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THE FUTURE OF THE ESKIMOS OF NEW QUEBEC

The following release regarding the eventual transfer of responsibility for the welfare of some 3,000 Eskimos living in northern Quebec from the Federal Government to the government of the Province of Quebec was made by the Prime Minister on July 9:

In my press conference of July 8, I summed up federal policy regarding Eskimos in these words:

"We have certain obligations in the Federal Government to those indigenous inhabitants in Canada who have been placed under federal responsibility. It may well be in the future that many of these matters can be dealt with within provincial boundaries more effectively by the provincial administration than by a federal administration, and that is what we are considering. It will be done, if it is done, by stages with the interests of the indigenous people very much in mind, and in harmony with their views."

I have since asked my colleague, the Minister of Northern Affairs and National Resources, ... to prepare a full statement on federal policy regarding services for Eskimos in Arctic Quebec, including reference to recent developments. That policy statement is as follows:

Recent events have to some extent obscured the record of negotiations and solid accomplishment with respect to the Eskimos of Arctic Quebec. Yesterday's statement clearly reaffirmed the position of the Government of Canada with respect to the gradual extension of provincial services to the Eskimo people commensurate with their growing involvement in Canadian life and subject always to full consulta-

tion and in accordance with the wishes of the Eskimos concerned. In addition, the long-term objective of full Eskimo participation in the Canadian and provincial community was implicit.

BACKGROUND OF THE QUESTION

To go more deeply into the background, under a ruling of the Supreme Court of Canada in 1939, the legislative authority of the Government of Canada for Indians was held to include Eskimos. Since that time, and in particular during the last decade, the Federal Government has been providing an increasing array of services to Eskimos, including a number of matters of greatest importance normally under provincial jurisdiction, such as health, education and welfare.

The Federal Government has taken the position that it is a desirable objective, beneficial to all concerned, that Eskimos eventually enter the mainstream of Canadian life, served by the various levels of government as would be any Canadian. Federal measures in the transition phase recognize the special problems of adjustment involved. This transition is now proceeding more rapidly than in the past, but the need for special services and federal involvement must be considered in longer terms than the immediate future. Nor will the end of this requirement for special federal intervention come at any particular point in time; rather, it must be expected that some federal activity will continue for an extensive period, but that particular services may be undertaken by the provinces, at points in time commensurate with developments.

(Over)

CONSULTATION WITH THE ESKIMOS

The underlying principles, then, consist of an objective, and a philosophy of gradualism in its attainment. One other principle is most important - namely, that, since the efforts of all concerned with this matter relate to the well-being of the Eskimos, the opinions of the Eskimos on this subject are of paramount importance. This is a matter of fundamental human justice. The Eskimo community will progress far more rapidly and maintain its own culture and dignity more completely if it has entire confidence in the governments and other groups with whom they associate.

Therefore, the Government of Canada has taken the stand that meaningful consultation is a necessary prerequisite to any change in matters so important as the administration of the basic government services. "Meaningful" has two aspects - the mechanism of the consultation must be such that the feelings of the Eskimos are properly conveyed to the governments in a way that has the confidence of the Eskimos; and the governments must be prepared to take into account the feelings they discover through such consultation.

FIRST STEPS

With particular reference to current events, yesterday's statement makes it clear that the only current discussions with Mr. Lesage have involved the transfer of surplus equipment at the Mid-Canada Line site at Great Whale River, and the provision by the Province of Quebec of municipal-type services such as power, water, sewage collection and the like to the residents of the community - Eskimo, Indian and white. These are the kinds of service which are normally provided by municipalities and by provinces, and do not involve the "administration of the Eskimo people". The arrangements discussed with the Province of Quebec have provided for prior consultation with the Eskimos and Indians at Great Whale River. One meeting with the Eskimo Council has been held, and another meeting is planned later this month.

With regard to the plans of the province to build a school at Fort Chimo, there can, of course, be no question as to Quebec's right to build and operate this school or schools anywhere else within the province. The provincial school will provide education for the non-Eskimo children of the community as a matter of course and will offer special kindergarten and nursery classes not now available in the federal school to Eskimo children. The province plans, also, I believe, to teach these classes in Eskimo and will be prepared to provide instruction to Grade 1 Eskimo children - also in Eskimo. This in no way limits the right of Eskimo children to attend the federal school at Fort Chimo, which will continue to operate for as long as it may be required. The Prime Minister, in his statement, emphasized this point when he said: "This provincial service in education will, therefore, supplement ours and, as time passes, the Eskimos in Arctic Quebec communities may well decide that all education should be provided to their children by the system the

province will establish". It should be clearly understood that the curriculum of the provincial Department of Education is and has been the basis of the courses of study employed in federal schools in Northern Quebec.

NO FEDERAL ABANDONMENT

The preamble to the understanding reached with the province of Quebec on February 29, 1964, says: "It is agreed that Canada cannot divest itself of its power to legislate regarding Eskimos". Item 4 of the understanding says: "The Governments of Canada and Quebec undertake to consult jointly the Eskimos of Nouveau Quebec" and goes on to set out the meaning of consultation and the fact that such consultation is a prior condition to the execution of any agreement.

