



CANADA

CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

Vol. 16 No. 35

August 30, 1961

CONTENTS

Freedom East and West	1	Imports in June	4
Polish Ambassador Installed	3	Credit Contract with Chile	4
St. Lawrence Seaway Traffic	3	Stamp Collectors Harry DOT	5
New CPA Services	3	Printing Trades in 1959	5
Sales and Purchases of Securities	3	Canadians in Satellite Project	6
Guthrie Award Winners Named	3		

FREEDOM EAST AND WEST

The following are excerpts from an address by Prime Minister John G. Diefenbaker to the Weekly Newspapers Association at Halifax, Nova Scotia, on August 15:

"There has never been a time in the history of the world when the free and vigorous expression of public opinion is more important to the survival of mankind than now.

"This is so on the domestic scene and it is even more so in the larger sphere of international relationships.

"All the pronouncements of liberty and democratic freedoms in society are distilled into the everyday experience of living and enjoying them. The right to choose one's own life path, the freedom to be different, the freedom of assembly and speech, the privilege of choosing who shall govern us, and of such simple things as the house in which we live, the church we attend or the store from which we buy, or the employer who hires us, are the priceless inheritances of democracy. The right, if it is to survive, must be in constant exercise and that means public opinion must be, at all times, an effective influence on government action.

DRAFT OF COMMUNIST PROGRAMME

"It seems to me that it was these very priceless things which Khrushchov did not mention when he presented his draft programme of the Communist Party of the Soviet Union on July 30, 1961. What struck me most about this document was not what it promised, but what it did not promise. There was no reference to those

things which in our tradition are basic elements of the democratic concept.

"This long Communist document, with years of preparation and thunderous launching, contained no hint that, in the Utopia which it says is to come, there will be anything which resembles a free election, or anything which suggests that the secret police will no longer be there, eternally vigilant to strike down those who disagree with the regime.

"There were no references to 'freedom of the press' or of the individual. There were no references to freedom of choice, which is the essence of a full life.

"The programme is a most politically primitive document. Let me give you an example. Western democracies which base their political systems on that of England settled some 300 years ago the fundamental problem of political succession. The operation of this system has enabled nations to transfer responsibilities from one government to another in an orderly way, taking into account the wishes of the governed. The acceptance of this principle is the beginning, not the end, of political wisdom.

"The Communist Party of the Soviet Union has never grappled with the problem of political succession. After Lenin's death and again after Stalin's there were periods of years of internal fighting and bloodshed before the successor was established in his dictatorial position. Now, in this new programme announced by Mr. Khrushchov, the first hesitant step is taken toward a solution of the problem.

(Over)

"A Communist Party which (to use Mr. Khrushchov's own phrase) is still at 'A' in the alphabet of government, opens its new programme with thousands of words of contemptuous abuse of Western systems of government, economies and efforts to build just and prosperous societies. Western society and forms of government are decadent, the programme assures us. They are wracked by contradictions and are doomed to failure and to disintegration.

"Mr. Khrushchov has ignored the mighty progress made by Western nations, even in the 45-year period of Communist dictatorship in Russia. He chose to ignore the advance in welfare, the cushions against economic hardship, the freely organized labour unions and the priceless intangibles of freedom of choice in the Western nations. His reference to the inevitable domination of Communism due to the structural faults of democracy ignores the flexibility of Western society.

FREE SERVICES FOR THE UNFREE

"He has promised the Soviet people many things, including free rent, free use of public transportation and free holiday camps. Nothing is said about the individual's freedom in the selection and use of these free services. The Russians are offered free travel without the freedom of travel. He has drafted plans for a house in which the landlord keeps the only key.

"Mr. Khrushchov must know by this time that we in the West are not going to lie down and roll over simple because he tells us in his party programme that we are done for. Let him not, as President Kennedy recently said, prepare a place on the Kremlin wall for the Western tiger-skin until he has caught the tiger.

"His own predictions of a Soviet paradise out-rivalling the West in production is based on the false assumption that we will be standing still.

"Instead of stressing contradictions in capitalist society, perhaps he should consider some glaring ones between the desire of Russian people for a better life and the doctrinaire demands of the party die-hards. While in China the Chinese are exhorted daily to work harder, sacrifice more and be prepared for struggles ahead, the Russians are promised a shorter work week and an easier life. Somewhere between Peiping and Moscow the wires of Communism are crossed.

