we would be able to discuss this more. This morning I was told I was talking too much, so I gave an opportunity to someone else.

Mr. CAMERON (*High Park*): Could we leave the matter of the resolution to the steering committee?

Mr. THOMPSON: I think there is more advice we could get from Mr. Moran which would help us in our understanding of this.

Mr. BREWIN: Is there any objection to the principle involved here? If there is and we need further discussion, we would have to postpone this.

Mr. MACQUARRIE: It is hard to get the gist of a document even when it is as formal as this, but I had the impression you were pinning your suggested action a little too closely to the evidence of Mr. Moran. I might be a constitutional purist, but I understood that. I think it is a slight impropriety to suggest that this recommendation is based upon his evidence. However, I am completely in accord with the sense of the motion.

Mr. BREWIN: I am very glad to be advised to leave that part of it out. It was, in fact, on the basis of what he said to us, but perhaps it would be wise not to indicate the source.

Mr. MACQUARRIE: I do not think he should be put in that position, nor the committee.

The CHAIRMAN: Mr. Brewin is a member of the steering committee. Would it be the pleasure of the meeting that this matter be referred to the steering committee, and that we then meet on an early occasion at the call of the Chair? Is there any possibility of our passing the items under external aid tonight?

Mr. BREWIN: Are we going to be put in the position of passing all the items, or referring them back to the house?

The CHAIRMAN: We certainly are faced with little time and a good deal of work to accomplish.

Mr. BREWIN: We are not going to be able to meet very often in the next ten days, or whatever time is left.

The CHAIRMAN: Would there be any possible virtue in the committee meeting tonight?

Mr. KLEIN: There is a meeting of the banking and commerce committee at eight o'clock.

Mr. MACQUARRIE: I have read the evidence very carefully and have heard Mr. Moran with great pleasure. I am quite prepared to say amen to the items.

Mr. THOMPSON: Does this close the discussion?

The CHAIRMAN: We could leave one item open, perhaps, and hope to get together with Mr. Moran at an early date for a brief consideration of the matter raised by Mr. Brewin.

Agreed.

The CHAIRMAN: Perhaps we could pass the other items.

Mr. VALADE: I have a very short question which will not take up much time. It is based on information I would like to have from Mr. Moran. This is the case of a nurse whom I know who tried to obtain employment to teach nursing in Africa. She could not get employment through the Department of External Affairs. She had to go to the world health organization in order to obtain employment. She was employed by the world health organization, but could not get the same kind of employment through the Canadian Department of External Affairs. I would like to know the reason for this.

Mr. MORAN: There might be a reason. If you would give me the name privately I would look into the matter. I can't speak for the Department of External Affairs, on any approach she may have made there, but I can suggest a possibility insofar as the External Aid Office is concerned. We fill those appointments which are requested of Canada by the underdeveloped countries. Something, in our attempts at co-ordination, that we are trying to avoid is a country asking the World Health Organization for an adviser and at the same time, in parallel, asking Canada to fill the same vacancy. A country might ask the World Health Organization and not Canada for a nurse. Should she apply to us, we would tell her we have no outstanding request for someone with her special qualifications, but we will place her particulars on file and if a request does come in, we will be in touch with her. On the other hand if the World Health Organization has a vacancy for a person with those qualifications, they would pick her up as soon as she applied. This may have been the case.

Mr. VALADE: The funny part of it is that she had to apply through the United States to the World Health Organization.

Mr. MORAN: She would not have to apply through the United States. In fact, the United States would not handle the application of a Canadian citizen. We recruit quite extensively on behalf of the World Health Organization, and other United Nations agencies in Canada. This is an additional responsibility of our office. Many Canadians today employed under United Nations programs have been recruited by our office. There are two ways in which a Canadian can obtain employment with the World Health Organization or with any other United Nations agency. One is by writing to us and asking us to forward their name and particulars to FAO, WHO, or whichever the selective agency might be. The other is to send their application directly to FAO in Rome, ILO in Geneva and so on. It would certainly not be necessary to go through the United States. I would be very surprised, and it would be a departure from United States policy, if they took the name of a Canadian and forwarded it to the United Nations.

Items 50, 55, 60, 65, 70, 75 and 78 agreed to.

The CHAIRMAN: Gentlemen, may we adjourn to be called by the Chair.

Mr. BREWIN: I take it that the matter I raised has been referred to the steering committee.

The CHAIRMAN: Is that agreed?

Agreed.

APPENDIX "A"

A REPORT ON CANADA'S
EXTERNAL AID PROGRAMS

NOVEMBER 1963

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CANADA'S EXTERNAL AID PROGRAMS

Introduction

This report describes activities under Canada's various bilateral programs of grant assistance to less-developed countries for which funds were voted by Parliament in the fiscal year 1962-63. These programs, for which the External Aid Office is responsible are:

	<i>Estimates 1962-63</i>
Colombo Plan	\$ 41,500,000
Special Commonwealth Africa Aid Program	3,500,000
Canada-West Indies Aid Program	2,452,000
Educational Program for French-speaking Countries in Africa	300,000
Commonwealth Technical Assistance Program ..	120,000
Commonwealth Scholarship & Fellowship Plan ..	1,000,000

A major feature of the Canadian bilateral aid effort in recent years has been a sharp increase in technical assistance and a greatly increased emphasis upon assistance in the educational field, especially in the newly independent African countries which place high priority on a rapid expansion of their educational facilities. The details of educational projects are set out in the sections of this report dealing with specific programs but as an illustration of increasing educational assistance it may be noted that from about a dozen teachers sent abroad in 1960 Canada increased its effort to 40 teachers in 1961 while the total number of teachers serving abroad under the Canadian program at the end of the fiscal year 1962-63 was 122. In the present academic year, there are now 182 Canadian teachers, educational advisers, and university staff serving abroad under government programs.

In addition, 61 Canadian technical advisers were serving in the developing countries under Canadian bilateral aid programs as of March 31, 1963. These advisers were in such fields as agriculture, fisheries and mineralogy and most of them were helping to instruct local personnel to carry on their work, thereby helping to increase the supply of skilled and trained manpower which is a vital need in all the developing countries. Technical assistance also includes the bringing of students to Canada for training and here too there was a substantial increase in the Canadian effort in 1962-63. During the past calendar year there were 1,043 students in Canada under government aid programs as compared to 849 the year before. During the present year 1,200 students are expected. Tables B and D illustrate the expansion of Canadian technical assistance activities.

While Canadian expenditures on technical assistance are increasing, they are by their nature relatively small compared with project and commodity aid which accounts for about 95% of Canadian aid expenditures. The amounts allocated to the various types of Canadian assistance are set out in Table A. The largest part of Canadian project assistance has been in the form of basic power and transportation projects where Canadian funds are used both to provide for the services of Canadian engineering or other firms and to supply equipment or goods produced in Canada. As shown in Table A, project assistance may also be in the form of feasibility studies or surveys of resources where Canadian services only are required, or, alternatively, it may relate simply to the provision of Canadian-manufactured items such as locomotives, road vehicles or educational equipment.

Commodity assistance includes the provision of raw materials, fertilizers and pesticides from Canadian sources. Under the Colombo Plan Program, there has again been in the past fiscal year a considerable expenditure on industrial

raw materials for India and Pakistan, which are urgently in need of these materials and whose five-year development plans could not go forward unless assistance of this type was available to them.

In addition to assistance provided under its bilateral programs, Canada is a substantial contributor to a number of multilateral programs such as the United Nations Expanded Program of Technical Assistance, the United Nations Special Fund, the United Nations Children's Fund (UNICEF), and the International Development Association. Since these financial contributions are paid over to the international agency concerned, the External Aid Office is not involved in their expenditure. The External Aid Office does, however, cooperate with the United Nations and its Specialized Agencies in recruiting Canadian experts for service abroad under these programs and in arranging training programs in Canada for trainees sponsored by the United Nations or other agencies. The extent of this activity is indicated in Tables C and E.

THE COLOMBO PLAN

The Colombo Plan for Economic Development in South and South-East Asia, of which Canada was a founding member, marked its eleventh anniversary in 1962. Meeting at Melbourne, Australia in November, 1962 the Colombo Plan Consultative Committee noted in its Annual Report that progress in the area was continuing and that the economic development of its members was being assisted both in exchanges of ideas and experience and through the provision of many forms of capital and technical assistance. The Committee reviewed economic developments during the previous year when the rate of economic growth in the region had varied considerably from country to country. On a per capita basis, changes in gross national product had ranged from increases of up to 6% in some countries to falls of 2% in others. Agricultural production in the area as a whole had increased substantially and industrial production also continued to rise. Another encouraging feature was the increase in total resources devoted to development. During the year under review (1961-62), the fifteen countries of the region had spent the equivalent of \$5.4 billion on development, an increase of about \$1 billion over the year before. Of this total amount, foreign assistance from the donor countries of the Plan through bilateral loans and grants accounted for about \$1.8 billion, approximately 33% of the total.

Certain problems remained, however. Population was continuing to grow at an annual rate of about 2% in the area, making economic development more urgent and in some cases more difficult. Moreover, trends in the international economy had not been altogether favourable for countries of the Colombo Plan region. The continued weakness of primary commodity prices in the world market remained a severe problem in 1961-62 for the developing countries. Import restrictions in certain advanced countries on manufactured goods which the developing countries could produce had added to their difficulties, while foreign exchange stringency was perhaps the most pervasive problem for governments of the region.

Since 1951, and including the fiscal year 1962-63, Canadian contributions under the Plan have amounted to \$423.2 million. The estimates for 1963-64 contain an amount of \$41.5 million for Canada's Colombo Plan Program. The chief recipients of Canadian aid under the Colombo Plan have been the Commonwealth countries of India, Pakistan, Ceylon and Malaysia which have accounted for over 95% of Canadian expenditures. Other non-Commonwealth countries in the area, however, are also eligible for Canadian assistance and significant amounts of technical assistance have been given to countries such as

Burma, Cambodia, Indonesia, Laos, Philippines, Thailand and Vietnam. All Canadian assistance under the Colombo Plan, as with other bilateral aid programs undertaken by Canada, takes the form of grant aid.

The distribution by country of total funds made available under Canada's Colombo Plan Program is set out in Table G and the allocation of funds voted by Parliament in 1962-63 is shown in Table H. Activities carried out under the Canadian Colombo Plan program in each of the recipient countries are described in greater detail in the following paragraphs.

Burma

The total value of assistance, including technical assistance, made available to Burma from 1950 to the end of the fiscal year 1962-63 was \$4,277,000.

The major capital project undertaken by Canada under the Colombo Plan in Burma is the Thaketa Bridge which will link Rangoon with a town across the Pazundaung River. Construction work commenced in 1962-63. The Canadian contribution of \$900,000 toward this project includes supplying from Canadian sources steel and other construction materials, bridge machinery, some construction equipment as well as the services of engineers to design and supervise the building of the bridge. Burma has allocated \$950,000 in counterpart funds which were derived from sales of Canadian wheat provided earlier under the Plan. Burmese engineers were brought to Canada to work with Canadian engineers during the design stage as part of a training program associated with this project.

A number of smaller projects, including the provision of technical education equipment, have been undertaken and completed. A start was made on a project involving the testing of a Burmese hardboard manufacturing process in 1962-63 and is still underway.

Since 1951, \$1,975,000 in commodity assistance has been given to Burma in the form of wheat and flour. In 1962-63 the value of commodity assistance was \$325,000.

Seven Burmese students arrived in Canada under the Plan during 1962-63 and there were two Canadian advisers serving in Burma. At the Rangoon General Hospital a Canadian radiotherapy technician continued her work of helping to treat cancer patients with the Canadian Cobalt Beam Therapy Unit given to Burma in 1958 and, at the same time, training Burmese technicians in its operation. A Canadian transportation economist was serving as adviser to the Burmese Ministry of Transport.

Cambodia

Assistance to Cambodia has been principally in the field of technical assistance totalling \$377,000 since the inception of the Colombo Plan.

During 1962-63, 31 training programs were arranged in Canada for Cambodian scholars and fellows. This represents a marked increase in the comparable figure of 13 for the previous year. Most of the Cambodians studying in Canada under the Colombo Plan are in engineering courses at Laval University and the Ecole Polytechnique in Montreal, although there are also Cambodian nurses enrolled at L'Institute Marguerite d'Youville in Montreal. Four Canadians were teaching in Cambodia under the Plan during this year.

Ceylon

To the end of the fiscal year 1962-63, Ceylon has received from Canada under the Colombo Plan total assistance to the value of \$24,103,000 for economic development purposes.

Over the last few years, Canada has assisted Ceylon with the construction of capital projects such as several transmission lines and the expansion of power producing facilities. The transmission lines have not only interconnected

the power systems of the Eastern and Western sectors of the Island but have also made available much needed electricity to the industries, villages and schools located throughout the Gal Oya area. During 1962-63 a transmission line from Inginiyagala to Badulla was completed and the construction of the Inginiyagala power house, which is expected to be completed this year, proceeded on schedule.

The aerial and geological survey of Ceylon, undertaken by Canada at a cost of \$2,500,000, and designed to help the country plan the development of its natural resources, was completed in 1962.

Commodity assistance to Ceylon has consisted primarily of flour (\$8,500,000) and railway ties (\$180,000). Under the 1962-63 program, \$1 million of flour was given to Ceylon.

The 20 Ceylonese trainees studying in Canada under the Colombo Plan during 1962-63 included a social worker, a health officer, a rehabilitation worker, a forestry officer and a number of university students. The principal of the Institute of Technology spent six months in Canada studying the supervision and administration of technical institutes in Canada.

Two of the three Canadian instructors sent to the Institute of Practical Technology, Katubedde completed their assignments and returned to their regular employment with the Province of Manitoba. A Canadian electrical engineer experienced in the management of small hydro-electric systems was sent to Ceylon as an adviser to the Gal Oya Development Board on generation and transmission maintenance problems. A film production adviser visited the Ceylon Film Unit to assist in planning future development of this unit.

India

Total Canadian assistance to India Under the Colombo Plan to the end of the fiscal year 1962-63 is \$218,877,000.

In the South Indian State of Madras, Canadian and Indian engineers continued during 1962-63 to work on the third stage of the Kundah Hydro-electric Project which will provide an additional 240,000 k.w. of electrical generating capacity to meet the industrial demands of the area. Canada's contribution in engineering services, generating equipment and other materials will total some \$24 million over a four-year period. Up to 1962-63, \$22.0 million had been allocated to the project and the balance is expected to be provided in 1963-64.

During 1962-63 Canada agreed (a) to carry out an economic feasibility study of the Iddikki power project to be constructed on the Periyar River in the State of Kerela, South India, (b) to provide four aircraft equipped with spraying apparatus for crop protection purposes, and (c) to supply three hospitals with cobalt therapy units for the treatment of malignant diseases.

A summary of the Canadian 1962-63 capital and commodity assistance program, which included the carry-over of funds from the previous year, is as follows:

Kundah III			\$9,300,000
Iddikki Power Project			200,000
Crop Spraying Aircraft			300,000
Cobalt Therapy Units			148,000
Commodities:			
	Copper	\$4,650,000	
	Aluminum	3,000,000	
	Nickel	500,000	
	Asbestos ..	459,000	
	Wheat	1,500,000	10,109,000
			<hr/>
	Total:		\$20,057,000

In 1962-63 two Canadians, a metallurgist and a mines superintendent continued their assignments with the Bureau of Mines at Nagpur. A limestone adviser spent two months in India with the National Building Organization reporting on the economic development potential of known limestone deposits. An adviser on swine husbandry on loan from the Canadian Department of Agriculture completed his assignment and returned to Canada. A Canadian film producer working with the Reserve Bank of India completed with outstanding success a series of films on the organization of rural co-operatives.

Engineers, scientists, medical doctors and nurses were included among the 155 Indian trainees studying in Canada under the Colombo Plan during 1962-63. Also included were 38 technicians and engineers studying steel production techniques and methods at a steel mill in Canada.

Indonesia

Since 1950, funds totalling \$3,988,000 have been made available by Canada to Indonesia for development purposes. A large part of this amount has been in the form of wheat flour valued at \$1,875,000, including \$325,000 worth of flour in 1962-63.

Among the 73 Indonesian trainees studying in Canada in 1962-63, the largest groups included undergraduate students in science and engineering and in medicine. Others included students of public administration and earth sciences.

Two Canadian advisers served in Indonesia in 1962-63. A Canadian flying instructor continued his assignment at the Indonesia Air Academy, Tjurug as part of the co-operative project also being assisted by the International Civil Aviation Organization and other Colombo Plan countries. A Canadian statistician completed his Colombo Plan assignment in Indonesia but remained to carry out another project under United Nations auspices.

Malaya

Aid funds totalling \$8,540,000 have been made available to Malaya by Canada since the Colombo Plan began. More than \$7.5 million of this amount has been for capital assistance (including a \$2 million allocation in 1962-63) and the remainder in technical assistance. No commodity assistance has been provided. Projects underway during the year included the East Coast Fisheries Scheme, (comprising 8 storage depots, 5 insulated trucks, 2 refrigerated hatches for fishing vessels and other items of equipment), a highway survey in North Malaya and a national television project for which Canada is providing consulting engineering and design services, as well as technical assistance. Arrangements were also made to send technical education equipment for a further 18 schools in the country.

During the past year there have been 18 Canadian teachers and advisers serving in Malaya, a larger number than in any other Colombo Plan country. At the University of Malaya a team of Canadian university professors who arrived in 1961, continued their work of helping to establish a School of Business Administration. The project also involves bringing Malaysians to Canada for training as replacements for the Canadian staff. The whole arrangement is being carried out by the University of British Columbia under a contract with the External Aid Office.

Canada has undertaken to help Malaya establish a training college for technical teachers at Kuala Lumpur and a team of teachers from Manitoba were recruited and sent to Malaya early in 1962 for this purpose. The Department of Education of the Province of Manitoba selected the team and seconded them to the External Aid Office and has assisted in other ways in the development of this project. These four instructors will be maintained or replaced as required until such time as the Malaysians are able to staff the school with qualified personnel. Canada has also provided equipment for this college.

Canadian advisers served in a number of other fields as well. A medical team consisting of four doctors and a nurse worked in Malaya during the year. A fisheries co-operatives and marketing adviser arrived in December 1962 to implement the program of fisheries development which he had recommended in an earlier assignment. Two television advisers sent in mid-1962 for brief periods were succeeded by an adviser assigned to remain in Malaya until the new television service was on the air. An economic adviser in the field of industrial economics completed his one-year assignment and returned to Canada in March 1963. A Canadian adviser in the field of small industry development commenced a one-year assignment in August 1962. Other advisers included a Canadian industrial statistician, a soil surveyor and two teaching specialists.

