

Bulletin

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THE ROLE OF THE DEPARTMENT OF EXTERNAL AFFAIRS

In presenting the 1970-71 estimates for the Department of External Affairs to the Standing Committee on External Affairs and National Defence on March 24, Mr. Mitchell Sharp, Secretary of State for External Affairs, described his Department's functions at home and abroad. Part of his statement follows:

...In Ottawa, the Department is active at all levels in the work within the Government on trade matters. In negotiations at international organizations affecting our exports, such as the General Agreement on Tariffs and Trade and the Organization for Economic Co-operation and Development, the Department plays a leading part. At our missions abroad, External Affairs personnel work closely with foreign governments to secure favorable treatment of Canadian goods. They also operate in support of the activities of the trade commissioners to help get orders and contracts for Canada. Officers from External Affairs are frequently sent abroad to deal with specific trade difficulties that arise with other governments. As an example, within the past fortnight an officer of this Department has led small teams to work out serious trade problems in Mexico and to open up trade opportunities in Australia and New Zealand.

There are other dimensions to the economic activities of External Affairs, questions of air transportation which always involve government-to-government negotiation, the joint management of international

waters with the United States, the whole area of communications. In certain cases the Department negotiates investment guarantee agreements with other governments. These are important where a Canadian corporation wishes to invest in another country and requires reasonable guarantees as to the convertibility of profits and capital gains and for a proper settlement in case of expropriation or takeover by local enterprise.

Canadian corporations engaged in international trade and investment abroad look to our ambassadors for advice on the political climate and economic stability of countries engaging their interest. Our posts and missions are continually involved in the settlement of claims against foreign governments by Canadian businesses and individuals.

The Department's posts and missions abroad do not represent External Affairs as such. They represent all of Canada, and all the functions of the Canadian Government. They provide services to, and represent the interest of, the provinces and cities. Representatives of provincial governments travelling abroad - or of our cities - find our posts and missions ready to help and they make full use of the services we provide, taking for granted that External Affairs represents them as well.

...Officers of the Department pursue Canadian objectives and put forward Canadian initiatives at the United Nations, at the Conference of the Committee on Disarmament, at the NATO Council, and in our bilateral dealings with other nations.

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CULTURAL AND TECHNICAL RELATIONS

Scientific and cultural exchanges are playing an increasing part in our international relations. Canada contributes to the work of specialized agencies of all kinds - the World Health Organization, the International Labor Organization, the Food and Agriculture Organization. We carry out a large and growing development assistance program in some 50 countries and have special responsibilities as a member of the

Commonwealth and of the community of *francophone* nations. Canada has for many years taken a close interest in the development of international law. We played a leading role some years ago in drawing up international regulations governing air transportation and are currently involved in negotiations regarding hijacking and air piracy. Law-of-the-sea discussions aimed at securing the peaceful use of the seabed and ocean-floor are also a current preoccupation. Again, I am not trying to be exhaustive, I am giving you some idea of the range and complexity of the Department's operations to make two essential points. First, that to operate in all these fields effectively the Department needs the body of experts and experienced officers it has built up, and secondly, that the notion that Canada's complex of international relations and responsibilities could be carried out on an *ad hoc*, minister-to-minister, official-to-official basis will not stand up to a moment's scrutiny.

As a responsible member of the community of nations and above all to serve our basic national interests, Canada must make its presence felt and its voice heard throughout the world and in the multilateral bodies where so many decisions that can affect Canada's security and prosperity are made. This is the central function of the Department of External Affairs and it is carried out with skill and patience by its able and experienced officers.

It has been said that Canada has no enemies in the world, only friends. I think there is truth in that, but what is also said, that for this reason Canada has less need than others of a diplomatic service, is not true. In fact, the closer the contacts with any given country the greater and the more numerous the problems and conflicts of interest. Canada has no closer friend than the United States. We share this continent north of the Rio Grande and day-by-day the multiplicity of contacts gives rise to a multiplicity of problems that have to be managed and solved, occupying a large proportion of the time and energy of the Department.