FREEDOM OF WEST BERLIN

"The Soviet Union has declared its intention to sign a separate peace treaty with the East German regime and turn over to it all control of access to the city of Berlin unless a 'peaceful solution' with the West has been achieved by the end of this year. Thus Mr. Khrushchov says that, with a single stroke of his pen, he intends to terminate Western rights in the city which are based firmly upon wartime and post-war agreements, unless prior agreement is reached with his former allies. He cannot give away what he does not possess, and the right

to abrogate the responsibilities and rights in Berlin of his wartime allies is one of those.

"It is on these responsibilities and rights that the freedom of the citizens of West Berlin largely depends. The people of West Berlin have on many occasions made clear their desire both for a democratic way of life and for the continued presence of the several Western garrisons in their city. The West does not intend to betray the trust placed in them by the citizens of West Berlin and by the free world generally by turning them over to the tyranny of Communist rule.

"To preserve Western rights in Berlin and the freedom of its citizens, the North Atlantic Treaty Organization has consulted and taken certain steps to strengthen its defensive capabilities. At the same time that it has demonstrated its determination through these defense measures, the West has by no means excluded the possibility of negotiation on the Berlin and German problems.

RESILIENT ALLIED POLICY NEEDED

"With a view to eventual negotiation, the West must pursue a policy which, while demonstrating the unity and the determination of the North Atlantic Organization to protect the freedom of the citizens of West Berlin, remains resilient and adaptable to changing conditions, without the sacrifice of principle. The coming months will be trying ones for the West. But, if the Western alliance maintains its unity and calm determination of purpose, there should be no need to fear for what lies ahead.

"The significance of the closing of the border on Sunday between East and West Berlin is receiving urgent study by the Government, and it would be inappropriate for me to make a detailed comment at this time.

"What is clear is that this Communist action adds a new and disturbing element to a situation which already holds dangerous possibilities. It is naturally a matter for serious concern when, by unilateral, illegal and provocative action, tension is increased greatly.

"Mr. Khrushchov and the Kremlin should by now have realized that the crisis which they have manufactured has had the effect, not of causing hesitation and disunity in the Western alliance, but of crystallizing Western strength and Western purpose. It is to be hoped that they will not mistake our determination for desperation, our defensive preparations for aggressive intent. Like any prudent householder, we are adjusting our insurance to the risks we must face.

"As Western nations prepare to engage in what is hoped will be positive and constructive negotiations, they are determined that the starting position will be one, not of uncertainty, panic and alarm, but of united resolution. Mr. Khrushchov should be in no doubt that this represents the free choice of all members of the NATO alliance, and that he will not succeed in any effort to undermine this purpose or to divert us from our determination to preserve the freedom of West Berlin and Western rights to access to the city.

(Continued on P. 6)

POLISH AMBASSADOR INSTALLED

On August 18, His Excellency Zygfryd Wolniak presented his Letter of Credence as Ambassador Extraordinary and Plenipotentiary of Poland to Canada.

The ceremony took place at the Supreme Court in Ottawa. The Chief of Protocol, Mr. Henry F. Davis, presented the Ambassador to the Administrator, the Honourable Patrick Kerwin, Chief Justice of Canada. Mr. Marcel Cadieux, Deputy Under-Secretary of State for External Affairs, and Colonel A.G. Cherrier, Assistant Secretary to the Governor-General, were in attendance on the Administrator on this occasion.

Mr. Wolniak served in Ottawa at the Polish Mission from 1950-52. His last appointment, relinquished to assume his present duties, was that of Director of the Department of Afro-Asian Affairs in the Foreign Office in Warsaw.

ST. LAWRENCE SEAWAY TRAFFIC

The Saint Lawrence Seaway entities have released preliminary cargo statistics for the 1961 navigation season through the month of July, indicating a 10 per cent increase for the Montreal-Lake Ontario Section and a virtual tie for the Welland Canal Section when compared to the final figures recorded for the same period of the 1960 season. The April-through-July cargo for the Montreal-Lake Ontario Section was 10,678,931 tons this year and 9,709,710 tons in 1960. The Welland Canal Section statistics for the same months reveal 14,464,916 tons in 1961 and 14,487,496 tons in 1960.

With both sections, the prevailing pattern of this year's downbound traffic showing substantial increases over last year's, and the 1961 upbound tonnage reflecting decreases from the 1960 recordings is again apparent. For the Montreal-Lake Ontario Section, the downbound cargo through July 1961 totals 7,134,215 tons, a 40.7 per cent increase over the 5,070,344 tons listed through July 1960, whereas a 23.6 per cent decrease, 3,544,716 tons this year and 4,639,366 tons last year, is recorded for the upbound movement. The decrease in upbound cargo for the Welland Canal Section is 24.2 per cent, from 4,551,799 tons through July 1960 to 3,450,990 tons through July 1961, while the 1961 downbound cargo of 11,013,926 tons is 10.8 per cent over the 9,935,697 tons of 1960.