The number of Malayan trainees brought to Canada increased from 20 in the previous fiscal year to 48 in the period under review. Scholarships and fellowships were made available to undergraduate students in sciences, engineering and medicine, and to audio-visual aid instructors, co-operative officers, trade union officials and two prospective instructors for the Malaya Technical Teacher Training College.

Pakistan

From 1950 to the end of the fiscal year 1962-63, Pakistan has received \$193,503,000 under the Canadian Colombo Plan Program.

In 1962-63, Canada agreed to assist Pakistan with two major transmission line systems, a hardboard plant and a feasibility study of the Sangu power and irrigation project. By the end of the year, the first phase of the feasibility study of the Sangu project was nearing completion, and the engineering design of the transmission lines and the hardboard plant were sufficiently advanced to permit construction to begin shortly thereafter.

Several new projects were accepted for Canadian participation in 1963. They included a refugee housing project to be located near the city of Lahore, West Pakistan, aircraft for crop protection, and electronic computing equipment for the Pakistani Atomic Energy Commission.

A summary of the Canadian 1962-63 Colombo Program for Pakistan, which included the use of funds carried over from previous years, was as follows:

Bheramara-Goalpara Transmission Line	\$ 1,000,000
Comilla-Sylhet Transmission Line	2,500,000
Hardboard Development Project	900,000
Sangu Multipurpose Scheme	150,000
Refugee Housing Project	1,000,000
Aircraft and Spraying Equipment	400,000
I.B.M. Equipment for Atomic Energy Commission	250,000
Commodities:	
Pesticides	700,000
Fertilizers	4,000,000
Woodpulp	1,200,000
Copper	1,500,000
Aluminum	1,800,000
Wheat	750,000
	\$16,250,000

The number of Pakistani trainees in Canada under the Colombo Plan during 1962-63 was 85, representing a substantial increase over the 50 trainees

in the previous year. Study and observation programs were provided for a wide range of subjects, including science, engineering, industrial management, cost accounting, co-operatives, patent laws and various aspects of public health.

Among Canadian advisers in Pakistan in 1962-63 were a Canadian adviser on the problems of machine accounting for the Pakistan hydroelectric power complex, a stores adviser with the Stores Organization, a physiotherapist instructor with the Institute of Prosthetics and Physiotherapy at Lahore, a senior management adviser to the Pakistani Industrial Development Corporation, a Canadian accounting adviser with the Pakistan Institute of Industrial Accounts, and a pilot instructor with the spray control unit of the Department of Agriculture.

Vietnam

The total allocation to the end of the present fiscal year to Vietnam under the Colombo Plan by Canada was \$1,374,000. This has been predominantly in the form of technical assistance while \$600,000 worth of wheat flour has also been made available. In 1962-63 there were 79 Vietnamese students at French language universities in Canada. Thirty-two of them arrived during this year. A Canadian entomologist completed his assignment in 1962-63 as a Colombo Plan Adviser on pest insect control in Vietnam.

Brunei, Laos, Nepal, North Borneo, Philippines, Sarawak, Singapore and Thailand

The Canadian contribution under the Colombo Plan to these countries has been almost exclusively in the form of technical assistance. Total funds used for this purpose in these countries to the end of March 31, 1963 amounted to \$1,414,000. As of March 31, 1963 there were in Canada under Colombo Plan arrangements one student each from Brunei, Laos and Nepal; six from North Borneo; 16 from the Philippines; 39 from Sarawak, 12 from Singapore; and 27 from Thailand. Three Canadian technical advisers (in apprenticeship training, medicine and fisheries) were serving in Singapore and a transportation economist in Thailand; there were 27 Canadian teachers in North Borneo, Sarawak and Singapore.

1963-64 Program

The Estimates for 1963-64 contained an amount of \$41.5 million for the Colombo Plan and the Canadian program has been continuing during the present fiscal year.

Work is being carried on during the present year on many of the capital projects described above and agreement has been reached on a number of new projects. These new projects include, among others, an expansion of the Umtru hydro-electric power plant and the provision of cobalt therapy units in India; an expansion of the Sukker thermal-electric power plant and a land use study in Pakistan; the construction of facilities at the Katunayake Airport in Ceylon; and a hydro-electric engineering study of the Upper Perak River in Malaya.

The Canadian commodity assistance program for Colombo Plan countries in 1963-64 will involve the provision of the following commodities; copper, \$6,-380,000; aluminum, \$3,000,000; woodpulp, \$2,300,000; zinc, \$2,150,000; asbestos, \$2,000,000; nickel, \$500,000; sulphur, \$500,000; wheat and flour, \$4,000,000.

The technical assistance program for Colombo Plan countries is continuing to expand, especially in the field of training. As of September 30, there were 584 students in Canada under Canadian Colombo Plan arrangements as compared to 397 on the same date the year before.

SPECIAL COMMONWEALTH AFRICA AID PROGRAM

In the fall of 1960 the Canadian Government undertook, subject to parliamentary approval, to contribute \$10.5 million to a Special Commonwealth Africa Aid Program over a three year period beginning April 1, 1961. The program, known as SCAAP, arose from discussions at the meeting of Commonwealth Prime Ministers in 1960. Roughly speaking SCAAP is a counterpart in Africa of the Colombo Plan in Asia, although very early in its existence the Colombo Plan was extended to include non-Commonwealth countries whereas SCAAP is entirely a Commonwealth scheme. The main donor countries are Britain, Canada, Australia and New Zealand, although some of the newer Asian members, particularly India and Pakistan, have been able to provide limited amounts of technical assistance in fields where they have experienced and specialized knowledge. All of the Commonwealth areas of Africa, both independent countries and dependent territories, qualify for assistance under SCAAP.

It has been the Canadian practice to date to concentrate assistance on the independent Commonwealth countries of Africa. Only limited amounts of assistance have been given to the smaller dependent territories. As is shown in the following paragraphs which describe the programs in individual countries, the greatest part of Canadian SCAAP funds has been used for Nigeria and Ghana, with Sierra Leone, Tanganyika, Kenya and Uganda also receiving significant amounts of aid.

At the commencement of SCAAP, the African countries made it clear that one of the most important requirements for the development of their countries was assistance in the field of education. Their need was for trained manpower. Accordingly, a large proportion of the Canadian aid effort has been in the field of education. During 1962-63, a total of 89 Canadian secondary school teachers, teacher-trainers and university professors were serving in Commonwealth Africa. Over the same period there were 145 students in Canada under the auspices of SCAAP as compared to 84 the year before. Canada has also supplied educational equipment to a number of countries. Two major educational projects have now been started—the construction of a Trades Training Centre in Ghana and a Boys' Secondary School in Sierra Leone; these will combine capital assistance in the construction of the institutions with technical assistance, through the provision of Canadian staff and a training program in Canada for African teachers.

Canada has also provided assistance in other fields to SCAAP countries. A number of Canadian advisers or experts have been working with Africans in such fields as agriculture, fisheries, mineral development, pest control and statistics. The largest single capital assistance project is an aerial survey and topographic mapping project in Nigeria at a cost to Canada of \$1.85 million. In addition, Canada is carrying out a forest inventory in Kenya and has provided a variety of types of vehicles and equipment to Ghana, Tanganyika and Uganda.

Basutoland

In 1961-62 Canada agreed to a request from the Basutoland Government to provide some of the staff for Pius XII University College. This college is open to Africans in the southern part of the continent and Canadian missionaries have been instrumental in its development. Three Canadian instructors in chemistry, zoology and co-operatives were maintained at the college from SCAAP funds during 1962-63. Eleven students from Basutoland were brought to Canada during the same period.

Gambia

One Canadian technical teacher was sent to Gambia in 1961 to help the development of a technical school. His service continued during the past year and a teacher trainer was also assigned to Gambia during 1962-63.

Ghana

Three capital assistance projects were begun and two of them completed in Ghana during 1962-63. Twenty 50 ton capacity silos with loading machinery were supplied to the Ministry of Agriculture and various types of agricultural equipment and teaching aids were provided for a model farm and community development project at Damongao in Ghana's northern region. Canada agreed to undertake a project involving the construction and operation of a trades training centre in Accra; as well as supplying architectural services, pre-fabricated parts and workshop equipment, Canada will also provide Canadian staff and training courses for African instructors. The construction phase is not expected to be completed until 1964-65.

There were in all 31 teachers and university professors serving in Ghana during the year and 22 technical advisers. The advisers included two geologists, 7 entomologists and entomology technicians, 2 television instructors, 3 doctors, a social welfare adviser, two economic planning economists, and a radio isotope research expert.

Thirteen Ghanaian students arrived in Canada in 1962-63. The total number under SCAAP in this country at the end of the fiscal year was 36.

Kenya

Forty Canadian-built trucks with spare parts were supplied to Kenya during the year. In addition an inventory of over 7,000 square miles of Kenya's forested area began in January, 1963. Two Canadian firms are carrying out this work under contract with the External Aid Office. An important part of the project is a training program to instruct Kenyans in the techniques of forest inventory work. The project is expected to be completed in 1963-64.

There were four Canadian teachers in Kenya during the past year and an aerial photography adviser. Five students from Kenya were in Canada during 1962-63 in public health, agricultural and co-operative courses. Two of them arrived the previous year.

Mauritius

One Canadian adviser in fish marketing served in Mauritius during 1962-63.

Nigeria

The largest single aid project under way in Africa under SCAAP is an aerial mapping, photography and airborne geophysics survey. The work, which is being carried out under contract by two Canadian companies, is expected to cost \$1.85 million when completed. Over 36,000 square miles of Nigeria will have been mapped and an even larger area photographed from the air. The airborne geophysics survey will cover some 13,000 line miles in three separate areas in Nigeria where earlier studies had indicated a further investigation of mineral resources was required. The Nigerian Government is co-operating in this project by providing local support including local transportation and accommodation for the Canadian personnel working on the project.

Another but smaller project, provision of data processing equipment for the Nigerian Meteorological Service, was undertaken during the year. As part of this project two Nigerians are being trained in Canada by the Meteorological Service of the Department of Transport and a Canadian adviser will be sent to Nigeria.

Under the technical assistance program 34 Canadian teachers were at work in Nigeria during the year. Of these 22 arrived in 1962-63. There were 5 technical assistance advisers from Canada, an entomologist, a film producer, an instructor in co-operatives and advisers in map production and airborne geophysics.

Nine Nigerians arrived in Canada during the year to study in such fields as animal husbandry, social welfare and public administration. At the end of March, 1963, there were 16 Nigerians in Canada under SCAAP training awards.

Rhodesia and Nyasaland

One trainee studied in Canada during 1962-63.

Sierra Leone

Two teachers were sent to Sierra Leone in 1962-63 and 10 trainees brought to Canada. Most of the trainees were at the University level and took courses in forestry, economics, agriculture, engineering and chemical pathology.

The Canadian Government agreed to assist in the construction and staffing of a secondary school for boys at Koyeima in Sierra Leone and design work for the school was commenced during the year.

Swaziland

One trainee from this country studied in Canada during the year under review.

Tanganyika

Canada agreed to supply a variety of vehicles and equipment to Tanganyika during the year including ten cinema vans, road building equipment and general purpose vehicles. The film vans were for use by the Tanganyikan Ministry of Community Development, the road building equipment and trucks by the Ministry of Forestry, and the general purpose vehicles by various departments for economic development purposes.

In addition to these capital items eight Canadian teachers arrived in Tanganyika during the year to bring the total number of teachers to eleven. Additionally, one film unit adviser served in the country.

At the end of March, 1963, one Tanganyikan was studying in Canada on a public administration course.

Uganda

During the year Canada undertook to provide the Uganda Geological Survey Department with a number of trucks and four-wheeled drive vehicles as well as a number of precision instruments in connection with a national geological survey being carried out. Canada also agreed to provide staff to work in the Geological Survey.

During the year there were in Uganda two Canadian advisers, one in fisheries and the other in geology. Three Canadian teachers, two of whom arrived during the year, served in Uganda in 1962-63. Nine Ugandans were on SCAAP training awards in Canada during the course of the year. They pursued studies in such fields as electrical engineering, commerce and hard rock drilling.

Zanzibar

Canada agreed to furnish Zanzibar with three ambulances for the Island's medical services during 1962-63 and these were delivered this year.

So far Canada has no advisers or teachers in Zanzibar but two students from Zanzibar were in Canada during the year under review.

1963-64

Many of the capital assistance projects begun in previous fiscal years are continuing in 1963-64. These include the aerial mapping and airborne geophysics survey in Nigeria, the forest inventory in Kenya, the construction of educational

institutions in Ghana and Sierra Leone and the supply of vehicles and equipment in Nigeria, Tanganyika and Zanzibar. In addition, a number of new projects are under construction including a fish distribution and cold storage project in Ghana, fisheries research facility in Uganda and a natural gas feasibility study in Nigeria. Some of these new projects may be undertaken during the current fiscal year.

Expenditures on technical assistance, which in 1962-63 amounted to \$1,417,958.68, are expected to increase substantially during 1963-64. On September 30, 1963, there were 141 trainees from Africa studying in Canada under SCAAP, 97 teachers, including university professors and 31 technical assistance advisers on assignments in Africa. A number of additional technical assistance advisers are scheduled to take up appointments before the end of the fiscal year. Canadian secondary school teachers, university professors and technical assistance advisers were on assignments in nine African Commonwealth countries: Basutoland, Bechuanaland, Ghana, Kenya, Mauritius, Nigeria, Sierra Leone, Tanganyika and Uganda.

CANADA-WEST INDIES AID PROGRAM

Caribbean Program

Because of Canada's substantial interests in the Commonwealth territories of the West Indies, the movement towards a West Indies Federation was of some importance to Canada and this geographic area became the first, after the Colombo Plan, into which a Canadian aid program was extended. In 1958 the Canadian Government announced that it wished to assist the West Indies Federation in its economic development efforts and that accordingly it was prepared to grant, subject to Parliamentary approval, a total of \$10 million over a five-year period commencing in the fiscal year 1958-59. This program continued even after the dissolution of the Federation but obviously some changes had to be made in it. With the separate independence of Jamaica and Trinidad in 1962, Canadian diplomatic missions were established on these Islands and assistance was carried on through bilateral negotiations. In 1961, Canada joined with the United States and Britain in carrying out an economic survey of the smaller territories and, as a result of this survey, Canada accepted certain projects to be carried out in these Islands under its West Indies Program.

The original undertaking of a \$10 million, five-year program expired on March 31, 1963. In advance of this date, the Government agreed that Canadian aid to the West Indies area should continue into 1963-64 and should be maintained at the same average level as in recent years. This meant a sum of \$2 million for 1963-64. At the same time, the Government also agreed that British Honduras and British Guiana, which had formerly been receiving about \$100,000 worth of annual assistance under a separate program for other Commonwealth countries, should be brought into the general Caribbean scheme. Accordingly the Cabinet decision of November 1962 was that Canadian aid to the Commonwealth countries and territories of the Caribbean area should be maintained in 1963-64 at a level of \$2.1 million.

Since the inception of the Canada-West Indies Program in 1958, Canadian capital assistance has been given in the following forms:

- (a) Two ships with a value of \$5,866,000 were provided in 1960 for inter-island traffic.
- (b) A deep water wharf and warehouse project for the Island of St. Vincent, to which Canada contributed \$1 million, was started in 1962 and is scheduled to be completed in February 1964.

- (c) Construction of a university residence hall in Trinidad was started in 1962 and is scheduled to be completed in November of this year at a cost to Canada of \$700,000.
- (d) A quantity of port handling equipment for the Islands of Barbados, Grenada, St. Vincent, Dominica, and St. Kitts, costing \$450,000 is currently being purchased and will be delivered during the current fiscal year.
- (e) In 1962 Canada agreed to provide the Islands of Grenada, Antigua and Dominica with primary schools and the Islands of St. Lucia and St. Kitts with port warehouses. The Canadian contribution has been set at \$1 million, and construction of the building is scheduled to commence early next year.
- (f) The drilling and developing of fresh water wells costing approximately \$400,000 was started last year on behalf of the Islands of St. Kitts, Montserrat, Nevis and Anguilla. Phase I of the project has been completed and the installation of storage and distribution facilities is scheduled to commence November 1963.
- (g) A forest survey for the Island of Dominica was completed in 1962 at a cost of approximately \$50,000.
- (h) A vocational training school was equipped for the Island of St. Kitts at a cost of \$44,000.

In addition to the above described project assistance, Canada has provided substantial amounts of technical assistance. Sixty West Indian students received training in Canada and 43 Canadian advisers or teachers served in the West Indies to the end of March 31, 1963.

Up to 1963-64, British Honduras and British Guiana, which have now been placed under the Commonwealth Caribbean Assistance Program, received assistance under the Commonwealth Technical Assistance scheme. British Guiana received \$30,000 worth of construction and vocational training equipment and technical assistance was provided in the form of training programs for 9 students and the services of 4 Canadian advisers who served in British Guiana. Technical assistance to British Honduras took the form of training places for 9 students and the sending of 6 Canadian advisers, and small amounts of miscellaneous equipment have been provided.

1963-64 Program

Some of the above capital projects are being carried in to the present fiscal year but a number of new projects have also been undertaken. These include the provision of a fishing vessel and vocational training equipment for Jamaica, an aircraft guiding system for Trinidad, and water storage and distribution facilities for the Leeward and Windward Islands. A technical assistance program is also being carried in to the present fiscal year.

EDUCATIONAL ASSISTANCE FOR FRENCH-SPEAKING AFRICAN STATES

In April, 1961, the Canadian Government announced that a program of educational assistance would be immediately commenced in an amount of \$300,000 a year for the independent French-speaking countries of Africa. Because of the special nature of this program, an Advisory Committee was established to make recommendations about the use of available funds. This Committee consists of representatives of various national and Quebec provincial educational organizations as well as representatives of the Quebec and Federal Governments.

On the basis of reports received from the Canadian Delegation to the Addis Ababa UNESCO Conference on Educational Needs in Africa, on the recommendation of a Canadian diplomatic representative who toured the

French-speaking African countries investigating their requirements, and as a result of other information then available, it was decided at the commencement of this program that emphasis should be placed on the sending of Canadian teachers to Africa. This has continued to be the main emphasis in the program. To date some 20 secondary school teachers from Quebec have been sent to Africa of whom 9 are still there. These teachers were assigned to Cameroun (9), Congo Brazzaville (3), Mali (5), and Togo (3). It is expected that further teachers will be sent to Guinea and Morocco this year.

Training programs have been arranged for 3 students from French-speaking Africa: one each from the Central African Republic, Congo (Brazzaville) and Niger.

Other forms of assistance in the field of education have also been provided. Some 150 tons of Canadian paper worth \$50,000 were sent to a UNESCO textbook production centre in Cameroun which also serves other French-speaking states in the area. Earlier in 1963 a number of mobile film units and packages of audio-visual equipment, valued at \$85,000, were sent to 7 French-speaking African countries for use in their educational programs.