The Government's fight against inflation is inevitably placing even greater strain on the Department's limited resources but I am determined (and in this I have the full support of my officials) that the Department will continue to meet its responsibilities, and to protect Canada's basic national interests in their external dimension. At the same time, I would be less than honest if I were to suggest to members that our posts and missions will be able to perform all the services they have provided in the past, particularly to travelling delegations and individuals. In a time of financial retrenchment services that are helpful but not essential must suffer. The External Affairs establishment abroad has never been more than barely adequate to meet the demands placed upon it. To serve our essential national interests, when the current campaign against inflation ends, the Department must be encouraged to grow with Canada's growing activities and responsibilities in the world environment.

Before this session ends I shall be presenting to Parliament a series of papers on Canadian foreign policy in the Seventies. These are the result of nearly two years' work by the Department in co-operation with other interested departments and agencies. I look forward to discussing these papers in this committee. This will provide us with an opportunity to discuss the work of the Department in greater detail.

TEN-YEAR COMPARISON

In the 1959-60 fiscal year departmental operations and capital expenditures totalled \$19.7 million. This represented six-tenths of 1 per cent of total government expenditures. The strength of the Department was then 335 foreign service officers and 1,625 support staff.

Ten years later, total departmental expenditures for operating and capital cost totalled \$56 million, or four-tenths of 1 per cent of total government expenditures, and the strength of the Department was 485 foreign service officers and 2,584 support staff.

A growth of 150 officers in a decade is not unreasonable. On the contrary, only careful planning and consistent economy of operation has enabled the Department in this period to assume the added burdens of 17 new missions, a fivefold increase in development assistance programs, a threefold increase in consular services, the support of new or vastly-increased cultural and information activities, new initiatives toward the *francophone* world, increased activity in disarmament negotiation — and this again can only be a partial list.

The expenditures of all other departments operating abroad have doubled during the same period, reflecting the growth in the range and complexity of Canadian interests abroad. As one would expect, there has been a consequent increase in the time and effort required of the Department in the co-ordination of Canadian Government activities in every country and multilateral organization where we are represented, to ensure that Canadian policies and activities are carried out in an orderly and coherent manner. This expansion of overseas activity by the totality of the Canadian Government has involved a considerable increase in the workload and expense of the Department in providing the increased administrative support required.

FINANCIAL CUTBACKS

As part of the Government's campaign against inflation, it was announced last summer that, except for certain high priority activities, departments would be expected to absorb price and wage increases and to maintain their estimates next year at levels prevailing for 1969-70. This has been a formidable task. Inflation is not a problem only in Canada. Around the world, wages, prices and rents are escalating rapidly and we estimated that we would have required an increase of some \$7.5 million just to maintain our operations at the 1969-70 levels. In view of the

PRECIOUS PAINTING TO EXPO 70

A fourteenth century painting by Simone Martini of Siena has been lent by Canada to Japan for display at Expo 70, in Osaka.

Jean Sutherland Boggs, director of the National Gallery describes the delicate portrait of *St. Catherine* as "one of the most beautiful and precious works in the national collection" and "a work of great historical importance". It is the only painting being sent to Japan from the National Gallery collection. The tempera work on arched panel is of modest size - 32³/₄ inches x 16 inches. It was painted about 1320 as the left wing of an altar-piece in San Francesco, Orvieto.

Like Expo 67 in Montreal, Expo 70 features art from around the world in its Museum of Fine Arts. Works by Canadian artists are being loaned by provincial galleries and museums.

Dr. Nathan Stolow, director of the National Conservation and Research Laboratory of the National Gallery, took the painting to Japan in a hemetically-sealed case that provided an environment for the painting identical to the environment of the National Gallery. This effect was achieved by the use of silica jell, a conditioning material that prevented the wooden panel from either drying out or becoming excessively damp. Dr. Stolow explained before his departure that paintings on wood panels were more susceptible to excessive dryness or damp than those on canvas.

