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ARCTIC SUPPLY TASK STARTS

The Department of Transport recently began its 1961 Arctic re-supply operations with the departure from Quebec of two specially-designed northern supply vessels, CMS "Skua" and CMS "Eider", bound for ports of call along the Labrador coast as far north as sub-Arctic Saglek. Masters of the vessels are Captain A. Piercey and Captain R. Blagdon, tespectively.

The two are the first of 15 ships of the Canadian Marine Service fleet that will head to the Arctic before the end of July, along with a number of chartered freighters and tankers. They will carry about 100,000 tons of cargo to points ranging from the shores of James Bay and Hudson Bay to Eureka on Ellesmere Island, only 750 miles from the North Pole.

CMS "Skua" and CMS "Eider" belong to a special class of vessels developed by the Department of Transport's Marine Services to meet the needs of freight delivery in the numerous Arctic ports of call where waters are shallow and large ships may have to anchor several miles offshore.

They were acquired from the British Admiralty and were originally built as tank landing craft or LCT 8's, their flat bottoms drawing only three feet of water. Their peculiar qualities seemed well suited to the Arctic re-supply task and the department's marine designers set to work to re-model them into useful peacetime ships, capable of holding sizeable cargoes of either dry cargo or bulk fuels such as diesel oil.

The personnel quarters, formerly designed to accommodate around 67 men under military conditions, were re-designed to provide comfortable housing for a crew of around 21 officers and men.

Cargo handling facilities, including powerful derricks capable of handling loads of up to 25 or 30 tons were installed and the vessels were outfitted with the latest devices for communications and navigation. These include radar, echo depth sounder, gyro compass, direction finder, radio telephone. Four 30 kilowatt diesel generators are installed to operating and emergency electric power requirements.

The Canadian Marine Service now has six such vessels: CMS "Skua", "Eider", "Auk", "Puffin", "Raven" and "Gannet". A seventh, converted from an LCT 8, is CMS "Nanook", which has been outfitted as a depot ship to provide housing for up to 110 stevedores who are taken north to assist in unloading cargo from the re-supply convoys at points where no shore housing is available.

Other Canadian Marine Service vessels taking part in the Arctic operations this year are the heavy icebreakers CMS "John A. Macdonald", "d'Iberville", "Montcalm", "N.B. McLean", "Labrador" and "Sir Humphrey Gilbert"; the Arctic service vessel "C.D. Howe", and the light icebreaker-buoy vessel "Sir William Alexander"

"Sir William Alexander".

CMS "C.D. Howe", carrying the Eastern Arctic Patrol, left for the Arctic from Montreal on July 4. The Patrol comprises representatives of the government departments that have the responsibility for looking after the health and welfare of the native population of the Arctic and for administering law and order.

The following are particulars of the northern supply vessels:

Length	200 feet
Breadth	38 feet
Depth	14 feet
Draft	3 feet
Machinery	Diesel, 1,000 SHP

VISIT OF JAPANESE PM

On June 26, Prime Minister Hayato Ikeda of Japan ended a visit to Ottawa made at the invitation of Prime Minister Diefenbaker. Mr. Ikeda was accompanied by the Foreign Minister of Japan, Mr. Zentaro Kosaka, and a number of officials of the Covernment Japan.

Prime Minister Diefenbaker and Prime Minister Ikeda, together with the Secretary of State for External Affairs, Mr. Howard C. Green, and the Japanese Foreign Minister, exchanged views on a number of international problems of mutual interest and concern and on questions affecting the relations between

Canada and Japan.

They examined the state of East-West relations, with particular attention to recent developments in the Far East. They agreed on the need for a genuinely independent and neutral Laos and on the importance of economic co-operation with the less fully developed nations of Asia. They also exchanged views on Communist China.

Prime Minister Ikeda and Prime Minister Diefenbaker welcomed the continuing co-operation of the Canadian and Japanese Delegations to the United Nations. They emphasized that they looked forward to even closer co-operation in the future.

ECONOMIC RELATIONS

The two Prime Ministers also reviewed economic relations between Canada and Japan. Prime Minister Ikeda reaffirmed the principle of orderly marketing of Japanese exports to Canada of products competitive with Canadian production in order to avoid injury to Canadian industries. Prime Minister Diefenbaker affirmed that the Government of Canada looked forward to the continued expansion of mutually beneficial trade between the two countries.

Prime Minister Diefenbaker noted the Japanese interest in the possible establishment and development of Japanese investments in Canada and indicated that mutually satisfactory arrangements would be made for the entry to Canada of Japanese nationals required in connection with certain of the operations of these enterprises. Prime Minister Ikeda explained his Government's plans for further liberalization of imports, including commodities of interest to Canada.

The two Prime Ministers agreed that, in view of the increasing importance of Canadian-Japanese relations, there should be established a Canadian-Japanese Ministerial Committee, which would not be a negotiating body but would provide a valuable means of contact between ministers of the two countries. The activities of the Committee would consist primarily of visits of ministers of exchange views on matters of common interest, particularly in the economic field, and to help ministers of one country familiarize themselves with the problems of the other.