One of the most recent projects under this program is the assistance being provided to Rwanda in helping to establish its new national university to be known as the University of Butare. The Government of Rwanda appointed the Right Reverend Father Levesque as President of this university to plan its establishment and to guide it through its formative years. Canadian Government assistance for this project is in the form of paying the salary, transportation and other related costs of Father Levesque and of 6 other French-speaking Canadian staff for the university, all of whom left for Rwanda this summer.

COMMONWEALTH TECHNICAL ASSISTANCE PROGRAM

This appropriation was initiated in 1958 for the purpose of giving Canadian technical assistance to Commonwealth countries other than those included in the Colombo Plan or the Canada-West Indies Aid Program. In the first year Ghana received technical assistance under this program and later Nigeria, but in 1961-62 these countries were included in the new SCAAP program. In the past fiscal year, therefore, Canadian aid under this program was confined to British Guiana, British Honduras and Hong Kong and \$120,000 was made available by Parliament for this purpose.

The assistance given to British Guiana and British Honduras during 1962-63 is mentioned in the earlier section of the Report dealing with the Caribbean area. Assistance to Hong Kong during the past year was in the form of a Canadian adviser in social work.

1963-64

Since British Guiana and British Honduras are now included in the Commonwealth Caribbean Program, an amount of only \$20,000 is included in the Estimates for 1963-64 and this amount will be used for the provision of further technical assistance to Hong Kong.

COMMONWEALTH SCHOLARSHIP AND FELLOWSHIP PLAN

The Plan is designed to provide opportunities for Commonwealth students to pursue advanced courses of study in other Commonwealth countries. The scholarships are intended for men and women of high intellectual promise who may be expected to make a significant contribution to their own countries on their return from abroad. Although this is a program of scholarly exchange it nevertheless is of particular benefit to the developing members of the Commonwealth who gain additional access to the educational facilities of the older members of the Commonwealth.

The Plan was conceived at the Montreal Trade and Economic Conference held in 1958. The general outlines of the scheme were established at a conference held at Oxford in 1959 and the academic year 1960-61 marked the first year of operations. At Oxford it was agreed that a thousand scholarships would be made available under the Plan of which number the U.K. was to provide half and Canada one quarter. An amount of \$1 million was made available by the Canadian Government in 1962-63 for this Plan.

The overall responsibility for the Plan in Canada rests with the External Aid Office which also undertakes the administration of its financial aspects. The Canadian Commonwealth Scholarship and Fellowship Committee, which is composed of members from representative universities across Canada, advises on and assists with the academic aspects of the program and arranges for the selection and placing of scholars in Canadian universities. The Canadian Universities Foundation provides secretariat services for the Committee.

The number of Commonwealth scholars studying in Canada since the inception of the scheme has been as follows:

1960-61	101
1961-62	181
1962-63	220

Approximately 77% of these scholars have come from developing countries: 38% from Asia, 19% from Africa, 13% from the Caribbean area and 7% from other developing Commonwealth areas. During 1963-64 a further increase in the number of students studying in Canada under this Plan is expected.

TABLE A

Allocations Under Canadian
Bilateral Aid Programs
1950 to March 31, 1963

	%
<i>Construction</i>	
Power Plants—Transmission Lines	27.19
Industrial and Research Plants	5.55
Roads—Bridges—Harbours	.58
<i>Equipment</i>	
Locomotives—Road Transport	7.22
Aircraft—Water Vessels	1.72
Agriculture—Forestry	.33
Fisheries—Ports	1.11
Telecommunications—Electronics	.32
Miscellaneous	.02
<i>Surveys</i>	
Ground—Aerial	2.52
<i>Institutions</i>	
Schools—Workshops	1.01
Hospitals—Laboratories	.22
<i>Commodities</i>	
Wheat—Flour	18.36
Metals—Asbestos	19.32
Fertilizers—Pesticides	4.53
Pulp—Paper—Railway Ties	3.44
Miscellaneous	.03
<i>Technical Assistance</i>	4.41
<i>Unallocated to Specific Projects</i>	2.12
Total	100.00

TABLE B

Students and Trainees in Canada
Under Canadian Programs 1956-62 *

	Colombo Plan	SCAAP	West Indies Program	Common- wealth Technical Assistance	Common- wealth Scholarship Plan	Total
1956	370	—	—	—	—	370
1957	391	—	—	—	—	391
1958	400	—	5	3	—	408
1959	478	—	27	23	—	528
1960	537	—	28	46	100	711
1961	552	80	4	9	204	849
1962	620	134	9	6	274	1043

TABLE C

Trainees in Canada under
United Nations and Other
Aid Programs
1956-1962 *

1956	72
1957	145
1958	214
1959	270
1960	384
1961	369
1962	235

TABLE D

Advisers and Teachers Serving Abroad
Under Canadian Aid Programs 1956-62 *

1956	52
1957	59
1958	64
1959	74
1960	83
1961	126
1962	235

* Calendar Years.

TABLE E

United Nations Recruitment of Advisers
in Canada under Expanded Program of
Technical Assistance
1956-62 *

1956	86
1957	98
1958	92
1959	85
1960	96
1961	79
1962	89

* Calendar Years.

TABLE F

DISTRIBUTION OF CANADIAN AID FUNDS UNDER THE COLOMBO PLAN
ACCORDING TO COUNTRY: 1950—March 31, 1963*

	\$
Burma	3,319,000
Cambodia	116,000
Ceylon	22,386,000
India	216,162,000
Indonesia	2,278,000
Malaya	7,504,000
Nepal	60,000
North Borneo	1,000
Pakistan	141,076,000
Singapore	55,000
South Vietnam	606,000
Indus Development Fund	9,000,000
Mekong River Scheme	1,300,000
Capital Projects (non Commonwealth Countries)	1,000,000
Medical Book Scheme	220,000
Small Projects	25,000
Technical Assistance (All Countries)	15,518,000
Other	2,545,000
	\$ 423,171,000

* Specific country allocations are not made under Canada's other bilateral aid programs.

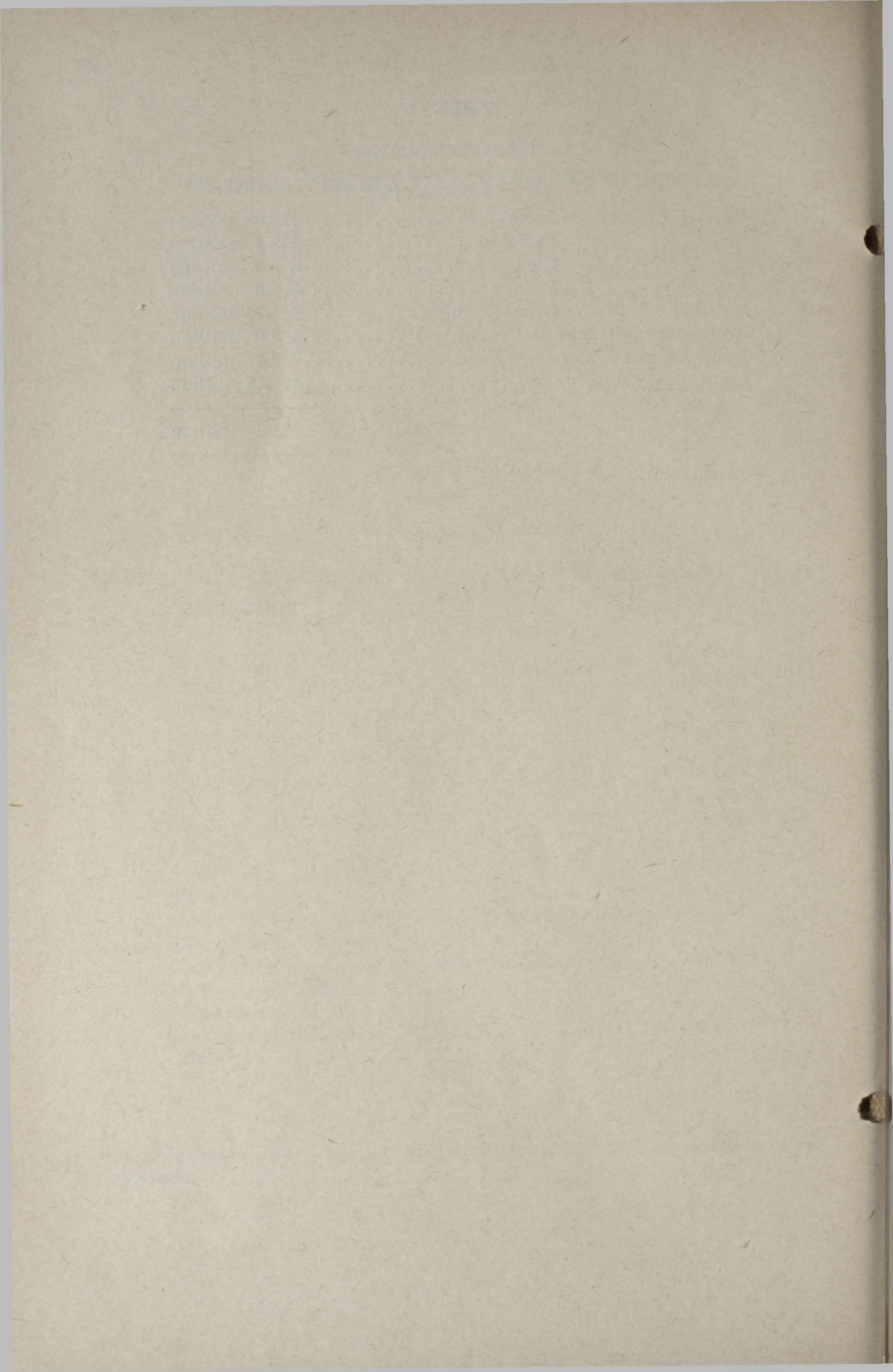
TABLE G

COLOMBO PLAN

PATTERN OF CANADIAN ALLOCATIONS FOR 1962-63*

Capital Assistance: India	\$19.5	million
Pakistan	\$12.1	million
Ceylon	\$ 2.0	million
Malaya	\$ 2.0	million
Other Countries	\$.75	million
Technical Assistance (all countries)	\$ 2.0	million
Indus Basin Development Fund	\$ 3.0	million
Contingency Reserve	\$.15	million
		<hr/>
Total:	\$41.5	million
		<hr/>

*fiscal year.



HOUSE OF COMMONS

First Session—Twenty-sixth Parliament

1963

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: JOHN R. MATHESON, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

MONDAY, DECEMBER 16, 1963

WEDNESDAY, DECEMBER 18, 1963

ESTIMATES (1963-64) OF THE DEPARTMENT OF
EXTERNAL AFFAIRS

including

THE SECOND REPORT TO THE HOUSE

WITNESSES

From the Department of External Affairs: Mr. Marcel Cadieux, Deputy Under-Secretary of State for External Affairs and Legal Adviser of the Department; Mr. Angus J. Matheson, Head, Finance Division; Mr. Harry H. Carter, Head, United States of America Division; Mr. G. S. Murray, Head, United Nations Division; and Mr. A. E. Ritchie, Assistant Under-Secretary.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1964

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: John R. Matheson, Esq.

Vice-Chairman: Heath Macquarrie, Esq.

and Messrs.

Balcer	Fleming (<i>Okanagan-Revelstoke</i>)	MacEwan
Brewin	Forest	Mandziuk
Brown	Gelber	Martineau
Cadieux (<i>Terrebonne</i>)	Girouard	Nesbitt
Cameron (<i>High Park</i>)	Herridge	Nixon
Cashin	Kindt	Nugent
Chapdelaine	Klein	Pennell
Choquette	Knowles	Regan
Deachman	Konantz (Mrs.)	Richard
Dubé	Lachance	Thompson
Fairweather		Valade
		Woolliams—35.

(Quorum 10)

Gabrielle Savard,
Clerk of the Committee.

CORRIGENDUM (English copy only)

ISSUE No. 1—Thursday, December 5, 1963.

In the *Minutes of Proceedings and Evidence*—Page 38, paragraph 9 should read:

Mr. GELBER: Mr. Chairman, I have two questions; one is in respect of NATO, and the other in respect of technical assistance. We all recognize we have many compelling engagements in peacetime, *and the most compelling* is our NATO commitment. We have stressed Article 2 of the treaty, not always successfully, among our partners; but are we *now* facing a situation where, with the *exclusion* of Britain by the European common market, the possibility of expanding NATO in respect of Article 2 is remote, and with the difficulties which France is placing on United States' leadership in NATO, the military position of NATO might be weakened. Does the minister feel that NATO is becoming less important among our engagements, or will it change to meet these new challenges?

REPORT TO THE HOUSE

THURSDAY, December 19, 1963.

The Standing Committee on External Affairs has the honour to present its

SECOND REPORT

On November 29, 1963, the House referred to your Committee for consideration Items numbered 1 to 155 inclusive, and items numbered L10 and L15, as listed in the Main Estimates, 1963-64, and items numbered 1a to 117a inclusive, and items numbered L10a and L13a, as listed in Supplementary Estimates (A), 1963-64.

Your Committee has considered the above estimates and has agreed to approve them and report them to the House and recommends their adoption.

Your Committee wishes to express its appreciation to the Honourable Paul Martin, Secretary of State for External Affairs for the informative review which he submitted to the Committee and for his co-operation in answering questions and supplying supplementary information to the Committee.

Your Committee is also grateful for the assistance rendered to it by Mr. H. O. Moran, Director General of the External Aid Office; Mr. Marcel Cadieux, Deputy Under-Secretary of State and Legal Adviser of the Department; and officers of the Department of External Affairs.

Your Committee feels that the Department of External Affairs should be commended for its diligent administration although operating under difficulties due to staff shortages and the problems involved in training new personnel, as well as retention of existing personnel.

Your Committee recommends that the Government consider the advisability of making available certain sums in future estimates to enable grants to be made to assist private organizations in projects in the field of external aid which are approved by the External Aid Office.

Your Committee was impressed by the unique nature of the work performed by the External Aid Office. An efficiently operated external aid program can make an important contribution to Canada's image abroad. Considering the urgent requirement which now exists for additional staff to operate Canada's program of development assistance, your Committee recommends that the Civil Service Commission and the Treasury Board give top priority to establishing the required positions in the External Aid Office to enable the immediate recruitment of necessary staff.

Your Committee further recommends that special temporary authority be extended to the Director General of External Aid Office to carry out immediate direct recruitment of personnel in the required number and ranks to fill positions as approved by the Treasury Board.

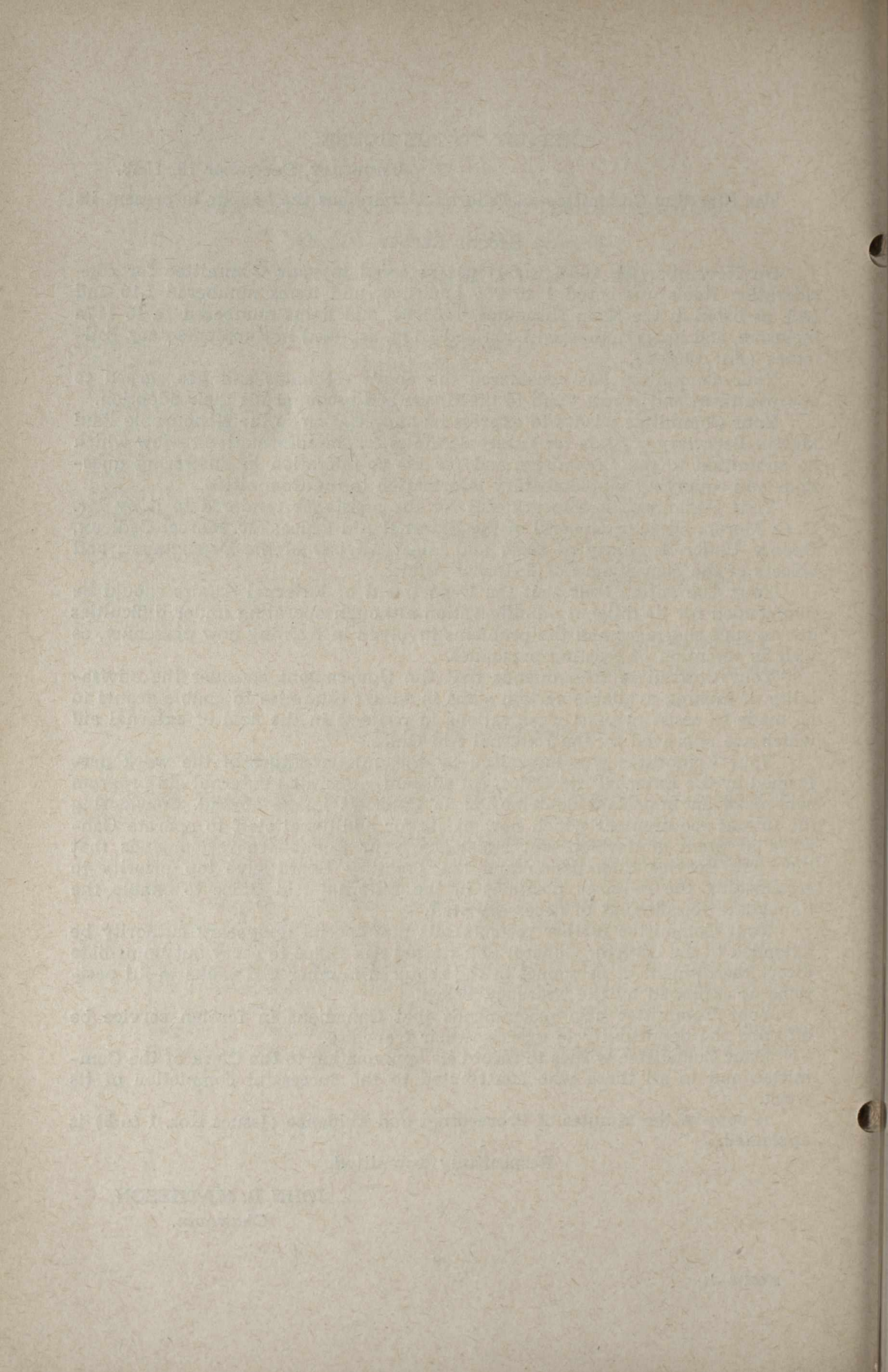
Your Committee also recommends that Canadians in foreign service be afforded the opportunity to exercise their franchise.

Your Committee wishes to record its appreciation to the Clerk of the Committee and to all those who contributed to the successful completion of its work.

A copy of the Minutes of Proceedings and Evidence (Issues Nos. 1 to 3) is appended.

Respectfully submitted,

JOHN R. MATHESON,
Chairman.