The changeability of the Canadian climate is such that museums need special atmosphere-control systems to prevent damage to certain works of art. Because the system in the National Gallery does not function as well as it should, certain fragile works, including *St. Catherine*, are exhibited in protective cases. Another example is the wooden sculpture *Tobias and the Angel*, which is kept in such a case.



St. Catherine

The National Gallery of
Canada, Ottawa

CANADA'S FOOTLOOSE YOUNGSTERS

The Canadian Welfare Council's national survey of transient youth in the summer of 1969 has uncovered urgent problems, including a lack of services and hostile community attitudes toward transient youth that must be overcome before the beginning of the summer holidays. The Council is convinced that more young people will be on the road than ever before.

A 147-page report of findings and recommendations on transient youth in Canada was released by the Council in Ottawa in March.

According to Reuben C. Baetz, executive director of the Council, the purpose of the inquiry was twofold: to provide a profile of young people on the road, and their needs, and to assess how communities respond to them.

Mr. Baetz describes the main points of the report in the following words:

"By far the largest number of young wanderers are ordinary, healthy, reasonably well-adjusted individuals who are on the road for a summer holiday or looking for work. But Canada lacks services and accommodation for these young people. Hence our

recommendations include the need for hostel accommodation, travellers' aid services, better student employment opportunities, youth residences, and so on. But we are particularly concerned about the troubled youth among the transients, some of whom have been travelling three years - those who are left on the road when the other summer travellers have returned to school and jobs. This is a smaller group of severely damaged, sick, and often drug-dependent youth. We hope our report will make a useful contribution toward a more constructive approach to their problems."

Interviews were conducted with a sample of 119 young transients. The survey included Vancouver, Winnipeg, Toronto, Ottawa, Montreal, Halifax, Sault Ste. Marie, Thunder Bay, Edmonton, Calgary and places such as Banff National Park - anywhere young people were likely to stop on their peregrinations throughout Canada. Besides visiting these centers and conducting personal interviews with some 140 agencies, the Council gathered information by mail from Victoria, Regina, Sudbury, St. Catharines, London, Niagara Falls, and Kingston.

FAMILY BACKGROUND

The interviews were arranged in collaboration with the youth projects operated by and for young people. The interviewers were young men and women identified with "the contemporary youth scene".

Some of the findings and observations were as follows:

Families of the young people interviewed are significantly larger than Canadian families generally. Families with five or more children were almost twice as numerous in the sample as in the general population (26.2 per cent compared to 14 per cent).

More than half the fathers of those interviewed are in managerial, professional and technical occupations, compared to 23 per cent for the population generally. Youth transiency would appear to be a phenomenon associated primarily with middle and upper income families, with no significant differences between boys and girls.

Striking differences are apparent in the family backgrounds of male and female transients. Eight per cent of the boys are from families with only one parent in the home; the proportion increases to 45 per cent among the girls.

Only 19 per cent of the young people interviewed had severed all contact with their families. Over half reported they maintained regular correspondence with their families by mail, telephone calls or visits. There was a strong impression that many parents accepted, if not wholeheartedly approved, the transient life of the respondent.

With the exception of 12 individuals, who had attended elementary school only, these young people had been or still were in university or high school. In most cases, their attitude toward the school system was critical or hostile. About 50 per cent of them said they had been in trouble in school. The most pointed criticisms described the school as boring, restrictive of initiative, freedom and creativity, rigid, regimented and authoritarian.

Fifty-four per cent had been travelling over six months, and more than half had been on the road for two years or more. Most of the confirmed itinerants were males 18 years of age and over, of whom 24 per cent had been on the road three years and more.

REASONS FOR TRAVELLING

There seemed to be three main reasons for travelling: (1) To escape from problems in the home (20.3 per cent); (2) to see the country, to seek adventure (28.2 per cent); (3) to gain new experience and understanding of oneself and other people and places (51.5 per cent).

Trouble with the police was mentioned as the biggest problem by 47 of the youth, accommodation by 36, food by 29, money by 23, employment by 16, health by 9.

Employment was given as the means of subsistence by 73 of the 119 young people, assistance from friends by 40, dealing in drugs by 34, pan-

handling by 35, savings by 23, family by 19, social assistance by 14, and stealing by 11 (each respondent mentioned one or more items).