It is, therefore, entirely inaccurate to refer to this development as federal abandonment or denial of federal responsibility or a federal "sell-out". What is involved is an arrangement to provide municipal-type services in one community after consultation with the Eskimos and Indians. It is the hope, also, that arrangements can be made with the province for a stage-by-stage, gradual extension of other services, the scope and timing of any such extension to be determined in accordance with the wishes of the Eskimo communities after consultation with them.

CONDITIONS FOR TRANSFER OF SERVICES

The Government of Canada and Quebec have been discussing these matters actively for over two years now. Mutual understanding has grown up between them, taking always as a theme and reference point the welfare of the Eskimos themselves. As the Eskimos outgrow the need for a particular federal service, or if the province can do that particular job as well as or better than the Federal Government, and if the governments, and, most importantly, the Eskimos, so wish, then transfer of the administration of that particular service to the province is appropriate. In its discharge of responsibility towards Eskimos, the Federal Government cannot move more quickly than indicated by these guidelines. It would at the same time be a disservice to the Eskimo community to continue special federal services setting them aside from the rest of Canadian life after all concerned agree that the need has passed. The best interests of the Eskimos require their full participation in the various provincial communities in which they live; otherwise they will find themselves hived off from the rest of the population, and segregated through special federal services in education, welfare and other fields which reach all other citizens through provincial agencies. Implementation of this policy does not mean any diminution of federal authority and responsibility, and the Federal Government stands ready to provide such services as may be required, and must satisfy itself that the standards of services being provided by other agencies are appropriate and adequate. This gradual and agreed progression toward an objective of full and equal participation in Canadian life is the essence of our policy.

STRATFORD SHAKESPEARE SEMINARS

The Extension Department of McMaster University reports that enrolment in the two Shakespeare Seminars to be held this summer in conjunction with the Stratford Festival is almost complete. The second (August 8-14) is already over-subscribed, and the first (August 1-8) is within a few members of the maximum registration.

Every summer since 1960, the Stratford Seminars on Shakespeare both consisting of a week of lectures and discussions supplemented by attendance at plays and operas, have been well attended. Members come from every walk of life and all parts of the continent. This year is no exception - people are coming to the Seminars from as far away as Florida, Colorado and British Columbia. Housewives, lawyers, secretaries and teachers will mingle to form a keen and relaxed band of students.

ROLE OF ACTORS

The contact of the Seminar students with the theatre itself has always been close and, in addition to lectures from scholars, there have usually been contributions from those involved in staging Shakespeare. But this year the part played by members of the Festival company and staff will be particularly important, since, in addition to an actors' symposium during both weeks, Frances Hyland, Douglas Campbell, Eric Christmas and John Hayes, the Festival's production director, will give lectures, and Tony van Bridge and Eric Christmas, who are playing Falstaff and Bardolph respectively, will lead discussions.

Professional drama critics taking part will include Arnold Edinborough, editor of the Toronto weekly *Saturday Night*, Bamber Gascoigne, formerly theatre critic of the London *Spectator* and *Observer*, and Herbert Whittaker, drama critic of the Toronto *Globe and Mail*.

Among the Shakespearean scholars attending will be Gerald Eades Bentley, Professor of English at Princeton University, Maynard Mack, Professor of English at Yale University, J.G. McManaway, Chief Bibliographer of the Folger Shakespeare Library, Washington, D.C., and Miss Muriel Bradbrook of Girton College, Cambridge.

P.E.I. FLORAL STAMP

Details of a special postage stamp honouring the Province of Prince Edward Island were announced recently by Mr. René Tremblay, the Postmaster General. Eighth in a series honouring the official flowers of the ten Canadian provinces and the two territories, it will go on sale July 21.

The new stamp will be issued in the large-size, horizontal format. It will be printed in three colours by a combination of offset lithography and intaglio printing from hand-engraved steel plates. The provincial floral emblem, the lady's slipper or moccasin flower (*Cypripedium acaule*), will appear at the right side and will be printed by offset. The background tone and the provincial coat of arms on the left side will be printed by the intaglio process.

As with the others in the floral series, this stamp was designed and printed by the Canadian Bank Note Company of Ottawa. It will be of the five-cent denomination. A total of 26,510,000 are being issued.

LABOUR DEPARTMENT RESEARCH AWARDS

Fourteen grants with a total value of \$27,712.50 have been awarded under the Department of Labour's University Research Programme for 1965-66. These grants are made annually on the recommendation of a joint advisory committee of the Labour Department and the universities. Their purpose is to encourage research by qualified graduate students and professors, to bring about an increased understanding of the characteristics and role of labour-management relations and of manpower development and employment in the Canadian economy.

In the 15 years since the Department of Labour-University Research Programme was initiated, and including the latest awards, 109 grants have been made, with a total value of \$132,257.