MINUTES OF PROCEEDINGS

MONDAY, December 16, 1963.

(6)

The Standing Committee on External Affairs met today at 8.00 p.m. The Chairman, Mr. Matheson, presided.

Members present: Messrs. Brewin, Choquette, Deachman, Fairweather, Gelber, Klein, Lachance, MacEwan, Macquarrie, Matheson, Regan, Richard, Thompson (13).

In attendance: From the Department of External Affairs: Mr. Marcel Cadieux, Deputy Under-Secretary of State for External Affairs and Legal Adviser of the Department; Mr. Angus J. Matheson, Head, Finance Division; Mr. Harry H. Carter, Head, United States of America Division; Mr. G. S. Murray, Head, United Nations Division; and Mr. A. E. Ritchie, Assistant Under-Secretary.

At the opening of the meeting, Mr. Gelber rose on a question of privilege with regard to what he is reported as having said on Thursday, December 5, 1963, page 38, paragraph 9 of Issue No. 1 of the Minutes of Proceedings and Evidence of the Standing Committee on External Affairs. (*See corrigendum at page 2*).

Messrs. Cadieux, assisted by Mr. Matheson, also Mr. Carter, Mr. Murray and Mr. Ritchie were questioned concerning the operations of the Department, and the following Items were severally called, discussed and adopted:

Item 5—Representation Abroad—Operational;

Item 10—Representation Abroad—Construction, acquisition or improvement of buildings, works, land, equipment and furnishing;

Item 15—Canada's civilian participation as a member of the International Commissions for Supervision and Control in Indo-China;

Item 20—Special Administrative Expenses, in connection with the assignment by the Canadian Government of Canadians to the staffs of the International Organizations;

Item 25—Official Hospitality;

Item 30—Relief and repatriation of distressed Canadian citizens abroad and their dependents;

Item 35—Canadian Representation at International Conferences;

Item 40—Grant to the United Nations Association in Canada;

Item 45—Grant to the Canadian Atlantic Co-ordinating Committee;

Item 46—Gift to commemorate the Independence of Jamaica;

Item 47—Gift to commemorate the Independence of Trinidad and Tobago;

Item 48—Gift to commemorate the Independence of Uganda.

On Item 50—External Aid Office—Salaries and Expenses, Mr. Brewin moved, seconded by Mr. Thompson,

That having regard to the fact that reputable private organizations are concerned with many worthwhile projects in the field of external aid and that they

raise substantial sums of money for such purposes but that they need additional funds from time to time to carry out such projects, this Committee should recommend that certain sums be made available in future Estimates to enable grants to be made to assist private organizations in projects in the field of external aid which are approved by the External Aid Office.

The Committee agreed that consideration of the motion be deferred until the estimates of the Department of External Affairs are disposed of.

Item 50 was allowed to stand.

Messrs. Cadieux, Carter, Murray and Ritchie were further questioned and the following Items were severally called, discussed and adopted:

Item 80—Contribution to the United Nations Special Fund;

Item 85—Contribution to the United Nations Expanded Program for Technical Assistance to Under-Developed Countries;

Item 90—Contribution to the Operational Budget of the International Atomic Energy Agency;

Item 95—Contribution to the Program of the United Nations High Commissioner for Refugees;

Item 100—Contribution to the United Nations Children's Fund;

Item 105—Contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East;

Item 107—Purchase of flour to be given to the United Nations Relief and Works Agency for Palestine Refugees in the Near East;

Item 110—Contribution towards the Refugee Program of the Intergovernmental Committee for European Migration;

Item 112—Further contribution to the World Food Program;

Item 115—Assessments for Membership in the International (including Commonwealth) Organizations;

Item 120—Contribution to the program of the North Atlantic Treaty Organization's Science Committee;

Item 125—Payment to the International Civil Aviation Organization in part reimbursement of compensation paid to its Canadian employees for Quebec income tax for the 1962 taxation year;

Item 130—To provide the International Civil Aviation Organization with office accommodation at less than commercial rates;

Item 140—Grant to the International Committee of the Red Cross;

Item 145—Grant to the Commonwealth Institute;

Item 150—International Joint Commission—Salaries and Expenses;

Item 155—Canada's share of the expenses of studies, surveys and investigations of the International Joint Commission;

Item L10—Additional advance to the Working Capital Fund of the United Nations Organization;

Item L15—Loans to the International Civil Aviation Organization;

Item 1a—Departmental Administration;

Item 5a—Representation Abroad—Operational;

Item 42a—Gift to commemorate the independence of Nigeria (Revote);

Item 43a—Gift to commemorate the independence of Tanganyika (Revote);

Item 44a—Contribution to the Atlantic Institute;

Item 96a—Contribution to India of 500 tons of Electrolytic Nickel;

Item 97a—Credits in the current and subsequent fiscal years to the

Government of India to finance the purchase in Canada of aircraft and associated spare parts and equipment;

Item 98a—Contribution to Greece of surplus Canadian food products to assist in meeting special defence requirements;

Item 116a—Assessment for the United Nations Congo Ad Hoc Account for the period July 1, 1963 to December 31, 1963;

Item 117a—Assessment towards financing the United Nations Emergency Force;

Item L10a—Additional Advance to the Working Capital Fund of the United Nations Organization;

Item L13a—Loans to the Government of India.

Item 1—Departmental Administration—was called.

At this point, Mr. Thompson referred to the fact that Canadians entering the foreign service were deprived of their franchise when posted outside Canada, and proposed that the Committee recommend to the House that Canadians in foreign service be afforded the opportunity to exercise their franchise. The matter was discussed.

Item 1 was approved.

On Item 50—External Aid Office—Salaries and Expenses, Mr. Brewin moved, seconded by Mr. Thompson, that the Committee include in its report to the House the following:

“Having regard to the fact that reputable private organizations are concerned with many worthwhile projects in the field of external aid and that they raise substantial sums of money for such purposes but that they need additional funds from time to time to carry out such projects:

This committee recommends that certain sums be made available in future estimates to enable grants to be made to assist private organizations in projects in the field of external aid which are approved by the external aid office.”

Mr. Gelber moved, seconded by Mr. Deachman, that the resolution be considered at the next meeting of the committee.

This motion was negatived on the following division: YEAS, 4; NAYS, 6.

Mr. Brewin's motion was carried on division.

Item 50 was adopted.

At 11.10 p.m., on motion of Mr. Lachance, the Committee adjourned to the call of the Chair.

Gabrielle Savard,
Clerk of the Committee.

WEDNESDAY, December 18, 1963.

(7)

The Standing Committee on External Affairs met *in camera* this day at 4.00 p.m. The Chairman, Mr. John R. Matheson, presided.

Members present: Messrs. Brewin, Cameron (*High Park*), Choquette, Fairweather, Forest, Gelber, Klein, Macquarrie, Matheson, Nesbitt, Regan, and Thompson—(12).

The Committee considered a draft Report to the House containing the observations and recommendations of the Committee. Following discussion and amendments, the Report was adopted and ordered to be presented to the House as the Committee's Second Report.

At 5.00 p.m. the Committee adjourned to the call of the chair.

Gabrielle Savard,
Clerk of the Committee.

EVIDENCE

MONDAY, December 16, 1963.

The CHAIRMAN: Gentlemen, we have a quorum.

This evening, in the absence of Mr. Norman Robertson who went to Paris with the minister, we have with us Mr. Marcel Cadieux, deputy undersecretary of state for external affairs and legal adviser. Mr. Cadieux will do his best to answer any questions you might wish to ask in respect of the estimates of external affairs with which we are dealing.

Mr. GELBER: Mr. Chairman, I would like to make a correction in our Minutes of Proceedings and Evidence of Tuesday, December 3, and Thursday, December 5, at page 38. This occurs near the middle of the page in the second sentence of my question on that page. The words "and our most compelling" are omitted. It should read:

We all recognize we have many compelling engagements in peacetime and our most compelling is our NATO commitment.

In the next sentence it reads: "with the abuse of Britain". It should read: "with the exclusion of Britain".

The CHAIRMAN: Thank you, Mr. Gelber.

I will now call item 5:

5. Representation Abroad—Operational—including authority, notwithstanding the Civil Service Act, for the appointment and fixing of salaries of high commissioners, ambassadors, ministers plenipotentiary, consuls, secretaries and staff by the governor in council\$13,210,000

Item agreed to.

The CHAIRMAN: On item 10:

10. Representation Abroad—Construction, acquisition or improvement of buildings, works, land, equipment and furnishings, and to the extent that blocked funds are available for these expenditures, to provide for payment from these foreign currencies owned by Canada and provided only for governmental or other limited purposes\$2,493,800

Mr. FAIRWEATHER: I would like to know when it is proposed to go ahead with the new high commissioner's office in New Delhi.

Mr. MARCEL CADIEUX (*Deputy Under-Secretary of State for External Affairs and Legal Adviser*): The plans have been prepared for the construction of the compound there. They are under review now. We hope to submit proposals to the government within the next few months.

Mr. FAIRWEATHER: Has there been an architect appointed and if so, would he be an architect of the Department of Public Works?

Mr. CADIEUX: An architect has been selected and he will be asked to review the plans because of the interval which has taken place since they were submitted to the government for approval in principle. The selection of the architect is done on the advice of the special group under the chairmanship of the chief architect of the Department of Public Works.

Mr. FAIRWEATHER: I am not criticizing the selection, but I understand the land was acquired in 1957?

Mr. CADIEUX: Yes. This is an important item of construction and the problem is whether to provide only for offices or whether to look into the matter of availability of quarters for staff.

Mr. FAIRWEATHER: You have 12 acres of land?

Mr. CADIEUX: Yes. We have provided a wall; there is a wall around it now. This is in an interesting district. There are a number of chanceries and diplomatic establishments in the district which already are operating.

Item agreed to.

The CHAIRMAN: On item 15:

15. Canada's civilian participation as a member of the international commissions for supervision and control in Indo-China including authority, notwithstanding the Civil Service Act, for the appointment and fixing of salaries of commissioners, secretaries and staff by the governor in council \$308,400

Mr. DEACHMAN: How many people do we have in that group?

Mr. CADIEUX: In the three missions we have 102. In Viet Nam the Department of External Affairs has 14 and the Department of National Defence has 53. In Cambodia the Department of External Affairs has three and the Department of National Defence three. In Laos the Department of External Affairs has six and the Department of National Defence 23.

Mr. DEACHMAN: Can you distinguish between the duties of these three groups? Can you give us a word in respect of their functions and any idea how long the Canadian government is expected to carry on there?

Mr. CADIEUX: The circumstances are different in each of the three countries. As you know, in Viet Nam the task there is to observe the implementation of the cease fire—the armistice—and to see what are the long range prospects with relation to eventually achieving unification. In the interval there are alleged activities on the part of the north in the south, and the commission has accepted some responsibility for viewing what is happening there. In Laos there is a different problem.

At a conference in Geneva a few years ago it was decided that the idea would be to see what could be done there to promote co-operation between parties and maintain the independence of the country. There is a problem involved in arranging to send teams there to observe in certain places. This can only be done if the three members of the commission agree and if the elements in the government also are in agreement. In Cambodia you do not have the problem of a divided country. There the problem is more one of concern about relations with neighbouring Thailand and Viet Nam.

There is a feeling on the part of the countries involved that the commissions have a useful role to play. The Canadian government always has felt that if they were required to play a role they would provide the staff necessary to do this.

Mr. DEACHMAN: Can you tell us what is the total cost of these three missions?

Mr. CADIEUX: Yes. We absorb the salaries and the allowances, but other expenditures are paid by the two co-chairmen. There is a contribution made by the host countries in the case of Cambodia and Laos. In the case of Viet Nam I believe the French government pay a certain sum.

Mr. DEACHMAN: The total would represent the figure only in respect of the Department of External Affairs?

Mr. CADIEUX: Yes. I do not have the national defence figure.

Mr. DEACHMAN: To find out what our total is in there, we would have to look at the national defence figure in addition to that?

Mr. CADIEUX: Yes. The share of the Department of External Affairs is \$308,000.

Mr. DEACHMAN: And the Department of National Defence has a much larger figure?

Mr. CADIEUX: Yes, because they have a larger component.

Mr. CHOQUETTE (*French*)

The CHAIRMAN: Mr. Choquette, I deeply regret that we do not have translation facilities tonight. Would you be kind enough to speak in English?

Mr. CHOQUETTE: Perhaps my English is not good enough.

The CHAIRMAN: I am sure it is.

Mr. CHOQUETTE: Will the attitude of the United States government towards Cambodia affect our mission in that country?

Mr. CADIEUX: In a way this would be a difficult problem for an official to answer. In another way I think I can say that our mission stems from a decision which was taken by the co-chairmen in Geneva at a conference at which the United States was present and where we were given a mandate, that is Canada, India and Poland, to do a certain job. If the attitude of the United States changes, this is a fact which will be taken into account by the countries which are members of that conference, and they may in turn decide to change the mandate.

Mr. CHOQUETTE: I did not understand you, exactly, a few minutes ago, when you said there was no division in Cambodia. What did you mean?

Mr. CADIEUX: I was thinking of a territorial division as in the case of Viet Nam.

Mr. CHOQUETTE: I thought you meant there was no political division.

Mr. CADIEUX: In the case of Laos you have parties which are armed and fighting, which is a different problem.

Mr. MACEWAN: What is the normal period of employment of external affairs people at these missions?

Mr. CADIEUX: Usually it is about one year. Some express a desire and a willingness to stay a little longer. These persons are left; but normally it is one year.

Mr. LACHANCE: You said there is a national defence staff and an external affairs staff. Are they separate?

Mr. CADIEUX: No.

Mr. LACHANCE: Do they operate under the same jurisdiction?

Mr. CADIEUX: They operate under the commissioner who is a representative of the Department of External Affairs in every case; but their salaries are paid by the Department of National Defence if they are military personnel.

Mr. LACHANCE: Are the officers who are there appointed to the staff of the commission?

Mr. CADIEUX: They are appointed to the staff of the delegation in some cases to advise the commissioner, and in some cases to carry out tasks assigned by the tripartite commission.

Item agreed to.

The CHAIRMAN: On item 20.

20. Special Administrative Expenses including payment of remuneration, subject to the approval of the governor in council and notwithstanding the Civil Service Act, in connec-

tion with the assignment by the Canadian government of Canadians to the staffs of the International Organizations detailed in the Estimates (part recoverable from those organizations), and authority to make recoverable advances in amounts not exceeding in the aggregate the amounts of the shares of those organizations of such expenses \$70,200

Mr. DEACHMAN: What international organizations are these?

Mr. CADIEUX: NATO, OECD, and organizations like that. I can give you the details if you wish. This is a case where we supplement the salary and allowances to ensure that there are Canadians available for the staffs of these organizations.

Mr. DEACHMAN: Would this, for instance, include our staff at the United Nations?

Mr. CADIEUX: No. This involves organizations which have a certain salary scale which is lower than ours. Canadian personnel might not wish to accept these postings at the salary laid down by these organizations.

Mr. DEACHMAN: It is a supplement?

Mr. CADIEUX: Yes.

Mr. LACHANCE: How many persons do we have in our delegation at the NATO headquarters in Paris?

Mr. CADIEUX: We have a delegation of 37 persons including the local staff.

Mr. LACHANCE: Is part of this delegation under the Department of National Defence and part under the Department of External Affairs?

Mr. CADIEUX: They all are under the permanent ambassador, Mr. Ignatieff, but some of these persons come from other departments, for instance Department of Defence Production, Department of National Defence, and the Department of Finance.

Mr. LACHANCE: How many are paid by the Department of External Affairs and how many by the other departments? How many out of these 37 are paid by the Department of External Affairs?

Mr. CADIEUX: I do not have the breakdown, but the cost to the Department of External Affairs is \$369,529 and for Department of National Defence \$106,000.

Mr. REGAN: To what extent is it usually necessary to supplement the salaries of Canadians serving with these organizations?

Mr. CADIEUX: It is very seldom.

Mr. REGAN: It is very seldom supplemented?

Mr. CADIEUX: Yes. We have few employees in these organizations who are in such a position.

Mr. REGAN: In the great majority of cases the salaries offered by NATO, or these other organizations, are sufficient to attract Canadians of ability?

Mr. CADIEUX: NATO may pay a sufficient salary, but sometimes our employees have the additional expense involved in finding an apartment and moving their family. For instance, if a Canadian has to travel to Paris, it is necessary to supplement the NATO salary.

Mr. REGAN: What other organizations would be involved?

Mr. CADIEUX: I think NATO and OECD.

Mr. REGAN: You say it is only in rare instances where it is necessary?

Mr. CADIEUX: Yes. I can think of another case where this would be involved; that is in the Commonwealth liaison unit in London. This is the secretariat of the commonwealth educational scheme. Here again the organization

provides a salary, but sometimes if you wish the right person to go there you have to supplement the salary. If a man has a certain salary in Canada, he would be unlikely to leave his position in Canada to take up a position there where his salary would be lower.

Mr. REGAN: Is there a formula whereby this additional grant is given, or is it at the discretion of the department to grant whatever amount it is felt it is necessary to attract the required person?

Mr. CADIEUX: I think the department has some discretion to negotiate with the person, but this always is subject to treasury board approval.

I think someone mentioned the organizations. There are three. There is NATO where we have four, the OECD with one, the Canadian liaison unit with one. These are the three organizations for which the total number involved for 1963-64 is \$111,000.

Mr. REGAN: In the case of Canadians employed by the United Nations, we do not normally supplement them.

Mr. CADIEUX: No.

Mr. REGAN: Is the wage scale paid by the United Nations sufficiently high that Canadians of ability are attracted without the necessity of a supplement?

Mr. CADIEUX: Yes.

Mr. DEACHMAN: In the case of the missions in Viet Nam and southeast Asia generally, and in the case of NATO you have other departments which have employees, but you do not give us those figures; so really there is no way of examining these costs unless we want to gather all the bits and pieces.

Mr. CADIEUX: I have the figure for NATO. In the case of Indochina I do not have them.

Mr. DEACHMAN: You know all the costs in the case of NATO in respect of all departments?

Mr. CADIEUX: Yes.

Mr. DEACHMAN: In the case of southeast Asia you do not compile that together as a function?

Mr. CADIEUX: No.

Mr. DEACHMAN: Why would you not compile it as a total function in respect of a mission in southeast Asia?

Mr. CADIEUX: We are compiling it in this way because we have to submit accounts to the organizations in order to recover a certain amount of money. In the case of operations in Indochina, in particular, this is related to maintenance people and cost is not the main consideration; it is a factor, but not the major one.

Mr. DEACHMAN: You do have a capability for examining this by function as a direct cost to the Canadian government?