For the month of July only, an increase this year over last year of 19.3 per cent (1,824,885 tons compared to 1,529,312 tons) in downbound cargoes is accompanied by a 16.8 per cent decrease in upbound cargo (1,271,136 tons this July and 1,528,909 tons in July 1960) for the Montreal-Lake Ontario Section. For the Welland Canal Section, the July 1961 upbound cargo of 1,159,135 tons and downbound cargo of 3,147,134 tons represent a 16.4 per cent decrease and a 17.4 per cent increase, respectively, in comparison to the 1,386,957 tons of upbound cargo and 2,679,576 tons of downbound cargo carried during the same month of 1960.

NEW CPA SERVICES

Mr. Léon Balcer, Minister of Transport, announced on August 15 that, pursuant to the Canada-United Kingdom Bilateral Air Agreement, Canadian Pacific Air Lines was being designated by the Canadian Government to operate on the Vancouver/Edmonton/Gander-London route. The Minister also said that Canadian Pacific Air Lines would be authorized to provide international air service to Calgary on its United Kingdom service via Edmonton or Gander, as well as to Amsterdam on its present Polar route.

Mr. Balcer indicated that the Government felt that these moves were logical extensions of the services from Western Canada to Europe that Canadian Pacific Air Lines pioneered with its Polar route, starting in 1955. The new route will enable the company to compete on an equitable basis with foreign carriers for traffic on this important route and its connection to Honolulu and the South Pacific.

He emphasized the fact that the granting of London traffic rights to Canadian Pacific Air Lines would be of considerable economic benefit to all the cities involved so far as concerned the maintaining of employment and the supporting of numerous local suppliers and sub-contractors.

SALES AND PURCHASES OF SECURITIES

Canada's net import of capital from all transactions in portfolio securities during the second quarter of this year totalled \$122 million. This compared with \$55 million in the first quarter and \$102 million in the second quarter of 1960.

The second quarter featured the net sale of \$66 million in outstanding Canadian securities, as large as any sale since the third quarter of 1956; nearly half the amount represented net sales of stocks. Sales of \$165 million in new issues to non-residents were twice the total for the first quarter and four times that for the preceding quarter but well below the figure for some earlier periods. Sales to non-residents of \$119 million of new issues of corporate bonds and stocks were at their highest level since the second quarter of 1957. Retirements of foreign-owned Canadian securities totalled \$96 million and were larger than for any quarter in the last decade.

Residents of the United States purchased \$80 million of outstanding Canadian issues during the quarter, while residents of the United Kingdom resold to Canadians some \$15 million. Residents of other overseas countries added \$1 million to their holdings through trade in outstanding issues.

GUTHRIE AWARD WINNERS NAMED

Three members of the Stratford Shakespearean Festival were announced recently as recipients of the 1961 Tyrone Guthrie Award. In a brief ceremony in the Festival Theatre between the afternoon and evening performances, the presentations were made by Michael Langham, artistic director of the Festival. The three awards, ranging in value from \$1,200 to \$1,500, were made to Lewis Gordon, a member of

the acting company, to Thomas Bohdanetzky, stage manager, and to Sophie Martin, resident milliner for the Festival.

The Guthrie Award Fund, established by the acting company in 1954 as a token of appreciation for the leadership given by Sir Tyrone, has disbursed nearly \$30,000 to actors and theatre technicians of outstanding ability to help them continue their studies in their chosen fields. The money for the fund is raised through a benefit performance, for which the actors volunteer their services, given each year. The fund is administered by the Stratford Festival Foundation, under instructions of a committee chosen by the acting company.

In addition to the three personal awards this year, \$3,000 was set aside for instructors for the company in 1962, and \$300 was given to the theatre library, which opened this spring.

1961 WINNERS

Lewis Gordon, actor, of Toronto, graduated from the Ontario College of Art in 1957. The same year he joined the properties department at Stratford and in subsequent seasons worked at the Festival Theatre in different capacities. During this time he discovered that his real interest lay in acting, and in 1960 he appeared on the Stratford stage for the first time. Mr. Gordon received \$1,500 and will leave for the London Academy of Music and Drama in the fall.