Fifty-nine per cent enjoyed the life they were leading; 23.9 per cent said it was only partly satisfying and had its disadvantages; 17 per cent said it was not a desirable kind of life, lacking security and inducing depression.

USE OF DRUGS

All respondents with three exceptions claimed to have used drugs, and for most of them their first experience had been with marijuana. About 20 per cent said they had had some experience with "hard" drugs. About a dozen said they had "pushed" drugs. About half said they began using drugs between the ages of 14 and 16; two said they began at 11 years and two at 13; the remainder said they began when they were over 16. There was variation in attitudes of youth to drugs, from, "It's great if used intelligently and responsibly", to expressions of anxiety about impurities of supplies, infection from needles, and mental health effects.

FEBRUARY HOUSING STARTS

Preliminary data released by Central Mortgage and Housing Corporation show house-building activity continued at a low level during February, with 5,078 dwelling units started in urban centers. This was a decline of 53.7 per cent from the unusually high February 1969 level of 10,974 units.

When allowance is made for seasonal fluctuations, starts in all areas changed little from an annual rate of 160,000 units in January to 156,900 units in February. These included a slight improvement in starts of single-detached dwellings and some further easing in apartment and other multiple-unit starts.

Compared to last year's figure, the decline in February affected all types of dwelling with starts of single-detached dwellings down by 32.7 per cent, from 2,408 units to 1,621 units, and apartment and all other types of dwelling by 59.7 per cent, from 8,566 units to 3,457 units.

CMHC points out, however, that February 1969 figures reflected an extraordinary increase in institutional mortgage lending activity in the closing months of 1968 and the first few months of 1969. Most of the lenders were particularly active in making loans for rental dwellings during that period.

During the first two months of the year, starts in urban centers totalled 11,927 dwelling units, 46.5 percent fewer than those of the year before, a decline of 40.6 per cent in starts of single-detached dwellings and a 48.6 percent decrease in all other types.

The value of gold production in Canada in January, calculated at the average price paid by the Royal Canadian Mint, was \$8,017,937.

HAZARDOUS PRODUCTS SYMBOLS

Mr. Ron Basford, Minister of Consumer and Corporate Affairs, has announced regulations requiring new warning labels on poisonous, flammable, explosive and corrosive products in everyday household use.

Under the new requirements a uniform set of symbols will show both the type and degree of hazard, and warning statements and basic first aid information will appear on labels in both English and French.

“Mounting evidence in poison-control centers and hospital emergency wards across the country demonstrates the need for this measure,” Mr. Basford said. “Thousands upon thousands of deaths, injuries and poisonings can be avoided by helping people know the dangers of products found in every household.”

The new set of symbols have been pre-tested in Ottawa area schools, where a high percentage of children have grasped their meaning instinctively.

Mr. Basford said that it would still be necessary to educate children on the precise meaning of the symbols, but he hoped to have the support of parents and teachers in making the program effective.

The new regulations, the first issued under the Hazardous Products Act, deal specifically with consumer chemical products such as bleaches, polishes, sanitizers, glues and cleansers.

DESIGN OF SYMBOLS

The symbols developed by the Consumer Affairs Bureau represent four hazards: a skull and crossbones mean poison; a flame means flammable; an exploding ball means explosive; and a hand inserted into a container of liquid means corrosive.

Each of these symbols is placed inside an outline which shows the degree of severity of the hazard. An octagon, like a traffic stop sign, means danger. A



DANGER/POISON



DANGER/FLAMMABLE



DANGER/EXPLOSIVE



DANGER/CORROSIVE



WARNING/POISON



WARNING/FLAMMABLE



WARNING/EXPLOSIVE



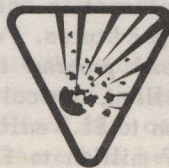
WARNING/CORROSIVE



CAUTION/POISON



CAUTION/FLAMMABLE



CAUTION/EXPLOSIVE



CAUTION/CORROSIVE

diamond, like a traffic warning sign, means warning. A triangle, like a traffic yield sign, means caution. There are 12 symbols in the full series which may be used in various combinations.