Mr. CADIEUX: Yes. The real difficulty is in respect of the wear and tear on personnel in the various departments involved. From a climate point of view, these posts are difficult. You usually rotate people once a year. It is not easy to send people there who have children.

Mr. DEACHMAN: This is why the rotation period is used.

Mr. CADIEUX: Yes.

Mr. CHOQUETTE: Are these persons obliged to be regular members of the department?

Mr. CADIEUX: Yes. The commissioner reports to the department on a regular basis, and his advisers report to him.

Mr. CHOQUETTE: In respect of the NATO staff you said there were 37?

Mr. CADIEUX: Yes.

Mr. CHOQUETTE: Are they appointed by the Department of External Affairs?

Mr. CADIEUX: Not all of them, just the external component. The appointment is made as a result of consultation within the various departments.

Mr. LACHANCE: Do we provide any supplement in connection with those integrated with NATO?

Mr. CADIEUX: Yes, we have four with NATO and we supplement their salary.

Mr. LACHANCE: Is that because NATO does not give them enough?

Mr. CADIEUX: Yes. It is to attract Canadians to go there. In some cases these persons who are appointed are civil servants who are drawing more than is provided for on the establishment, so it would not be possible to expect someone who is say at the embassy in Paris and drawing a salary and allowances at a certain level to move into a position which may have been classified according to local standards, and which would not be sufficient to compensate him.

Mr. LACHANCE: Would you say we supplement the amount in the same ratio as the United States government supplement their integrated people in NATO?

Mr. CADIEUX: Other governments operate on the same basis. We recover from NATO what they would pay if there was someone there who was prepared to take the job on the local conditions. So, the amount we give has to be reduced by the amount we receive.

Mr. LACHANCE: How do our supplements compare with those paid by the United States?

Mr. CADIEUX: What we try to do is make sure that the Canadians who are asked in the interest of their country to take a position with the international staff instead of with a Canadian mission do not suffer. They would be paid on a scale more or less, equal to that which they would get if they were working for the Canadian government.

Mr. THOMPSON: Does the Department of External Affairs have any attache observers on the Israeli-Egyptian border, in the Congo or Yemen.

Mr. CADIEUX: In the case of Yemen the answer is no. However, in the case of the Congo we have a diplomatic mission.

Mr. THOMPSON: But he is not attached to the United Nations?

Mr. CADIEUX: No. This is a separate operation. In the case of Palestine the answer is the same. In UNEF we do not have civilians; there are no members of external affairs attached to the forces, the reason being these are international forces responsible to the United Nations and, I suppose, to have civilians from individual countries, would create problems.

Mr. CHOQUETTE: In respect of Viet Nam, Cambodia and Laos, is each mission headed by a commissioner?

Mr. CADIEUX: Yes. In the case of Laos it is Mr. Bridle; in the case of Cambodia it is a new man, Mr. Dery, and in the case of Viet Nam it is Mr. Gordon Cox.

Mr. CHOQUETTE: When these commissioners are appointed do they have to show credentials to every government?

Mr. CADIEUX: No. They go there appointed as representatives of the Canadian government and there is no need for special accreditation.

Mr. CHOQUETTE: How do they become introduced to the foreign government?

Mr. CADIEUX: Well, in practice what happens is when the commissioner is to return he will give notice to his two colleagues that his successor will be so and so in the service and this is accepted as sufficient notice.

Mr. CHOQUETTE: So, the one that leaves gives the notice?

Mr. CADIEUX: Yes. But, if the man were to leave it would be possible for Canada to send a notice to New Delhi and Warsaw and say to the two governments the next man who will represent us will be so and so.

Mr. CHOQUETTE: There are no more formalities than that?

Mr. CADIEUX: No. This is not subject to an agreement like the appointment of a diplomatic representative.

Mr. LACHANCE: I do not know whether or not this will come under the heading of this item but could you tell me how many people there are in Holland?

Mr. CADIEUX: We have an embassy there which is headed by an ambassador, Mr. Bull, and he has a Mr. Moore and a second secretary.

Mr. LACHANCE: Are you in a position to tell me how many people you have there who are bilingual; that is, who can speak French and English?

Mr. CADIEUX: Well, I cannot say about Mr. Bull but I know the other two officers are. I have the list here for the Netherlands.

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The Hague

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(Visa Section: Carel van Bylandtlaan 12. Tel.: 117772)

Ambassador	W. F. Bull.
Counsellor (Commercial)	D. A. B. Marshall.
Counsellor and Consul	V. C. Moore.
Naval, Military and Air Attaché	Captain R. A. Creery, C.D., R.C.N.
Second Secretary and Vice-Consul	G W. Seymour.
Second Secretary (Agriculture)	J. E. Montgomery.
Attaché and Consul	Miss O. E. Hobbs.
Attaché	J. T. McCarthy.
Attaché (Medical)	Dr. J. I Cunningham.

Mr. LACHANCE: Do you know if any one of them is bilingual?

Mr. CADIEUX: I am pretty sure at least two are, namely Mr. Moore and Mr. Seymore. The others do not belong to our department and so I would not be in a position to say.

Item agreed to.

Item 25 agreed to.

On item 30, relief and repatriation of distressed Canadians.

30. Relief and repatriation of distressed Canadian citizens abroad and their dependents and for the reimbursement of the United Kingdom for relief expenditures incurred by its diplomatic and consular posts on Canadian account (part recoverable)\$20,000

Mr. CHOQUETTE: What was the amount?

The CHAIRMAN: \$20,000.

Mr. KLEIN: Does that include the ones who were stranded in London?

Mr. CADIEUX: Yes.

Item agreed to.

35. Canadian representation at International conferences, \$357,000

Mr. DEACHMAN: What were the main conferences making up that amount of \$357,000?

Mr. CADIEUX: These are the main ones; council meeting of the contracting parties to the general agreement on tariffs and trade, \$20,000; commonwealth consultative committee for south and southeast Asia, \$15,000; international civil aviation organization, \$10,000; North Atlantic treaty organization meetings, \$12,000; United Nations general assembly, \$150,000; United Nations educational, scientific and cultural organization, \$5,000; United Nations meetings of organs and subsidiary organs, \$15,000; international conference on consular intercourse and immunities, \$20,000; inter-American conferences, \$5,000; GATT tariff conference, \$35,000; Canada-Japan ministerial meetings, \$20,000; miscellaneous conferences, \$50,000, which makes a grand total of \$357,000.

Mr. BREWIN: Does this include only members of the department going to these conferences or does it include the possibility of members of parliament and other representatives going?

Mr. CADIEUX: This includes everyone.

Mr. BREWIN: Everyone?

Mr. CADIEUX: Yes, it includes everybody who is on the delegation.

Mr. BREWIN: I wonder if this would be the time to ask a question in respect of what steps, if any, are taken by the department in regard to the briefing of those who attend these conferences?

As you know we have heard some discussion and complaints from time to time, and I am sure this would not apply to members of the department. However, it is said to apply to members of parliament. Sometimes these members go to some of these conferences not as well informed as they might be, and I wonder if this would be a good time to mention that subject?

Mr. CADIEUX: Well, I can only say that the department will do its best at all times to provide all the information that it can to members of parliament.

But there is a distinction here between the delegations which are sent by the government to certain conferences. It depends whether it is a governmental or an intergovernmental operation. In one case, the members of the delegation become, in a way, servants of the crown and the information which is communicated to them is privileged information. In this way the brief can be more extensive. However, on some other occasions, when you have meetings that are not governmental you might find delegations consisting in whole or in part of parliamentarians, and at this time the type of briefing is different. It cannot involve classified material and although the department cannot help very much in that regard it will to the best of its ability collect material which is available from unclassified sources.

Mr. FAIRWEATHER: This is rather interesting. Do you mean that members of parliament who go as part of a delegation are not entitled to classified material?

Mr. CADIEUX: No.

Mr. DEACHMAN: An example is the defence committee.

Mr. FAIRWEATHER: But that does not make it right.

Mr. CADIEUX: What happens in practice is that you have meetings of delegations, where the head of the delegation is responsible to the government; he will take the members of the delegation into his confidence, explain the problems he faces and consult them. I have had an opportunity myself of being a

member of a number of these delegations and, frankly, this distinction is not real because the members of the delegation at the United Nations attend all the morning discussions and they get the full picture.

Item agreed to.

40. Grant to the United Nations association in Canada, \$12,000

Mr. CHOQUETTE: Will you give us an explanation in respect of that?

Mr. CADIEUX: Yes. As you know, this is a voluntary organization in Canada which has an interest in the United Nations and, naturally, it is considered to be a very worthwhile activity. The organization co-operates with agencies of the government in publicizing certain UN activities and objectives. If the government undertook these operations themselves it would be more costly. It is found that with an arrangement like this the association is assisted in achieving its objectives and is of real assistance to the government in discharging its own responsibilities.

Mr. CHOQUETTE: How many countries participate in this?

Mr. CADIEUX: This is an association within Canada. Other countries have similar organizations, and they may subsidize them as well.

Mr. THOMPSON: Would you have information which might indicate the over-all expenditure of the United Nations society in Canada?

Mr. CADIEUX: No, I do not have that information.

Mr. THOMPSON: What fraction of the over-all expenditure is represented?

Mr. GELBER: I believe the budget is about \$65,000.

Mr. BREWIN: I do not ask this in any sense of hostility to this particular item or other similar items but I am wondering if what you might call a voluntary organization, such as the United Nations association, receive grants, or is this all they get?

Mr. CADIEUX: No. You have the Canadian Atlantic co-ordinating committee, which receives a \$2,500 grant. These are the only two of which I know.

Mr. MACQUARRIE: Can the witness tell us the membership in all the branches of the United Nations association? I am just wondering what portion of the population is involved.

Mr. CADIEUX: We could obtain information as to what the membership is but, off hand, I do not have that information.

Item agreed to.

45. Grant to the Canadian Atlantic co-ordinating committee, \$2,500

Mr. CHOQUETTE: What have they done with that money?

Mr. CADIEUX: Well, the main purpose is to educate and inform the public about NATO, conduct research into its various activities and purposes, and to promote the solidarity of the people of the north Atlantic area.

Mr. LACHANCE: Do they report to the government?

Mr. CADIEUX: Yes, the government is kept informed of their activities. They maintain close contact with NATO and member governments.

Mr. LACHANCE: Are they obligated to report every year?

Mr. CADIEUX: Well, their activities are public and we are aware what they do in this general way. Each year when they make a submission for additional assistance they give an indication and, in many cases, their activities are conducted in co-operation with the NATO secretariat.

Mr. CHOQUETTE: You see, when the amount is so small we become skeptical.

Item agreed to.

46. Gift to commemorate the independence of Jamaica, \$10,000

Mr. FAIRWEATHER: That is non-recurring.

Mr. CADIEUX: Yes.

Item agreed to.

47. Gift to commemorate the independence of Trinidad and Tobago, \$10,000

Mr. CHOQUETTE: In those countries is the Queen still the head of state, as a symbol? I just want this for personal information. Because we gave a grant in the case of Jamaica and Trinidad is the Queen still the head of state?

Mr. CADIEUX: Yes.

Mr. CHOQUETTE: Good.

Item agreed to.

48. Gift to commemorate the independence of Uganda, \$5,000

Mr. CHOQUETTE: Does that include the expense of Mr. Tremblay's trip?

Mr. CADIEUX: No. He went to Malaysia.

Mr. CHOQUETTE: But when a minister attends a celebration it does not include his expenses.

Mr. CADIEUX: No; this is different.

Mr. MACEWAN: It is paid out of his own departmental estimates?

Mr. CADIEUX: Yes.

Mr. FAIRWEATHER: How come the measure of freedom is worth \$10,000 in one case and only \$5,000 in another?

Mr. LACHANCE: It depends on the size of the country.

Mr. CADIEUX: I think the answer to the question you asked is that there is sometimes informal consultations with the government to find out what is acceptable; sometimes a wish is expressed and this involves expenditures of a different order. The idea is to express good will.

Mr. FAIRWEATHER: That is fine, I do not object to it.

Item agreed to.

On item 50:

50. Salaries and expenses, bilateral aid programs, \$652,600.

Mr. BREWIN: Mr. Chairman, I should like to make a motion in regard to these aid programs along the lines suggested by Mr. Moran at our last meeting. I am not sure whether this is the proper stage for such a motion but I should like to deal with this at some time before we adjourn. I do not wish to interrupt the present discussion, but it seems to me that grants should be included in future estimates to assist voluntary organizations which are in the field of external aid, such as the Canadian university service overseas, to supplement programs that they are now carrying out. This money might be better spent in an attempt to do something entirely separate so that we may integrate the effort of voluntary costs with another item. I do not know whether this is done at all at the present time but Mr. Moran spoke about the need in this regard and I would like at some stage or other to have the opportunity of moving a motion.

The CHAIRMAN: Have you the motion ready now, Mr. Brewin?

Mr. BREWIN: Yes, but I do not wish to interrupt the proceedings.

Mr. CADIEUX: I think Mr. Moran is the expert on this subject and I am not in a position to speak to this item myself.

Mr. THOMPSON: I think there is a question of protocol involved in respect of whether we should entertain this motion now or wait until we have Mr. Moran before us.

The CHAIRMAN: Would you care to allow item 50 to stand? We hope that Mr. Moran will be back before the committee again.

Mr. BREWIN: It would not be necessary for Mr. Moran to come again. He has already expressed his interests in this idea, and has made a request that we do something in this regard.

The CHAIRMAN: I will be pleased to entertain a motion now, Mr. Brewin.

Mr. BREWIN: I will move then, having regard to the fact that reputable private organizations are concerned with worth-while projects in the field of external aid, raise substantial amounts of money for such purposes, and need additional funds from time to time to carry out such projects, that this committee recommends a certain sum be made available in future estimates to enable grants to be made to assist private organizations in projects in the field of external aid which are approved by the external aid office.

Mr. THOMPSON: I second the motion.

Mr. GELBER: Are you referring to student organizations?

Mr. BREWIN: I am not necessarily referring to student organizations. Churches might be putting money into external aid projects.

Mr. GELBER: That is a very broad subject.

The CHAIRMAN: The motion was seconded by Mr. Thompson.

Mr. CHOQUETTE: I do not think this is the appropriate time to discuss this subject.

The CHAIRMAN: Is it the pleasure of this committee to refer this motion to the steering committee?

Mr. MACEWAN: I was going to make such a suggestion.

Mr. BREWIN: I am perfectly willing to have it referred to the steering committee, Mr. Chairman.

Mr. CHOQUETTE: I think that is agreeable.

Mr. FAIRWEATHER: I am not trying to anticipate what the steering committee will do, but I hope it will note the activities of CUSO because it has particular application to this discussion. I do not think we have done anything in respect of CUSO, yet there is quite a reservoir of idealism among university students which should be harnessed, and I think the government should match private donations.

Mr. LACHANCE: Do I understand the adoption of this motion will automatically increase the estimates?

Mr. BREWIN: No. I do not know whether all members of this committee were present when Mr. Moran gave his evidence, but if they were not naturally they are handicapped in respect of the intent of this motion. Mr. Moran said that in respect of external aid not only were projects being carried out through the Colombo plan and other government activities but also various voluntary organizations such as the Canadian university service overseas were sending young people over there and supposing they had a project of sending teachers and had raised \$75,000 but needed \$100,000, external aid could provide a useful service by granting the additional \$25,000 in order that this project could be carried out effectively.

I have stressed in this motion that grants should be made in respect of projects which the external aid department had approved. That department will not be throwing money around, but will operate in a sort of partnership, as it were, in regard to what we are trying to do through governmental sources and what is done by, as I said, very reputable private organizations in this limited field of external aid. This recommendation only tries to put this idea into a form so that we can make this recommendation to the department that when they are drawing up their estimates for next year they will include something of this sort.

Mr. THOMPSON: The adoption of such a program might perhaps involve some of the money that has already been approved. After all, the external aid has a budget, and the budget is not worked out in detail. What we want to see is the best dollar value possible for the external aid dollar that Canada is giving. I think as far as the value of the dollar is concerned, in many cases this type of investment might produce far more returns than an investment in respect of a project that is directly sponsored by external aid. The motion does not suggest a blanket thing at all, but authority to the department of external aid to use discretionary powers in respect of the use of the money allocated.

Mr. LACHANCE: I am not speaking in opposition to the motives of this motion. Personally I think the motives are very good, but in respect of this particular item is it in order to propose such a motion?

The CHAIRMAN: Gentlemen, we are now considering item 50, salaries and expenses in respect of the external aid office. I think we should pass as rapidly as we can from the external office to the external affairs estimates.

Mr. BREWIN: I do not want to delay the committee, and that is why I asked the Chairman at the outset whether this was the right time to propose such a motion or not.

The CHAIRMAN: Perhaps in view of the fact there has been comment on this matter, if anyone else wishes to make some remarks they should be made at this time. Otherwise we will refer this motion to the steering committee.

Mr. CHOQUETTE: I think your suggestion is appropriate, Mr. Chairman

The CHAIRMAN: Did you have another motion, Mr. Brewin?

Mr. BREWIN: My other motion was dealt with at our last meeting.

The CHAIRMAN: May we stand item 50?

Mr. BREWIN: I should like to understand clearly what will take place when the motion is referred to the steering committee. Will the steering committee then have the authority to approve the motion or turn it down?

The CHAIRMAN: The steering committee will consider the committee and report back to the standing committee on external affairs.

Mr. BREWIN: This committee will not be meeting again; is that correct?

The CHAIRMAN: I think we are hoping to meet once again.

Mr. ROXBURGH: That procedure will be satisfactory as long as we do meet again.

Mr. LACHANCE: Mr. Chairman, let us now decide whether we are going to meet again or not.

Mr. CHOQUETTE: Perhaps we could meet next Sunday.

The CHAIRMAN: Gentlemen, if we make sufficient progress tonight that it becomes obvious we will not have to meet again we could deal with this motion later this evening.

Mr. LACHANCE: I suggest we defer our consideration of this matter until the end of our meeting.

Mr. CHOQUETTE: Let us attempt to go through the estimates.

On item 80:

Multilateral economic aid programs—

80. Contribution to the United Nations special fund in an amount of \$2,350,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of December, 1962, which is, \$2,527,700.

Mr. BREWIN: Just before we move on, Mr. Chairman, I understand that special fund, which is of very great importance, is only increased to 70 per cent

of its objective. Perhaps Mr. Cadieux could comment in this regard. Has any consideration been given to a further contribution?

Mr. GELBER: We did announce another \$2½ million in this regard.

Mr. BREWIN: Yes, but that still is only 70 per cent of the total.

Mr. GELBER: The total amount will now be \$5 million.

Mr. DEACHMAN: Does this item have regard to the Congo war and so forth?