Thomas Bohdanetzky, one of the Festival's three stage managers, was born in Hungary. Before leaving his country during the revolution of 1956, he worked as head electrician at the Petofi Theatre in Budapest. After coming to Canada, one of his first tasks was to learn English, which he mastered sufficiently in one year to become stage manager of the Crest Theatre in Toronto. Mr. Bohdanetzky came to Stratford as stage manager for "A Midsummer Night's Dream" in 1960, and is at present stage-managing "Henry VIII" and "The Canvas Barricade." He will use his \$1,300 award for study in England.

Sophie Martin, graduate of an art and fashion school in Vienna, came to Canada and first worked as wardrobe mistress for "My Fur Lady". Since then she has worked with the Canadian Players, the National Ballet, and the opera festivals of Toronto and Vancouver. She recently designed and made the costumes for a Toronto production of "The Boy Friend." Mrs. Martin, who has worked for two years at Stratford as a milliner, plans to use her grant of \$1,200 to study costume-cutting in Europe.

* * * *

IMPORTS IN JUNE

Commodity imports from all countries in June were valued at \$499,400,000, showing a small increase of 2.6 per cent over last year's corresponding total of \$486,600,000, according to preliminary figures released by the Dominion Bureau of Statistics. This followed a 6.8 per cent increase in May and a decline of 4.3 per cent in the January-April period, placing the preliminary total for the first six months of 1961 at \$2,776,200,000, 1.1 per cent below last year's \$2,805,600,000 for the same period.

Imports were higher in value in June this year than last from the United Kingdom, the United States, and all other foreign countries as a group, and slightly lower from other Commonwealth countries. In the first half of this year imports were higher in value than last year from all these areas except the United States.

Imports in June were valued as follows by areas: United Kingdom, \$58 million (\$55 million in June 1960); other Commonwealth countries, \$23,200,000 (\$23,800,000); United States, \$335,900,000 (\$327,900,000); and all other countries, \$82,300,000 (\$79,900,000).

January-June totals; United Kingdom, \$313,300,000 (\$310,500,000 in 1960); other Commonwealth countries, \$127,400,000 (\$125,700,000); United States, \$1,891,300,000 (\$1,938 million); and all other countries, \$444,200,000 (\$431,400,000).

* * * *

CREDIT CONTRACT WITH CHILE

Mr. George Hees, Minister of Trade and Commerce, recently announced the signing of a financing agreement to facilitate the sale of \$12-million worth of Canadian goods and services to a private company in Chile.

The Chilean firms, Industrias Forestales S.A., of Santiago, has received long-term credit financing from the Export Credits Insurance Corporation to enable it to purchase \$11-million worth of pulp and papermaking machinery from John Inglis Co. Limited of Toronto, and to engage the services of a Vancouver firm of consulting engineers, Sandwell and Company Limited.

The credit transaction, guaranteed by the Industrial Development Corporation of Chile, was made under Section 21a of the Export Credits Insurance Act, which provides long-term government financing for the export of capital goods.

The Toronto firm has signed a contract with the Chilean company to supply all equipment for a \$21-million pulp and paper mill to be constructed near Nacimiento, on Chile's Bio-Bio River. Sandwell and Company Limited has contracted to provide engineering and consulting services for construction of the mill, to a value of approximately \$1 million. The mill will have a rated annual capacity of 60,000 tons of newsprint.

The Export Credits Insurance Corporation has agreed to finance construction of the mill, with repayment of principal and interest at 6 per cent per annum in 25 semi-annual instalments commencing October 1, 1964.

START OF A TREND

At the conclusion of the transactions, Mr. Hees stated: "The signing of these contracts proves the value of long-term financing in the realm of export trade. The recent amendment to the Export Credits Insurance Act (Section 21a) enables Canadian firms to compete equally with other foreign suppliers for export sales involving extended credit.

"We expect to see many more transactions like this \$12 million sale to Chile. Since the new government facilities for long-term financing were provided

(Continued on P

at the end of last year, the Corporation has received applications for similar extended credit contracts totalling more than a quarter of a billion dollars."

Mr. Hees stressed the importance of the credit transaction to Canadian trade and employment. Production and delivery of the mill equipment, he pointed out, would greatly boost Canadian exports to Chile -- which in 1960 totalled \$6.6 million -- and would also create more than one million man hours of work for Canadians.

Most of the mill equipment will be manufactured in the Inglis Company plants at Toronto; the balance will be purchased from other Canadian sources. Production of the equipment is scheduled to commence next month, with delivery to be completed early in 1963. The mill is expected to begin operations in October of 1963.