All chemical consumer products set out in the regulations must carry the appropriate symbol on the principal display panel of the container; the symbol must be a certain size, depending on the size of the container, and the degree of hazard, danger warning, or caution must be stated in a size of print related to the size of the container to assure easy recognition. A warning statement and first aid treatment must also appear on the container.

Establishment of these regulations means that literally all prescribed consumer chemical products sold in Canada must be relabelled. To give manufacturers reasonable time to do this, the regulations will not be enforced until June 1, 1971, after which failure to comply could result in a fine of \$1,000 and/or imprisonment for six months on summary conviction, or imprisonment for two years for an indictable offence.

BOEING TO LOCATE IN WINNIPEG

Boeing of Canada Ltd. plans to build a \$3.2-million plant in Manitoba to produce structural fiberglass on a 136-acre site near the Winnipeg International Airport. Construction will begin shortly and it is expected that it will be in operation by 1971, employing 150 people at the start.

Initially, the plant will produce high-technology structural fiberglass assemblies, such as trailing-edge panels for wings of Boeing 747 “jumbo” jet aircraft.

Mr. Thoralf E. Gamlen, vice-president of Boeing of Canada Ltd., who made the announcement, said the selection of a Winnipeg site followed a review of potential locations all across Canada. “Our selection of Winnipeg was made because this area provides a combination of resources which, in our judgement, most acceptably supports a long-term growth of our aerospace industry,” he stated. “Included in these factors were shipping costs to our principal markets in the United States, access to a suitable airport and the availability of both supporting industry and a qualified work force.”

Mr. Gamlen said that his company was confident of the growth potential of the Canadian aerospace and plastics industry. He also said it was Boeing's intention "that in time, this operation will be totally Canadian - including the management".

THE ROLE OF THE DEPARTMENT OF EXTERNAL AFFAIRS

(Continued from P. 2)

financial guidelines of last summer the Department was obliged to reduce its operations by that amount.

In reducing its operations by an amount of \$7.5 million the Department has very little room to manoeuvre. The Department consists essentially of its officers, support staff and physical plant. Operating costs associated with these are recurrent in nature. There are only three programs that are to some extent discretionary: information abroad, cultural relations and capital expenditures. For the coming year our information abroad program has been cut from \$1.6 million to \$1 million, our cultural relations program from \$1.9 million to \$1.3 million and our capital expenditures from \$7 million to \$5.4 million. These are the maximum cuts that could be made. The information and cultural programs are an essential element in the execution of our foreign policy and the capital-costs program has been cut to the point where the only projects being carried out are those to which we were committed when the cutback was announced.

After these cuts, about \$5 million had still to be found. After long study and careful consideration it was decided to close seven posts and remove all External Affairs personnel from six others. To meet

the \$5-million requirement a number of capable officers and supporting staff had to be laid off. Action of this kind is a bitter necessity and cannot be carried out without adverse effect upon the morale of the Department.

Changes in the organization of the whole foreign service were probably overdue. The world is changing and Canada is changing. Circumstances and priorities change. The able and adaptable people in the foreign service welcome changes that will enable them to do a more effective job in serving Canada's national interests abroad. They want to take the lead in bringing their operations into line with the needs of today and in better fitting themselves to serve the interests of the Federal Government, the provincial governments, the trading community involved in exports, and private individuals.

Not all the changes taking place in the Department are the results of the austerity campaign; there is an ongoing program of renewal that will increase the effectiveness of the foreign service and make it an even more attractive career prospect for some of the ablest of our younger people.

You also have before you the estimates for the Canadian International Development Agency. These estimates total \$334.5 million for development assistance programs under both grants and loans, and \$8.9 million for the administration of CIDA. To the aid vote portion must be added \$30.6 million of appropriations and advances under statutory authority or other departmental estimates, which brings the total Canadian aid approval for 1970-71 to \$365 million. This compares to \$338 million in the 1969-70 fiscal year....