Mr. CADIEUX: No. This amount is contributed to help countries in their development of natural resources, and includes technical training and things of that kind. There has been less contribution than expected but, as Mr. Gelber has pointed out, Canada has increased its own contribution.

Mr. KLEIN: Does the Soviet Union contribute in this regard?

Mr. CADIEUX: I have not got the figures available, I see Mr. Ritchie is present in this room, and perhaps he is in a position to contribute to the information available.

Mr. A. E. RITCHIE (*Assistant Under Secretary for the Department of External Affairs*): I am afraid I do not know the details, but I know the Soviet Union has made some contribution in local currencies.

The CHAIRMAN: Does item 80 carry?

Item agreed to.

On item 85:

85. Contribution to the United Nations expanded program for technical assistance to under-developed countries in an amount of \$2,150,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of December, 1962, which is, \$2,312,600.

Mr. LACHANCE: To which countries do we provide these funds?

Mr. CADIEUX: We give this money to the United Nations, and the United Nations spends the money where it is needed.

Mr. CHOQUETTE: Can you tell me whether each government has supervisory control in respect of these expenditures?

Mr. CADIEUX: The money is placed at the disposal of the United Nations and is subject to a number of controls. First the secretariat itself will make recommendations how this should be spent. We also have the general control of the fifth committee and the committee on budgetary and administrative matters. In addition the United Nations auditors check, just as does the Auditor General of Canada, to make sure that the money is spent for the purpose for which it was authorized. In that regard there is a good deal of assurance that when the money is voted it is used for the purpose for which it was voted.

Mr. CHOQUETTE: Does Canada have any control in respect of the money it contributes?

Mr. CADIEUX: We have representatives on the various committees that deal with these moneys. For instance, we have a representative on the fifth committee on budgetary and financial matters, and at one period a Canadian acted as one of the auditors of the United Nations.

Mr. CHOQUETTE: Thank you.

Items 85 and 90 agreed to.

The CHAIRMAN: On item 95:

Special Aid Programs—

95. Contribution to the Program of the United Nations High Commissioner for Refugees, \$290,000.

Mr. THOMPSON: Mr. Cadieux, is that amount for the general world refugee program or has that reference to the Middle East refugee program only?

Mr. CADIEUX: The Middle East refugee program is apart from that. Did you not have in mind the Palestine refugees?

Mr. THOMPSON: Yes.

Mr. CADIEUX: This is a separate one.

Mr. THOMPSON: This is separate?

Mr. CADIEUX: This is a separate budgetary provision.

Mr. THOMPSON: Can you give us some information how this money is spent and for what projects?

Mr. CADIEUX: The main refugee programs are carried out in the Congo, in Togoland and in a number of other places in Africa.

Mr. THOMPSON: Are these projects all concentrated in the Congo area?

Mr. CADIEUX: Yes. We have another operation that is concerned with the settlement of Algerian refugees.

Mr. KLEIN: This represents a contribution to the United Nations?

Mr. CADIEUX: Yes, and the Red Cross is involved in this operation. The official high commissioner does not however have responsibility for the Chinese refugees of Honk Kong.

Mr. GELBER: This project originally grew out of the liquidation of UNRA, did it not, Mr. Cadieux, and it was originally a European responsibility?

Mr. CADIEUX: Yes.

Mr. GELBER: I think this was extended into some of these other things later?

Mr. CADIEUX: This started at the end of the war mainly as a European problem, but after the war there developed problems in other parts of the world and the high commissioner has had to move in. For instance in Africa he has a very substantial operation while in Europe he is dealing mainly with residual problems and the hard core ones that are hard to dispose of.

Mr. THOMPSON: This contribution is specifically in connection with United Nations projects?

Mr. CADIEUX: Yes. However, the United Nations deals with the Palestine refugees separately.

Mr. THOMPSON: Yes, but the administration comes within the jurisdiction of the United Nations?

Mr. CADIEUX: The high commissioner is the successor to IRO and he is appointed by the United Nations.

Mr. THOMPSON: Are different member countries to the United Nations all contributing to this type of thing or does this fall only upon a certain few?

Mr. CADIEUX: I have the impression that contributions come from a cross section of the countries of the United Nations and it is a fairly wide one.

Mr. BREWIN: Mr. Chairman, I wonder whether I could ask Mr. Cadieux if the full program of the United Nations is met in this field, or are there deficiencies? In other words, does United Nations ask for more and get less and thereby fails to be able to carry out some of the operations that it would like to carry out, or does it get what it believes it needs?

Mr. CADIEUX: It would be difficult to say it gets all it needs. I think there is an effort made to induce countries to be as generous as possible, but the requirements, as you know, are very great, particularly in respect of the Palestine program.

Mr. BREWIN: Are the refugees who come into the Congo and other surrounding countries from Angola included in this project?

Mr. CADIEUX: The high commissioner takes responsibility, but I would not be able to say he gets all the money he really needs.

Mr. KLEIN: How is the Canadian allocation determined? Is it determined on a per capita basis as compared with other countries? How do you determine the amount that Canada is called upon to give?

Mr. CADIEUX: We are one of the developed and more relatively prosperous countries so when appeals are made to us this is a factor; we are expected to give more than certain other countries. Another factor is that some regard is given to what other countries give. In this field you are operating largely on the basis of voluntary contributions, and it is not possible to really have an assessment.

Item agreed to.

Items 100 and 105 agreed to.

On item 107:

107. Purchase of flour to be given to the United Nations relief and works agency for Palestine refugees in the near east, \$500,000.

Mr. REGAN: Mr. Cadieux, is the \$500,000 an annual amount?

Mr. CADIEUX: No. I think this was a special contribution. From 1958 to 1961 we made a contribution in the amount of \$1,500,000 worth of flour. In addition there is a special ad hoc basis regular contribution of \$500,000 in cash. I see Mr. Murray is here. Perhaps he could supplement what I have said in this regard.

Mr. G. S. MURRAY (*Head of United Nations Division, Department of External Affairs*): For some years we have been making a contribution of \$500,000 cash. The \$500,000 cash is a regular contribution to UNRWA. We have gone as high as \$2,500,000 in respect of wheat. That high point was reached during the world refugee year. The wheat is considered as a special contribution in addition to the cash.

Mr. REGAN: What have you done in respect of flour?

Mr. MURRAY: I perhaps should have said wheat flour. There is \$500,000 in cash and in addition a contribution in the form of wheat flour.

Mr. REGAN: Did I understand you to say that wheat flour has been regularly sent out each year for a period of time?

Mr. MURRAY: Yes, sir.

Mr. REGAN: What is the value of the wheat flour?

Mr. MURRAY: In respect of this particular estimate it is \$500,000.

Mr. REGAN: I suppose this is obviously Canadian wheat flour?

Mr. MURRAY: Yes.

Mr. REGAN: Has any effort been made in respect of the shipments of this wheat flour to spread the shipments alternatively in different areas out of the various ports of Canada, or are these special shipments always handled through the same port?

Mr. GELBER: Through the port of Halifax.

Mr. MURRAY: I cannot answer that question, sir.

Our shipments are generally adjusted to meet particular needs. It is needed at certain times and we have to send it really when it is required.

Mr. REGAN: We do have some ports that are open the whole year.

Mr. THOMPSON: There are some open all year on the west coast.

Mr. REGAN: Yes, there are some in this category on the Public coast as well. I only say in this regard, Mr. Cadieux, and I realize that this is an aside, that in matters of shipments of this type the external affairs department

individuals involved in such matters should attempt to consider the economic interests of the various areas of Canada. Thank you.

Item agreed to.

Item 110 agreed to.

The CHAIRMAN: On item 112:

112. Further contribution to the world food program in an amount of \$2,000,000 U.S., as part of a total contribution of \$5,000,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of December, 1962, which is, \$2,151,300.

Mr. MACEWAN: May we have a breakdown of that amount?

Mr. CADIEUX: I think I will be able to find it in a minute. There was a great deal of information put at my disposal over the weekend. I think it is about one third in cash.

Mr. MACEWAN: What countries would it involve?

Mr. CADIEUX: I have some information here on this food program which is a little outside my regular field, and I confess some unfamiliarity with it. I understand the food program is to operate on an experimental basis for three years through support from voluntary contributions. The Canadian delegation led by the Minister of Agriculture pledged \$5 million for the three years, one third to be in cash and the remainder in acceptable commodities. As of March 31, 1963, a total of approximately \$90 million in commodities and cash had been pledged for this program by 46 countries.

Mr. KLEIN: May I ask whether any of it is being made to purchase surplus food items in countries which have a surplus; not only for present needs, but for needs in times of shortages, instead of destroying food, for example?

Mr. CADIEUX: I understand this is one of the objectives of this program.

Mr. KLEIN: It would seem to me that \$100 million is a very small amount in relation to the surpluses which might exist, even in Canada.

Mr. CADIEUX: That is true. I think the idea is to establish a plan in an effort to meet this in an orderly fashion.

Mr. KLEIN: Is this program aimed at this kind of thing?

Mr. CADIEUX: As I say, the stated objectives of the scheme are to establish orderly procedures on a world basis for meeting emergency food needs.

Mr. KLEIN: I am thinking in terms of the establishment of a food bank where all surpluses of all nations would be bought by the United Nations and distributed to areas where there is need, and particularly to conserve this supply against times during which even the contributing nations might require some of the food. Would that not be a more distinct possibility?

Mr. CADIEUX: This would be a more ambitious and more expensive operation. The implications of this would be very substantial in terms of money.

Mr. KLEIN: What I am trying to get at is this: Is this particular project aimed at that ambitious program or is it merely a *pro tem* program which is adjusted from year to year as the needs may or may not be required.

Mr. CADIEUX: This looks like a more modest program designed to meet emergencies. It is not geared to a large operation such as you have in mind. Although I am sure plans for expansion are involved in this program, it is designed to provide for the refugees and others who need the food and is to be allocated on the basis of need.

Mr. KLEIN: Sometimes we have heard, for example, that Brazilian coffee is destroyed because of the effect it might have on the price of coffee in foreign markets. It would seem to me that this coffee might be bought for use by the world food bank. Even if it is not needed at the time, it might be required in five years time.

Mr. CADIEUX: I think this would be an interesting scheme, but it would be terribly expensive and would have implications in respect of the cost of the commodity itself. In addition, you might have problems of disposal later on, as well as the problem of storage, transportation, and deterioration. I am sure the people concerned in this scheme may have plans which involve something like that, but in the meantime they have to start in a little more modest manner.

Item agreed to.

The CHAIRMAN: On item 115:

115. Assessments for membership in the international (including commonwealth) organizations that are detailed in the estimates, including authority to pay such assessments in the amounts and in the currencies in which they are levied, notwithstanding that the total of such payments may exceed the equivalent in Canadian dollars, estimated as of December, 1962, which is, \$7,596,300.

Mr. GELBER: I think we should have the details on this item, Mr. Chairman.

Mr. CADIEUX: The details here by object are: United Nations organization, \$2,736,390; food and agriculture organization, \$773,690; international atomic energy agency, \$242,719; international civil aviation organization, \$222,984; international labour organization, \$561,815; inter-governmental maritime consultative organization, \$8,605; United Nations educational scientific and cultural organization, \$612,380; world health organization, \$1,041,453; permanent court of arbitration, \$1,152; administration of the general agreement on tariffs and trade, \$75,294; commonwealth economic committee, \$85,770; commonwealth educational liaison unit, \$14,722; commonwealth shipping committee, \$1,025; North Atlantic treaty organization, \$571,653; organization for economic co-operation and development, \$646,648. This makes a total of \$7,596,300.

Mr. GELBER: What is our proportion of the total United Nations budget; at what rate are we assessed, aside from the peacekeeping operations?

Mr. CADIEUX: It is 3.12 per cent.

Mr. GELBER: This means that the total world budget of these organizations is really very modest when you think of the world wide significance of these international agencies. That is the point I wished to make, Mr. Chairman.

Items 115 and 120 agreed to.

The CHAIRMAN: On item 125:

125. Payment to the international civil aviation organization in part reimbursement of compensation paid to its Canadian employees for Quebec income tax for the 1962 taxation year, \$15,000.

Mr. CHOQUETTE: Would you explain that?

Mr. CADIEUX: This payment to the international civil aviation organization is in part reimbursement of compensation paid to its Canadian employees for Quebec income tax.

Mr. FAIRWEATHER: Why are they subject to the Quebec income tax?

Mr. CADIEUX: Because the Quebec government levies taxes on them. These persons are Canadians who live in the province, and under the agreement they are not exempt.

Item agreed to.

Mr. FAIRWEATHER: That answers it.

Item agreed to.

130. To provide the international civil aviation organization with office accommodation at less than commercial rates, \$387,600.

Mr. MACEWAN: Where is that?

Mr. CADIEUX: In the special building in Montreal.

Mr. MACEWAN: Is that the international civil aviation building?

Mr. CADIEUX: Yes.

Mr. THOMPSON: Is that an annual expense?

Mr. CADIEUX: Yes, and it may increase as the space requirements increase.

Mr. KLEIN: Do the other countries contribute to that?

Mr. CADIEUX: Yes, they do contribute to the expense of the operation. I presume the cost in respect of Canada is due partly to the prestige of having the centre here, and the fact the whole international staff resides there, spend their income here, and travel in this country.

Item agreed to.

140. Grant to the international committee of the Red Cross, \$15,000.

Mr. THOMPSON: Is that the total contribution from Canadian government sources?

Mr. CADIEUX: Yes. It used to be higher than this, but lately they have reduced it to \$15,000. As I said, it used to be higher, but that was close to the end of the war, when the operations of the Red Cross were larger and when we had prisoner of war camps and large activities at that time.

Mr. CHOQUETTE: I think the amount should be increased.

Item agreed to.

145. Grant to the commonwealth institute in an amount of £500, notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of December, 1962 which is \$1,500.

Mr. CHOQUETTE: When the amount is small we get more skeptical; have you any explanation for this?

Mr. CADIEUX: The institute is a kind of permanent exhibition in London where the various parts of the Commonwealth are represented. There is a great deal of activity; children of school age are taken there and the public can go there on Sundays. It is really \$15,000 worth of publicity Canada gets in the United Kingdom; and this is a contribution we make. Other members of the Commonwealth do the same thing. The exhibition was redesigned and re-organized a few years ago, and it gives a good picture of our country.

Mr. CHOQUETTE: Who prepares the publicity?

Mr. CADIEUX: It is done by those who run the institute, but they are in consultation with the office of the high commissioner for Canada.

Mr. BREWIN: Is there any way we could be advised when the individual office holder is deceased so that we could cut it out. However, it is the sort of thing we would not like to cut out if some nice old gentlemen is holding the office. But, it would be rather nice to know when he is through so that we will not have to start all over again.

Mr. FAIRWEATHER: I thought you wanted the job.

Item agreed to.

150. Salaries and expenses of the commission including, subject to the approval of the governor in council and notwithstanding the International Boundary Waters Treaty Act, as amended, payment of salary of the Chairman at \$17,500 per annum, \$111,100.

Mr. GELBER: Are we going to have the chairman of that commission appear before this committee?

Mr. CADIEUX: I am not in a position to speak on this.

The CHAIRMAN: I thought it was a general hope we might perhaps conclude these estimates tonight and get on to some resolutions. Perhaps this is hurrying

matters too much. But, if any member wishes to call the chairman of the international joint commission I do not know why that should not be done, unless Mr. Cadieux would know.

Mr. THOMPSON: Do it next week.

The CHAIRMAN: I believe he is in the Fuller building here in Ottawa.

Mr. REGAN: As I understand it, the international joint commission is supposed to deal with any border disputes or problems of that nature.

Mr. CADIEUX: Yes, between Canada and the United States.

Mr. REGAN: Do you know how big a staff is involved in this commission?

Mr. CADIEUX: Well, their total salary is \$92,765.

Mr. REGAN: And, the United States also contribute?

Mr. CADIEUX: They have a section too which corresponds to this one and, presumably, their salaries may not be the same; they may be higher.

Mr. REGAN: This salary item of \$92,000 comes out of the \$111,000, and that is Canada's participation?

Mr. CADIEUX: Yes, it is for the salary of the Canadian commissioner and his permanent staff.

Mr. LACHANCE: In other words, we pay for the Canadian section?

Mr. CADIEUX: Yes, all the permanent civil servants who work with the Canadian commissioners.

Mr. REGAN: And they have offices here in Ottawa?

Mr. CADIEUX: Yes.

Mr. REGAN: The \$92,000 must include travel, or does it?

Mr. CADIEUX: No. There is another item of \$10,135 for travelling expenses. They have periodic meetings with the United States section. Recently they went to St. Johns in respect of the Richelieu reference.

Mr. REGAN: Their total travelling bill for the year is only \$10,000?

Mr. CADIEUX: Yes.

Mr. REGAN: Then, their staff must be very small.

Mr. CADIEUX: Yes. It consists usually of three commissioners plus the secretary who travels. If they require counsel for Canada they take along Mr. Wershof. He goes and his expenses are covered by a departmental vote for travel. If there are experts from other departments their expenses will be covered from a vote in their department.

Mr. REGAN: What was the last matter they had occasion to look into prior to the Richelieu reference?

Mr. CADIEUX: They have been involved very substantially in the Columbia and a host of other problems, the Passamaquoddy and so on.

Mr. REGAN: In other words, any governmental enterprise that involves the two nations falls within that area?

Mr. CADIEUX: Yes. Mr. Heeney would be in a better position than I to explain their main responsibilities. However, essentially, anything that affects the boundary waters between the two countries must be approved.

Mr. REGAN: You would not agree with the statement made by someone recently that they are the most underworked commission that exists in the country?

Mr. CADIEUX: I cannot make a statement on that. If you wish more information in respect of the international joint commission the head of our United States division is Mr. Carter, who is responsible for departmental liaison with the commission. I am sure Mr. Carter will be glad to supplement what I have said and answer any additional questions.

Mr. REGAN: I think it would be helpful because I find that people do say this commission does very little. Mr. Cadieux has aired the matter somewhat and I think a brief review of the work that is done would be helpful to the members of this committee.

Mr. RICHARD: It would be very useful, in my opinion. It is quite easy for anyone to say they are underworked but such may not be the case at all.

Mr. CHOQUETTE: How long has it been in existence?

Mr. CADIEUX: Since 1909.

The CHAIRMAN: Perhaps it would be more orderly if the members would ask questions one at a time. I think there are three or four questions which have been thrown up here.

Mr. REGAN: I would like Mr. Carter to give us a brief explanation of the work that is done and the volume that is involved.

Mr. HARRY CARTER (*Head of United States of America Division of Department of External Affairs*): Mr. Chairman, I cannot pose as an expert on the work of the International Joint Commission. As the members know, the chairman of the Canadian section of the I.J.C. is Mr. Arnold Heeney. Mr. Heeney is assisted by two other Canadian commissioners together with a staff of a secretary, a legal adviser and an engineering adviser. On the United States side there is a corresponding section.