STAMP COLLECTORS HARRY DOT

A sudden upsurge in the desire to collect Arctic postal-station cancellations has resulted in carloads of unwanted letters being dropped into already stuffed Department of Transport "in" baskets.

Although the fad is not new (small numbers of these requests dribbled in in the past and were carried by northbound ships of the Canadian Marine Service), this year the situation got out of hand. Beginning early in February, thousands of letters, addressed in a variety of ways, found their way to the office of Captain E.S. Brand, Director of Marine Operations. Collectors round the world had been alerted by philatelic journals about Canada's unique Arctic postal stations, and all wanted one, or a dozen-and-one, cancelled covers for their collections.

Dealers, too, thought they would take advantage of the "service". Some sent detailed instructions to ships' captains asking that a series of as many as 32 envelopes be posted on successive days from different spots along the route - starting in Montreal and northward to Padloping Bay, Alert and Eureka. Some went so far as to instruct the captains to "use the handstamp containing the ship's name and date to apply a clear, but dark, impression in the left-hand corner and autograph the envelope". They suggested, further, that, if no postal service existed at a certain place, the envelope be stamped on the day the ship was there and held for mailing at the next post office. To carry out such requests would require the full-time services of a postal clerk aboard each CMS vessel.

HANDLING THE PROBLEM

Transport officials, after consulting the Post Office, decided that all such mail be opened, stamped to show receipt, and turned over to the Post Office Department's philatelic section. There it was to be recorded and returned to the sender with a letter explaining that when a vessel docks in an Arctic post her officers are too busy to become part-time postmen.

Although it would be impossible to read every one of these letters, a spot check on one particular batch turned up some curious "case histories".

An Austrian collector, realizing that his requests would mean extra work for many people, included

complete sets of his country's stamps in case his "mailmen" were collectors themselves. A discouraged philatelist from Smiths Grove, Kentucky, said he had been trying for four years to obtain an Arctic postmark. This year he tried the "personal" approach. He addressed his letter to the purser of a vessel, imploring that the envelope be returned with an Arctic cancellation. He got it back all right - but with an Ottawa postmark.

One New York City collector might be well-advised to hang on to the Canadian stamps he used on his self-addressed envelopes. They represented more than 50 years of Canadian issues, several from the reigns of Queen Victoria, George V and VI and others of 1930 vintage showing the two young princesses.

Some requests were written in German and Dutch. Others included coins in lieu of Canadian stamps.

Some letters contained commemorative covers issued by an enterprising dealer in anticipation of the maiden voyage of the CMS "John A. Macdonald". Attractively printed in blue on white, they bore a 1961 date. The only hitch was that the "John A." left last year.

By refusing all requests, it is hoped to discourage stamp journals from publishing details of the names and sailing dates of CMS vessels.

A postal official recalls a similar situation a few years ago, when these magazines pointed out that the longest postmark available on the North American continent was "East Side of Ragged Island, Nova Scotia". The postmaster, who was swamped by requests for cancelled covers, was protected by the ruling that employees are prohibited from complying with such requests. As refusals went out by the hundreds, requests became less frequent, and today they number only one or two a month.

PRINTING TRADES IN 1959

Sales or shipments by the printing-trades industries reached a new peak of \$740,016,000 in 1959, up 7.8 per cent from the preceding year's \$685,987,000. The revenue for periodicals, printed and published, climbed 6.5 per cent to \$302,534,000; general commercial and specialty printing 7.2 per cent to \$369,419,000; and specialized services or trade work 11.8 per cent to \$68,063,000. Estimated production and the value added both were up by more than 8 per cent to \$742,556,000 and \$505,999,000 respectively.

Revenue earned by newspapers, magazines and other periodicals printed in publishers' own plants climbed to \$302,534,000, from \$283,962,000 the preceding year. Advertising -- the main source of revenue -- brought in \$223,088,000, subscriptions and sale of publications, \$79,446,000. Of the total revenue, approximately 75 per cent (\$225,446,000) was accounted for by daily newspapers.

Combined revenue accruing to publishers of newspapers, magazines and other periodicals, whether printed in the publishers' own plants or not, climbed from \$351,535,000 in 1958 to \$377,157,000; combined revenue from advertising alone rose 8.4 per cent to \$282,953,000.