While a report and summary of findings of each research project must be submitted to the Labour Department-University Research Committee, rights to their studies remain the property of the authors who, in many cases, have subsequently had them published.

In co-operation with the International Labour Organization, the Department of Labour also awards annual fellowships for research on labour problems at the International Institute of Labour Studies at Geneva. These are available to senior Canadian scholars. This year two fellowships, of \$5,000 each plus travel expenses for the recipient and his dependents, were awarded.

TRAFFIC ACCIDENTS

Motor-vehicle traffic accidents on Canada's streets and highways in April this year claimed 297 lives, a decrease of 3.9 per cent from the April 1964 total of 309, according to a special release by the Dominion Bureau of Statistics.

TOLL BY PROVINCES

The regional death toll in vehicular accidents in April was as follows: Newfoundland, 2 (5 in April 1964); Prince Edward Island, 1 (nil); Nova Scotia, 8 (13); New Brunswick, 12 (8); Quebec, 94 (107); Ontario, 105 (105); Manitoba, 13 (16); Saskatchewan, 8 (16); Alberta, 19 (18); British Columbia, 35 (21); and the Yukon and Northwest Territories, nil (nil).

GLOBAL TRANSPORT FLIGHT

A Royal Canadian Air Force C-130E "Hercules" transport plane flew round the world recently on a 14-day mission. The "Hercules", with a crew of 13, took off from RCAF Station Namao near Edmonton, Alberta, on May 25, stopping at such points as Recife (Brazil), Dar es Salaam (Tanzania), Singapore and Tokyo.

GROUND RULES FOR CANADA-U.S. PARTNERSHIP

On July 12, Prime Minister Pearson and President Johnson simultaneously made public a report submitted to them a few days before by A.D.P. Heeney, former Canadian Ambassador to the United States, and Livingston T. Merchant, former United States Ambassador to Canada. Its title is *Canada and the United States - Principles for Partnership*.

Following the meeting of President Johnson and Prime Minister Pearson on January 22, 1964, Mr. Merchant and Mr. Heeney were appointed "to study the practicability and desirability of working out acceptable principles which would make it easier to avoid divergencies in economic and other policies" of the two countries. A progress report was submitted to the Joint United States-Canadian Committee on Trade and Economic Affairs in April 1964.

CONTENTS OF REPORT

Among the recommendations contained in the Heeney-Merchant report are the following:

Study of the economic desirability of ignoring the U.S.-Canada border in the development and distribution of hydro-electric power;

Extension of the recent agreement on automobiles and spare parts to other areas;

Avoidance by Canada "so far as possible" of "public disagreement" with U.S. foreign policy "in the absence of Canadian interest or obligations";

Close consultation on mutual problems of the balance of payments;

Revision and expansion of the existing machinery for U.S.-Canada consultation.

TRAFFIC IN SECURITIES

Transactions in outstanding securities between Canada and other countries in April resulted in the sixth successive monthly net outflow of capital amounting to \$28.0 million - a magnitude exceeded in this period only by the \$39.1 million net outflow in January. Purchase balances were recorded in amounts of \$11.9 million with the United States, \$9.5 million with Britain, and \$6.6 million with other overseas countries. In the previous month, the net

outflow of \$26.0 million was composed of net purchases of \$23.6 million and \$3.4 million from residents of the United States and Britain, respectively, reduced by net sales of \$1.0 million to other non-residents.

Trade in outstanding Canadian securities in April led to a \$29.5-million repatriation comprising \$3.0 million of bonds and debentures and \$26.5 million of common and preference stocks - the ninth successive monthly net outflow for the repurchase of Canadian equities. Geographically, there were net outflows of \$13.3 million to the United States, \$9.7 million to Britain and just over \$6.5 million to other countries. In March, there were net repurchases of \$16.5 million of Canadian equities and \$0.5 million of bonds and debentures; net outflows of \$13.5 million and \$3.8 million went to the United States and Britain, respectively, while there was a small inflow of \$0.3 million from other non-residents.

CANADIAN HOLDINGS REDUCED

Canadians reduced their holdings of outstanding foreign securities by \$1.5 million in April - \$0.9 million of bonds and debentures and \$0.6 million of common and preference stocks. Residents of the United States and Britain re-purchased \$1.4 million and \$0.2 million, respectively, while other non-residents relinquished on balance \$0.1 million. In March, Canadians acquired on balance \$9.0 million of outstanding foreign securities with acquisitions of \$10.1 million from the United States being reduced by sales of \$1.1 million to other non-residents.

By April of this year, transactions in all outstanding securities in 1965 between Canada and other countries had accumulated to a net capital export of \$119 million - \$79 million to the United States, \$30 million to Britain and \$10 million to other countries. This is substantially larger than the last three successive capital outflows, of \$87 million, \$40 million and \$75 million, which have taken place during the same four months in the years 1962 to 1964. The total capital outflow from transactions in outstanding securities up to April of this year was chiefly the consequence of investment by Canadians in their own equities through the repurchase of \$110 million of foreign holdings.