The Boundary Waters Treaty set up the Commission and it was later provided that they would hold semi-annual meetings in April in Washington and in October in Ottawa. At these meetings the six Commissioners, with the chairman of the section of the host country presiding, review outstanding "references", as they are called, which have been the subject of the Commission's activities in the past. These references are normally referred to the Commission as joint references in agreement between the two governments. After normal diplomatic consultations the two governments agree it would be a good thing to ask the commission to study a subject and together they draw up a reference.

An example is the question of constructing a waterway in the Richelieu-Champlain area. Now, the Commission then entertains the reference and sets up boards of experts to gather data and report back to the Commission. These experts are themselves not full-time employees of the commission; they are usually civil servants, like members of our Department of Transport, Public Works, and so on. It is on the basis of these people's reports that the commissioners then evaluate the situation, ask for more data and so on. Eventually they make recommendations back to the governments.

The actual volume of the commission's work is difficult to estimate but I would certainly think that any of us in External Affairs who have been at all familiar with the work of the Commission would think they had a pretty active agenda at the present time.

Mr. CHOQUETTE: Have they settled anything up to now?

Mr. CARTER: I do not think that it is really the function of the commission to settle things in that respect. The commission's task is primarily to make recommendations to the governments. Then the subsequent action on their recommendations, of course, is the responsibility of the two governments. I believe they have served a very useful purpose.

Mr. CHOQUETTE: Are you aware of some of their recommendations that have been followed recently?

Mr. FAIRWEATHER: I can think of three in New Brunswick.

Mr. BREWIN: Mr. Chairman, it is unfortunate we do not have Mr. Herridge with us because he generally has a lot of recommendations about what we should do in respect of the Columbia river.

Mr. FAIRWEATHER: I was thinking of the developments in respect of the St. Croix river and the Richelieu river systems within the last five years as well as the Saint John river system and the various hydro power dams which have been subject to general agreements. I have also been instructed that someone wants to take water from one of the great lakes to flush the sewers of Chicago.

Mr. CARTER: There have been a number of others which have involved questions of regulating, such as the provision of remedial works in respect of Niagara Falls.

Mr. LACHANCE: What exactly are your relations with the commission?

Mr. CARTER: I am the head of the United States division. We have a number of other functions, of course, but we are the link between the External Affairs department and the Canadian section of the Commission in regard to the day-to-day work of the Commission as it affects our department.

Mr. LACHANCE: Do you attend any of their meetings?

Mr. CARTER: Either myself or one of my officers attends the semiannual meetings of the commission. However we also have a Counsel for Canada. For the past three or four meetings he has been Mr. Max Wershof, one of our Assistant Under Secretaries. He is present and could perhaps add to what I have said. I myself am not a lawyer and it is obviously desirable that the Counsel for Canada at any of these sessions should be a lawyer. Therefore, our division briefs Mr. Wershof before-hand on all aspects of things we expect to be coming up with particular reference to our department, and, of course, we work very closely together between meetings.

The CHAIRMAN: Are there any further questions?

Mr. CARTER: I believe Mr. Wershof could certainly supplement what I have said.

Mr. REGAN: I think you have been very helpful, Mr. Carter. I think we all recognize that Mr. Heeney is one of the most able men in Canadian public service. Would there be constant contact back and forth between the United States and Canadian sections other than in respect of the semi-annual meetings?

Mr. CARTER: Yes, sir. They have very close and frequent contact between the two chairmen, Mr. A. D. P. Heeney and Mr. Teno Roncalio of the United States section, as well as between the two secretaries of the sections. In one way or another they have very rapid communications as we have with the State Department.

Item agreed to.

Item 155 agreed to.

On item L10:

L10. Additional advance to the working capital fund of the United Nations Organization in the amount of \$468,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of December, 1942, which is, \$503,400.

Mr. GELBER: I wonder whether Mr. Cadieux would say anything about recent negotiations concerning financing the Congo and other peacekeeping expeditions of the United Nations?

Mr. CADIEUX: Mr. Murray is here. He is head of the United Nations division and has very close touch with this problem. Perhaps it would be agreeable to the committee that he deal with this item?

Mr. MURRAY: Mr. Chairman, do you wish an explanation of the working capital fund requirement?

The CHAIRMAN: Yes. We are dealing with item L10 at page 464.

Mr. MURRAY: The working capital fund, of course, was established to provide the organization with cash for its various operations, and the level has to be maintained now at \$40 million United States funds. The item here is just Canada's share of this working capital fund to maintain it at that level.

Mr. LACHANCE: Is this share worked on the same basis?

Mr. MURRAY: The working capital fund is worked out on the same basis as the regular assessment, 3.12 per cent.

Mr. GELBER: I believe the chief liability in this regard has been the peace-keeping operations and I believe the United Nations actually borrowed money from UNICEF to help finance some of these operations. There have been recent negotiations concerning this, I believe, and I wonder whether Mr. Murray would comment in this regard?

Mr. MURRAY: The current session of the United Nations has had to deal with these two peacekeeping operations; that is the force in the Congo and the United Nations emergency force in the Middle East. A decision was taken earlier at the session to continue the Congo operation until the end of June, 1964 and of course, UNEF will be continued for the whole of 1964. The main problem that has arisen in connection with both these peacekeeping operations is that the Soviet bloc and some other countries have not paid their assessed share of these operations.

A secondary problem is that the less developed countries have considered that the magnitude of the costs of these two operations has created obligations for them which they have not the capacity to meet. At recent negotiations that have taken place they have attempted to lower their share of the assessments. Both the negotiations that have taken place at the sessions have been about reductions offered to the less developed countries. This has been a pattern followed over the last few years in respect of financing these two operations and reductions have gone in some cases, as high as 80 per cent in respect of these less developed countries.

In May and June of last year they had this type of negotiation about UNEF and in respect of UNEF and ONUC for expenses during the second half of 1963. A special session of the general assembly worked out a formula whereby a 55 per cent reduction was allowed for the less developed countries. The formula was applied for expenses of the Congo force and UNEF which are dealt with as two separate accounts. They have what we call an "initial bite". This initial amount in June was \$5,500,000 for both operations out of a total of roughly \$37 million. The initial bite was assessed on the regular budgetary scale, the one we talked about earlier. For the balance, the scale was the regular scale with this reduction of 55 per cent offered to the less developed countries; in order to make up the gap created by the 55 per cent reduction an appeal was made to 17 of the developed countries for voluntary contributions. These appeals were mainly made to countries of western Europe and Canada, and I think Japan as well.

A similar formula was adopted for ONUC; that is for the Congo force for the first half of 1964.

In the case of UNEF the less developed countries said that they wanted an even larger reduction, and for a time they were talking about 60 per cent but it ended up in the resolution which was adopted in the fifth committee last Friday at 57½ per cent.

The official bite for the UNEF operation would be \$2 million under the regular scale and the balance of some \$15 million would be under the regular scale with the 57.5 reductions for the less developed countries. The western developed countries will be required to make an additional voluntary contribution to fill the gap.

I would like to emphasize that the voluntary contribution to fill that gap has nothing to do with the Soviet bloc refusal to pay their assessments. Those

assessments are carried and accumulated as arrears and they are held as debts owing by the Soviet bloc and the other countries that have refused to pay. The reductions are in regard to the less developed countries only.

Mr. LACHANCE: What will happen when these arrears reach the stage that the countries in question lose their vote?

Mr. MURRAY: This situation will arise as of January 1, 1964, and the Charter provides that when the arrears of any member state amount to two full years it loses its vote in the assembly. That is article 19 of the charter and the article also says that the assembly may permit the member to vote if the assembly so decides. In terms of the Soviet Union, of course, this could produce a major confrontation at the next general assembly.

Mr. LACHANCE: If it pays only a part of one year each year will it remain in good standing?

Mr. MURRAY: As long as the arrears do not amount to two full years the country is in good standing and this section of the charter will not apply. Some countries have managed to keep in good standing simply by doing just as you suggest.

Item agreed to.

On item L15.

L15. Loans to the international civil aviation organization in the current and subsequent fiscal years in accordance with regulations of the governor in council, \$750,000.

Mr. CHOQUETTE: Is there any interest paid on this money?

Mr. CADIEUX: I have not got the details of the loan involved. This is a loan and subject to repayment but probably at lower than normal interest rates.

Mr. LACHANCE: Thank you.

Item agreed to.

Vote 1a—Departmental Administration including the expenses of the North Atlantic Treaty Organization Ministerial Meeting in Canada, May, 1963, \$798,100.

Vote 5a—Representation Abroad—Operational, \$66,000.

Vote 42a—Gift to commemorate the independence of Nigeria (Revote), \$10,000.

Vote 43a—Gift to commemorate the independence of Tanganyika (Revote), \$5,000.

Vote 44a—Contribution to the Atlantic Institute, \$4,000.

Items 1a, 5a, 42a, 43a, and 44a, inclusive, agreed to.

The CHAIRMAN: On item 96a:

96a. Contribution to India of 500 tons of electrolytic nickel, \$855,000.

Mr. GELBER: Is this under the Colombo plan?

Mr. CADIEUX: No; this is a separate item.

Mr. BREWIN: What is the nickel for; is it for military purposes?

Mr. CHOQUETTE: A souvenir.

Mr. LACHANCE: Since we have granted nickel to India, has Pakistan asked for any aid?

Mr. CADIEUX: Perhaps Mr. Ritchie might answer this question.

Mr. A. E. RITCHIE (*Assistant Undersecretary of State for External Affairs*): As someone suggested, this is the amount of nickel required in connection with the military program for the arsenals in India.

Mr. LACHANCE: Has Pakistan asked for special help from Canada?

Mr. RITCHIE: Not of this nature. There has been no request for electrolytic nickel.

Mr. KLEIN: I presume this is required because of the situation which existed in respect of the border between India and China.

Mr. RITCHIE: That is right. It was required last year when they were making their military arrangement.

Items 96a, 97a and 98a agreed to.

The CHAIRMAN: On item 116a:

116. Assessment for the United Nations Congo ad hoc account for the period July 1, 1963 to December 31, 1963, in an amount of \$1,560,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of May, 1963, which is, \$1,684,800.

Mr. KLEIN: Should the Soviet union and the other delinquent nations, if there are any, finally make their contributions so as to avoid being expelled from the United Nations, would some of that money be reimbursed to the contributing nations?

Mr. CADIEUX: I am not in a position to answer this. I suppose this would be a matter for the negotiating committee to have a look at. This would have an impact on the whole financial set-up of the organization, and the negotiating committee, presumably, would have to take that into account in distributing the load in the future.

Mr. G. S. MURRAY (*Head of United Nations Division, Department of External Affairs*): There is no question of moneys having to be paid back to the governments, because no money has been paid to fill the gap caused by the Soviet's failure to pay. There have been borrowings from other funds and of course the moneys would have to be put back into those funds.

Mr. LACHANCE: Does it have anything to do with the bond issue of the United Nations?

Mr. MURRAY: The bond issue was floated to provide cash and, in fact, was used to finance the two peacekeeping operations from July 1, 1962 to June 30, 1963. The bonds are to be repaid through the regular budget. The Russians have said they will not pay for that portion of the regular budget.

Mr. LACHANCE: This bond issue has been on account of these arrears.

Mr. MURRAY: I think it is fair to say the bond issue was floated to get the organization out of a very difficult cash position at the time.

Mr. LACHANCE: On account of the arrears?

Mr. MURRAY: The main problem arose out of arrears, but actually it was used for financing in that one year period. The costs amounted to about \$140 million.

Mr. GELBER: When and if the Congo force costs are liquidated, what are the prospects of the U.N. being able to finance itself based on its present assessment?

Mr. MURRAY: Of course the assessments are based on the budget. The budget gradually is creeping upwards and that means the assessment will go up. At some stage the members may consider the budget is getting too high and that their assessments are too high. However, the contributions are on the basis of capacity to pay. This is determined by the Committee on Contributions which is composed of experts.

Mr. LACHANCE: Is the percentage discussed and decided on every year?

Mr. MURRAY: That is correct.

Mr. LACHANCE: It could change from year to year?

Mr. MURRAY: Yes. Various governments make representations to have their percentages changed.

Mr. GELBER: Canada's percentage pretty well has been fixed from the beginning.

Mr. MURRAY: It has never been far from 3 per cent. Our percentage is tied to the United States percentage, because we have had, vis-à-vis the United States, a sort of per capita arrangement. The United States percentage has a ceiling which was imposed by Congress limiting it to 33½ per cent.

Mr. GELBER: Someone suggested that the budget of the United Nations was lower than the budget for the police force of New York city.

Items 116a and 117a agreed to.

The CHAIRMAN: Gentlemen, would you turn over to page 25 in the supplementary estimates.

L10a—Additional advance to the Working Capital Fund of the United Nations Organization, in an amount of \$109 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of May, 1963, which is \$118.

Item L10a agreed to.

The CHAIRMAN: On item L13a:

L13a. Loans to the government of India to finance the purchase in Canada of aircraft and associated spare parts and equipment in accordance with a financial agreement entered into between the government of Canada and the government of India, \$12,500,000.

Mr. DEACHMAN: Is there any figure lumped together of all the aid to India? We have had reference to nickel and airplane parts. These have come to us in separate items. This same problem seems to face us each time. It is like picking up spare parts; you may have a gear and you find a bolt, but you do not know what it is for. We do not have these presented to us as programs or functions, and it is quite confusing.

Mr. MACEWAN: Are these amounts in respect of airplanes, and so on, tied in with export credits?

Mr. CADIEUX: No. This is for a military operation.

Item agreed to.

The CHAIRMAN: And now, we are under items 1 and 50, which were left open before.

1. Departmental administration, \$7,648,800.

50. Salaries and expenses, \$652,600.

Mr. KLEIN: Does this finish the estimates?

The CHAIRMAN: With the exception of items 1 and 50.

May we address ourselves to item 1?

Mr. BREWIN: I wanted to ask a question in respect of one subject, I am referring to the people who apply for entrance into the foreign service. I believe you call these people foreign service officers.

Mr. CADIEUX: Well, it depends on the ranks. Those who perform executive functions are called foreign service officers.

Mr. BREWIN: And do they start at grade I?

Mr. CADIEUX: Yes, from grade I up to grade 10.

Mr. BREWIN: And you may go in at a later stage.

Mr. CADIEUX: Normally the entrance grade is grade I and the people are promoted on merit by the civil service commission gradually.

Mr. BREWIN: Someone suggested to me there had been a decline in the number of people applying to go into the foreign service. Is that correct?

Mr. CADIEUX: It varies from year to year, but there is a large number of applicants.

Mr. BREWIN: But very much larger than there are opportunities, is that correct?

Mr. CADIEUX: That is correct.

Mr. BREWIN: What are the qualifications?

Mr. CADIEUX: I assume your question is directed to the officer level. From an age point of view, the candidate must be below 31 years of age. There is a residential requirement in addition to the citizenship requirement. The residential requirement is 10 years, and there is a requirement there should be a degree from some qualified university or academic institution. These are the major requirements and, of course, the candidates must apply and succeed.

Mr. BREWIN: There is an examination?

Mr. CADIEUX: There is what we call a competition, which consists of a number of stages. Would you like me to detail them? If you wish, I could give a short outline.

Mr. BREWIN: Yes, if you would give us a brief outline.

Mr. CADIEUX: First, there is an examination of the file of the candidate to make sure he meets the conditions set out, that is as to age and residence etc. Then, there is an "objective" examination which is used by the civil service commission to reduce the number of applicants to more manageable proportions. This is followed by a written test: an essay, and a number of questions. These tests are set up by the civil service commission in consultation with the Department of External Affairs and the Department of Trade and Commerce, as it is a joint competition for the two. If the applicant succeeds in the written part he then appears for an oral examination before a board, which travels across the country. This board travels to England, France and other places where there are groups of candidates, mostly post graduates. These boards are made up of representatives both from the civil service commission, Department of External Affairs and the Department of Trade and Commerce and, abroad, they have representatives from the academic and business communities. Those that are successful in these oral boards are put on an eligible list published by the civil service commission, and we draw from that. Successful candidates can indicate a preference either for external affairs or trade and commerce.

Mr. BREWIN: And the interest and the attractiveness of the job are such that you never fail to get adequate applicants?

Mr. CADIEUX: We do not have quite as many as we would like to have. I think it is just during the last few years we have had a good many openings in the department and, if there had not been an austerity program introduced, I do not think there would have been enough candidates. It is a problem for the service to attract a well qualified young man.

Mr. BREWIN: Has it anything to do with the remuneration available?

Mr. CADIEUX: Well, in this matter I can only give a personal opinion. The scale of remuneration is a factor; the conditions of service abroad is another, and the degree of competition you get from universities is still another one. These are some of the factors which tend to complicate to a certain extent the recruiting prospects. Also, the service is changed. There was a time when most of our employees were posted to countries similar to Canada; now we are expanding into Asia, Africa and other parts of the world, and the appeal of the service is directed perhaps to a slightly different type of person. The more intellectual type may not find himself working in as congenial surroundings as before. I know there are plenty of young Canadians who will be particularly attracted by this kind of life but, if you are in a country that is

less developed and where opportunities for academic pursuit is limited that will make a difference.

Mr. BREWIN: Have you any recommendation to make to attract more people or better qualified people?

Mr. CADIEUX: Well, thank you very much for making the suggestion.

Mr. BREWIN: I am not suggesting you have not succeeded in the past and I do not wish to have that implication made.

Mr. CADIEUX: This is a complex problem and it has to be approached from a variety of angles. Salary certainly is one difficulty, and conditions of service abroad is another. The regulations and the way they are applied is a third factor. These are the major things and we are trying to improve them. But, in respect of salary, you get involved in broader considerations involving salary scales in the whole government service.

Mr. FAIRWEATHER: What regulations do you have in mind?

Mr. CADIEUX: For instance, the rental regulations. If the levels are high you can get better accommodations. The leave regulations may be relevant.

Mr. FAIRWEATHER: What is the policy in regard to providing housing accommodations in some of these places? Is this being pursued at the present time?

Mr. CADIEUX: Yes, this is a problem that requires a good deal of attention because it is important for the staff serving abroad.

What is happening is that the departments which have employees abroad, in consultation with treasury board staff, have set certain ceilings for all countries and within these ceilings departments can authorize rentals on the understanding that a proportion of the rent is deducted from what is given to the employee abroad; the proportion varies as well as the ceilings, depending on the class of the employee. For instance, an employee may be expected to pay \$60 rent if he were in Canada, and this will be deducted from his salary. But, for the amount he has at his disposal he may not be able to attain the kind of accommodation he needs at a certain place and the department will pay a higher amount for him. But, if the rental required to be paid goes above a ceiling then the various departments can make a special submission to treasury board.