COMMERCIAL AND SPECIALTY

General commercial and specialty printing, excluding trade work and specialized services, was up in value to \$369,419,000 in 1959 from \$344,688,000 in the preceding year. The most important individual items reported by commercial printers, in terms of the value of shipments in 1959 were: newspapers and magazines printed for the publishers, \$29,824,000; continious forms, \$28,578,000; catalogues, \$21,760,000; printed bound books - fiction, non-fiction, scientific, text books -- \$18,839,000; shipping tags and labels, \$18,220,000; and greeting cards, \$16,611,000.

Trade work and other services were up 11.8 per cent in 1959 to \$68,063,000 from \$57,338,000 in the preceding year. The principal components of this group, in terms of value of shipments, were: photo-engraving, up 5.1 per cent to \$14,433,000; duplicate plates (electro-typing, sterotyping, rubber and composition plates), down 15.6 per cent to \$9,517,000; and trade composition, up 13.2 per cent to \$8,997,000.

* * * *

CANADIANS IN SATELLITE PROJECT

Two Canadians are now in London working with British scientists on a joint U.S.-U.K. project that will see two communications satellites in orbit by fall 1962. They are O.L. Britney, Chief Engineer, Research, Development and Programming Unit of the Department's Telecommunications Branch, and his assistant, E.J. Klein. Both are from Ottawa. The team may be expanded later, to include representation from the Canadian Overseas Telecommunications Corporation.

The Canadians, who will live in London with their families for two years, will be active in the research and design of both a ground station and the overall system. They will also assess the project's usefulness to Canada, thereby gaining the "know-how" essential to maintaining Canada's role in international and Commonwealth communications.

Named Project "Relay" and sponsored by the U.S. National Aeronautics and Space Administration (NASA), the experiment calls for one-way television transmission, a number of two-way voice channels and certain radiation measurements to test the survival of components in space. If it is successful, a full-fledged transatlantic system of communication-by-satellites may be active by 1968, permitting many hundreds of overseas telephone calls and other forms of communication to be made simultaneously. It will also permit two-way television transmission, bringing instant Eurvision programmes to North American screens.

INTERNATIONAL CO-OPERATION

"The point in world history when satellites begin to offer major civil benefits is still a number of years away", Deputy Minister of Transport John R. Baldwin said recently, "but, when it does come, full benefits can only be achieved on a basis of international co-operation". "It is the desire of the Department", he added, "to work towards this international co-operation and to participate on whatever scale our resources permit."

Overseas telephone calls, except those made by radio, are now transmitted by cable, each of which can only carry 60 calls simultaneously. Present cables transmit TV pictures bit by bit until, an hour or so later, a shortened video film has been built up at the end of the line. The reason for the cable's limited capacity is the loss of signal power throughout the transmission and the resultant need for built-in repeaters or signal boosters every 30 miles. A signal sent through space retains much more of its strength. Nevertheless, for strategic and other reasons, cables will probably continue to form an essential element in international telecommunications.

The United States are now building three experimental satellites for Project "Relay". Each will weigh approximately 120 pounds and contain a sun-powered repeater. Two will be orbited, the third will be kept as a spare.

The satellites will circle the earth every 165 minutes and be visible - and useful for telecommunications - to both sides of the Atlantic for only 30 to 35 minutes during each orbit. Their distance from the earth will vary from 900 to 3,000 miles. Computer-equipped ground stations in the U.S., Britain, France and possibly West Germany will track them with disks 85 feet in diameter.

To obtain a full-time operational system, 20 to 40 satellites would have to be orbited, so that when one dipped below the horizon another would replace it.

Canada's team of telecommunications specialists in Project "Relay" will work with Britain's General Post Office, which operates telephone and telegraph lines in the U.K. Some other Commonwealth countries may also be co-operating in a similar fashion.

* * * *

FREEDOM EAST AND WEST

(Continued from P. 2)

"Why has Khrushchov's puppet government in East Germany decided to precipitate a crisis at this time by closing the border in derogation of the four-power agreements? This action seems to be one of provocation coupled with the desperation which has arisen from the inability of East Germany to stem the exodus of East Germans.

"The problem of unity of action in the Western world is under constant review. Canada has met its goal in NATO. All the nations should bring their forces up to strength, not by way of threat but to show that the NATO nations are serious and united in their stand.

"NATO has preserved the freedom of the West and NATO forces must have the best and most effective defence weapons available to them. Those who advocate that Canada should withdraw from NATO in the event that nuclear weapons are made available for the possession and control of NATO are advocating a course that would be dangerous to survival of the forces of NATO should war begin, and to freedom itself."