Mr. FAIRWEATHER: This is fine but I cannot imagine accommodation anywhere at \$60. I presume that is a fictional figure you used?

Mr. CADIEUX: I gave it as an example rather than an actual figure; it could vary from \$90 to \$160.

Mr. FAIRWEATHER: Well, that is comforting. What is the situation in respect of building houses in these various parts of the world where Canadian public servants will live and in that way we would not have to bother with this?

Mr. CADIEUX: There are two aspects; one is the provision of residence to the head of mission because under the regulations the head of mission is entitled to have a residence. It is either rented or built. But, there is a problem for staff.

Mr. FAIRWEATHER: I am thinking really of the juniors.

Mr. CADIEUX: The policy here is to provide accommodation mainly in areas where it is very difficult to obtain accommodation. If the government have accommodation, naturally they want to use it, and when people have completed their tour of duty and have to be replaced with other persons, the accommodation that is government owned is not always ideal. There are problems in respect of schools; there are problems in respect of churches and there may be problems in respect of communications. All these may combine to make a particular location attractive for one employee but less attractive for another.

The other problem which arises when accommodation is owned and provided for employees is a problem of administration. Furniture has to be provided and certain controls have to be maintained. This adds to the administrative burden.

Mr. FAIRWEATHER: I have one or two short questions, Mr. Chairman, and it might be convenient to ask them now.

Can you make some comment in regard to the provision of adequate news services for our staff overseas? For instance, the C.B.C. news is mailed from Rome to the Far East and arrives there five or six days later.

Mr. CADIEUX: Yes.

Mr. FAIRWEATHER: Surely this news could be coped with in a more expeditious fashion?

Mr. CADIEUX: This is something which requires improvement.

Mr. FAIRWEATHER: Would you suggest that this committee make some recommendation in this regard?

Mr. CADIEUX: I think it would be satisfactory for the committee to make recommendations if it was inclined to do so. I must say that I feel the missions should have information but, just what kind of information is more difficult to say. The situation needs a good deal of examination; however, the department does already provide a good deal of information and I think is very conscious of the need. For instance, we are providing now the C.B.C. news bulletin. It goes to a number of the missions, and we provide specific missions certain information by telegram.

Mr. FAIRWEATHER: It is my understanding that the news goes to places where regular news channels are adequate such as Rome, Paris and London, but does not go to the parts of the world which perhaps do not have these facilities of the ordinary news media.

Mr. CADIEUX: Yes. As I say, we are supplementing this system by telegram, and as the Telex system is introduced we will have an opportunity of sending a great deal more at a cost that is realistic. The use of the ordinary telegraphic communications system involves a very substantial cost.

Mr. FAIRWEATHER: My last question is one that I hesitate to ask at 10.25 in the evening, but is there any chance of removing these silk screen paintings and providing something a little more appropriate? I understand we have these paintings all over the world. I am told that the national gallery has a basement full of very representative, shall we say, paintings and other objects. Is there any policy in this regard?

Mr. CADIEUX: There is a policy in respect of obtaining objects of art and paintings for missions abroad within the limitations of our budget which is \$15,000. We do buy paintings and send them out.

Mr. FAIRWEATHER: You do not have to buy them. I understand we have a great many right down-town here in Ottawa.

Mr. CADIEUX: The gallery has loaned some of these paintings to us, but one of the difficulties in this regard is that the gallery uses these pictures for exhibition and educational purposes in this country, and if they are spread around at our missions the handling of them becomes tremendous and the availability, when they are needed, a little more questionable.

Mr. GELBER: I should like to ask two questions in respect of services. When a foreign service officer goes abroad on a tour of duty he receives certain perquisites. What happens to his income position when he returns to Canada from his tour of duty abroad at which time he loses these perquisites to foreign service?

Mr. CADIEUX: Some of these perquisites are put at his disposal to compensate for the increased cost of living, so that in theory when he returns to

Canada he should not lose anything in particular. An individual such as you have described receives a rental allowance to help him obtain accommodation in places where accommodation is more expensive than here, so that again when he returns his position is the same as that of every civil servant.

On the representational side many things are put at his disposal. When he comes back an attempt is made to help him: he is allowed a certain length of time in a hotel at public expense while he finds accommodation. He can readjust himself when he gets into a new house as a result of a special kind of compensation which is given, and this is something for consideration. Removal expenses are paid, but as you know, it is difficult to avoid incidental expenses of one kind and another. Theoretically they are returned to their Canadian salary and this is the salary which is set up by the civil service commission and the treasury board.

The CHAIRMAN: I see three senior officers with their hands up indicating they wish to contribute some information in this regard.

Mr. GELBER: Does the salary change in respect of these men represent very difficult problems to these officers when returning home?

Mr. CADIEUX: There is an attempt made to cover removal of expenses. Whether we are completely successful or not, I would not suggest is the case. It is always necessary however to guard the public money to make sure there is no extravagance and there is some kind of control. This is a problem that our people are expected to face every few years when they make a major move, and dislocation is a problem.

Mr. GELBER: Mr. Cadieux in his evidence before this committee the minister paid a very fine and well deserved tribute to the service. He said that the tasks which we give to his department are not accompanied by additional means provided to fill some of these tasks. He felt that the department, in order to fill all the tasks that were placed upon it, needed additional facilities. I wonder whether you have anything to say to the committee about plans which may have been made in the department in respect of the type of facilities required, keeping in mind the expansion necessary to complete some of these tasks which are placed on the department as a result of our international responsibilities?

Mr. CADIEUX: I can think of three aspects which I think will require some attention. The first is in relation to personnel. I think the responsibilities of the department are expanding very quickly, and will continue to expand at this rate in the future. We need a larger staff. We need more officers and more people of the right kind who will come to Ottawa and take up posts abroad. This situation is the same as that which applies to nurses or other professional individuals, they must have some vocation. While the allowances are important, no amount of money will compensate for some of the hardships suffered in respect of isolation for instance. We need more staff, but another problem we have to face is the expense involved in enlarging our staff. Our experience is that when individuals reach the age of 30 to 45 they have children and find it very difficult to give their loyalty to the department and not to transfer it somewhere else. They must make a difficult choice in respect of loyalty to the service and loyalty to their families, particularly having regard to the educational opportunities provided for their children. They must decide whether to leave their children in a place where the educational opportunities are equal to those in Canada and live alone at their posting, or take their families with them, accepting sometimes lower standards of education.

Some individuals feel they cannot remain with the department and must find another job in Canada for a number of years so that their children will have these educational opportunities which are provided here. This is a very great problem. There are many ways of approaching it. Adequate money is important but represents only part of the solution. Many factors are involved

including the type of posting they may receive, the work they may be required to do, as well as other factors. This problem is something which requires continued and serious attention and represents perhaps the most important problem we have to face in respect of staff. If we intend to attract young men of ages 23, 24 and 25 we must not face the possibility of losing them after they are trained when at the age of 30 or more. This results in a very unsatisfactory situation. We must solve the problem in such a way that we can count on the loyalty of these individuals throughout their careers.

Another problem we must solve in the near future involves a situation here in Ottawa where we find our employees scattered throughout the city in seven or eight different buildings. This situation affects the morale of our personnel and the efficiency of our administration. If we could have one building of our own of sufficient size to house our whole department it would help the situation. The same is true in respect of facilities we have at our disposal. This does not involve a request for something that is extravagant, but something that is indeed necessary to the proper performance of our jobs.

I must say that this is something we in conjunction with the treasury board and the civil service commission, are looking at with great attention, and we feel that an examination in this regard must be pursued vigorously.

It takes a good deal of examination and care and must be pursued vigorously.

Mr. LACHANCE: Do the other countries have the same problems?

Mr. CADIEUX: In respect of the recruitment? Yes.

Mr. LACHANCE: Do you believe we in Canada have more problems than do some of the other countries?

Mr. CADIEUX: No; I do not think we have more.

Mr. LACHANCE: It is not a problem which is special to Canada?

Mr. CADIEUX: No. It is a problem which we are finding because we are expanding in areas where conditions of living may be very different from those to which our people are accustomed. One problem we find is in respect of those who joined our service perhaps 15 years ago, and their children now are at a school age which makes it difficult for these persons to live in some other country.

Mr. LACHANCE: My last question is in relation to what you said concerning these young people who enter the service at perhaps 22 years of age and leave at the age of 30. Is there a large proportion of these persons who enter the department and then leave after three, four or five years service?

Mr. CADIEUX: There is not a great proportion, but there is a disturbing number. This is why I say it is something we must look at carefully. We go to great trouble to recruit these people. At the time they are recruited they are convinced they have found a good career. Then, in a few years they come and say that they cannot continue in the service because of family responsibilities. These are persons who like the service, want to stay, but say they cannot.

Mr. LACHANCE: What stops you taking on persons over 31 years of age?

Mr. CADIEUX: It is possible to take people who are over 31 years of age.

Mr. LACHANCE: They may be more serious people.

Mr. CADIEUX: Quite often people of this age are successful in other employment and would be able to command a salary which would be higher than what we can offer. Another problem is that if we offer them a salary equivalent to what they have been receiving, they may be receiving more than others already in the service. This might have a demoralizing effect; it might affect the loyalty of the other employees and some of them may say "I am

willing to go to these posts, but when something good comes up you must not give it to someone else."

Mr. LACHANCE: Are the salaries attractive enough to encourage young people to remain in the department?

Mr. CADIEUX: There is a tendency for the salaries to lag behind those of private enterprise and those of persons in academic employment. I believe that dedication to and interest in the service is the prime motivation.

Mr. KLEIN: What is the span of employment of persons in your department?

Mr. CADIEUX: We expect them to serve until they reach the retirement age of 65. Advancement is on the basis of merit in the service, and in other comparable departments. If anything happens to disturb that, then immediately loyalty to the service is affected.

Mr. KLEIN: What ought to be done to make it attractive?

Mr. CADIEUX: I think you will find that the answers are obvious. One is the employment of the salary scale; another is the provision of promotion on a reasonable basis within the department. Those people who accept positions naturally feel they should gradually go up and attain senior positions, and if this is the case they are willing to accept positions in the service. But, in the case of married people with children, this is where it is particularly important to make arrangements to provide some kind of compensation. We can do this perhaps by providing, for instance, board, in the case of children who have attained university age. We do not do this now. For instance, an employee is abroad and has two or three children who are getting close to university age. Their father faces the problem of tuition in any case. However, board is not covered once they get over the age of 18 or 21. For instance, five years from now, a certain officer's children will be at university age and he cannot possibly cope with the situation.

Mr. KLEIN: In many of these postings do you not try to post the man who has children of university age in a position where the children could go to a university?

Mr. CADIEUX: Yes, we try, where this is possible. But, some people are interested in a certain type of education for their children. It would be ideal if we could do this in every case but, unfortunately, we cannot. When an officer has three or four children who are at a certain critical age in so far as education is concerned if we could send him to a place of his choice he would have no problem, but unfortunately, very often we cannot do that, or there are too many involved. You could possibly do it for one but not for two or three others in the same situation.

Mr. DEACHMAN: What is the situation in Great Britain? They have had a great deal of experience in this.

Mr. CADIEUX: I think they have the same problems. But then, you get into problems of mentality. There are some people who are willing to consider educating their children away from them but you have a group of people who think this is impossible. This is a factor that must be recognized.

Mr. MACQUARRIE: I have a supplementary question. Is the rate of drop-out higher in your department than in other departments of the Canadian government?

Mr. CADIEUX: I have no comparative figures.

Mr. MACQUARRIE: It might be interesting to look at that.

Mr. CADIEUX: This is something we will discuss with the civil service commission when we go to them with certain suggestions. There is quite a movement, I think, in and out of the civil service. I am not suggesting this is a bad thing, but in our department when we go to a good deal of trouble to

train people, and we appeal to a special attitude towards representation of the country abroad I think the blow is harder.

Mr. THOMPSON: I hesitate to bring up a new subject at this hour, but I think it is very important, and I would like to have Mr. Cadieux's opinion. I am very disturbed that one of the penalties anyone entering foreign service in Canada has to pay is the fact that his franchise is taken away. We are one of the countries which has not made provision for such people to retain their right to vote. Could this matter be brought up at this time?

The CHAIRMAN: Yes, certainly, under item 1; and then we will pass to item 50.

Mr. THOMPSON: I want to be very brief on this, but I think it is a very important item. I would like to have Mr. Cadieux's opinion on this matter.

Canada's representatives abroad in diplomatic, trade and other types of foreign assignment do not have the privilege of exercising their franchise; therefore could the committee recommend to parliament that franchise be extended to Canadians in foreign service?

Mr. FAIRWEATHER: This was discussed in the Commons this afternoon and the Secretary of State informed us that the committee on privileges and elections had made recommendations. Also the new commissioner, who I think was the chief electoral officer, will be studying this in order to find a solution to this problem.

Mr. THOMPSON: I was not there this afternoon and I did not know it had been brought up, but perhaps it is good to hit it again here.

Mr. DEACHMAN: We do have the franchise now for the armed forces abroad. In view of the fact that arrangements already exist for the franchise of the armed forces abroad maybe they could be extended to include other members of the government service...

Mr. LACHANCE: Why not include all Canadians living out of Canada?

Mr. THOMPSON: It is quite a different situation. I would like to ask for Mr. Cadieux's opinion.

Mr. LACHANCE: Why not say "and other Canadians"?

Mr. CADIEUX: This was raised before and considered before, and it came very close to being accepted. The idea was to use the machinery that was set up for the armed forces to allow foreign service employees, in the area where the machinery existed, the same privileges.

Mr. FAIRWEATHER: This is not good enough.

Mr. CADIEUX: This is one of the objections. If you can set up the machinery where there are armed services, why can you not do it elsewhere in other areas? Here you get into another problem. If you do it elsewhere—that is, everywhere—are you going to do it just for the employees of the government or for all Canadians?

Mr. LACHANCE: For all Canadians.

Mr. THOMPSON: All Canadians.

Mr. CADIEUX: Then you get into another set of problems and you might find yourself in the situation where a permanent register of voters may be required. There are complicated implications here and I am not sufficiently expert in these electoral matters to be able to discuss them in detail.

Mr. THOMPSON: New Zealand and Australia, both smaller countries, have provisions under which every national can vote, whether he is on foreign service or not.

Mr. CADIEUX: It depends how the electoral system is set up.

Mr. BREWIN: I would suggest that we leave the details to the committee on privileges and elections. With Mr. Castonguay there they will go over it for hours and hours, and I do not think we need go over the details.

Mr. MACQUARRIE: If it were much earlier in the day I would raise this question with a great deal of vigour.

Mr. DEACHMAN: It will be up to them to object.

Mr. FAIRWEATHER: They are already dealing with it.

Mr. LACHANCE: May we say "all Canadians"?

Mr. THOMPSON: I think it includes all Canadians on foreign assignment.

Mr. LACHANCE: I do not mean all Canadians on assignments but "all Canadians". There is no reason why we could not manage to get all Canadians to vote.

Mr. FAIRWEATHER: This is an external affairs committee. Let the privileges and elections committee worry about this. We are worried about the foreign service.

The CHAIRMAN: Now may we pass on to item one?

1. Departmental administration, \$7,648,800.

Item agreed to.

Now let us move on to item 50, which is under external aid office.

50. Salaries and expenses, \$652,600.

The CHAIRMAN: It is moved by Mr. Brewin and seconded by Mr. Thompson that the Committee include in its Report to the House the following:

Having regard to the fact that reputable private organizations are concerned with many worth-while projects in the field of external aid and that they raise substantial sums of money for such purposes but they need additional funds from time to time to carry out such projects:

This committee recommends that certain sums be made available in future estimates to enable grants to be made to assist private organizations in projects in the field of external aid which are approved by the external aid office.

Mr. GELBER: This is a very broad resolution. I think before we deal with a resolution such as that we should have people brought before this committee who can discuss it with us. I have not heard it done at our meetings. We have not gone into any details with a resolution as broad as that. I know that is what Mr. Fairweather has in mind. It is a very limited proposal. If he wishes to say specifically what his proposal is, I would support it. It is very broad and it involves a lot of associations who are going to come here. Who is going to sit in judgment? I think this should be discussed in great detail. I suggest that a resolution as broad as this be left for another meeting.

The CHAIRMAN: Is there any other comment?

Mr. GELBER: We just have a quorum and if you are not going to be reasonable, I shall leave.

Mr. BREWIN: May I comment, this is a limited project of external aid, and it is limited to those which have the approval of external aid, and it would undoubtedly be subject to the treasury board.

Mr. GELBER: There is no doubt about that.

Mr. BREWIN: The committee would see it in the estimates and complain if we started to go into any extravagant suggestions.

Mr. DEACHMAN: I would prefer to tackle the institutions one at a time rather than make a blanket resolution.

The CHAIRMAN: I do not know how the reporter would get all this down.

Mr. KLEIN: I do not think history will mind too much.

Mr. GELBER: I move that the resolution be considered at the next meeting of this committee.

The CHAIRMAN: Have we a seconder?

Mr. LACHANCE: When is the next meeting?

The CHAIRMAN: All those in favour of the amendment—I am sorry, I mean of the motion of Mr. Gelber seconded by Mr. Deachman?

Mr. LACHANCE: I would like to know when is the next meeting?

The CHAIRMAN: This would be at the pleasure of the committee. I had hoped this might be the last meeting.

Mr. LACHANCE: When is the next meeting?

The CHAIRMAN: All those in favour? Those opposed? I declare the motion lost.

Motion negatived.

Now we have the motion by Mr. Brewin. Are we ready for the question? All those in favour? All those opposed? I declare the motion sustained.

Motion agreed to.

I believe there was another motion which was referred to the steering committee. Is it your wish Mr. Brewin?

Mr. BREWIN: It was referred to the steering committee and it was approved subject to the steering committee, to be put in a correct form. I will submit a draft to the other members of the steering committee. I do not think this meeting need worry about it.

Mr. THOMPSON: Mr. Chairman, I suggest before we adjourn you set at your convenience the time and date of the next meeting.

The CHAIRMAN: Then, in light of Mr. Brewin's comments and those made by Mr. Thompson I take it that item 50 should be left open?

Mr. THOMPSON: No; it is passed. It has nothing to do with this.

Item agreed to.

The CHAIRMAN: The suggestion is that the committee will be called to consider the recommendation of the steering committee before the conclusion of this parliament. Am I correct in that connection?

Mr. LACHANCE: Yes, before the end of this session.

Mr. FAIRWEATHER: I think we should thank everyone; they have been very patient.

Mr. LACHANCE: I move the meeting adjourn.

Mr. MACEWAN: I second the motion.

Some hon. MEMBERS: Agreed.