GROSS NATIONAL PRODUCT

The Gross National Product was at a seasonally adjusted annual rate of \$36,012 million in the first quarter of 1961. The pace of economic activity slackened a little after seasonal factors are taken into account. This development was associated with a sharp drop in business outlays for new plant and equipment, which had been moving upward in the preceding two quarters, and with a small decline in personal expenditure on consumer goods and services following the marked advance of the fourth quarter of 1960.

Business inventories, which had shown a small accumulation in the final quarter of last year, shifted to a neutral position. These downward tendencies in final and inventory demand were largely offset by a substantial advance in outlays for new housing, 8 marked recovery in exports of goods and services following the fourth quarter decline, and continued

strength in government expenditure.

The decline in the Gross National Product, which amounted to 1.2 per cent, was considerably larger than can be accounted for by the developments described above. The greater part of the decline reflected an unusually sharp increase in dividends paid abroad in the first quarter of 1961. The latter, being earnings of non-residents, are excluded from the Gross National Product. Corporation profits, for national income purposes, are measured after payments of dividends paid abroad; and, on the expenditure side, the deduction made for imports of goods and services includes, as one of its component elements, an estimate of dividends paid abroad.

HEALTH CARE COMMISSION

Prime Minister Diefenbaker recently announced the membership and terms of reference of the Royal Commission on Health Care. The Commission will be under the Chairmanship of Chief Justice Emmett Hall of Saskatchewan. The other members are: David M. Baltzan, M.D., Chief of Staff and Chief of the Department of Medicine, St. Paul's Hospital, Saska toon, and a member of the Central Health Services Committee of Saskatchewan; O. John Firestone, Professor of Economics, Faculty of Political, Social and Economic Sciences, University of Ottawa; Alice M. Girard, Director of Nursing and Assistant Administrator, St. Luke's Hospital, Montreal, M. Wallace McCutcheon, Q.C., Vice-President and Managing Director of Argus Corporation Limited, Toronto; C.L. Strachan, Practising Dentist, London, Ontario, Arthur F. Van Wart, M.D. Fredericton

The Prime Minister stated that the task of the Royal Commission would be to make a "comprehensive and independent study of the existing facilities and the future need for health services for the people of Canada and the resources to provide such services, and to recommend such measures, consistent with the constitutional division of legisla tive powers in Canada, as the Commissioners believe will ensure that the best possible health care is available to all Canadians".

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SPECIFIC AIMS

In this connection, a number of specific areas are singled out for attention:

(a) The existing facilities and methods for providing personal health services including prevention, diagnosis, treatment and rehabilitation.

(b) Methods of improving such existing health

(c) The correlation of any new or improved programme with existing services, with a view to providing improved health services.

(d) The present and future requirements of per-

sonnel to provide health services.

(e) Methods of providing adequate personnel with the best possible training and qualifications for such services.

(f) The present physical facilities and the future requirements for the provision of adequate health

(g) The estimated cost of health services now being rendered to Canadians, with projected costs of any changes that may be recommended for the extension of existing programmes or for any new programmes suggested.

(h) The methods of financing health care services as presently sponsored by management, labour, professional associations, insurance companies or in any

other manner.

(i) The methods of financing any new or extended

programmes which may be recommended.

(j) The relationship of existing and any recommended health care programmes with medical research and the means of encouraging a high rate of scientific development in the field of medicine in Canada.

(k) The feasibility and desirability of priorities

in the development of health care services.

The Commission is further empowered to study such other matters as it deems appropriate for the improvement of health services to all Canadians.

DOMINION DAY IN OTTAWA, 1961

July 1, 1961, Canada's ninety-fourth birthday, was celebrated by the capital with unprecedented pomp and circumstance.

The festivities started at 3.00 p.m. with the performance, lasting an hour and a half, of 26 folk dances from Quebec, the Tyrol, Scotland, Greece and Bulgaria, by a group from Longueuil, near Montreal, called "Les Feux-Follets". This programme, under the direction of Michel Cartier, had been prepared with the co-operation of the Royal Scottish Dance Society of Montreal. The performance was honoured by the presence of Mrs. Ellen Fairclough, the Minister of Citizenship and Immigration.

A three-hour show by Canada's armed forces began at 6.15 p.m. with a musical prelude by the 55-Piece Royal Canadian Air Force Central Band, one of the seven military bands taking part in the events of the day. Half an hour later, the 2nd Battalion of the Canadian Guards arrived in front of the Peace Tower on Parliament Hill for the Trooping of the Colour, which took place at 7.15 in the presence of Governor-General Vanier.

At 8.00 p.m. the massed bands of the RCAF, the Governor-General's Foot Guards and the Royal Canadian Corps of Signals marched onto the lawn in front of the Peace Tower to play the Air Force marchpast. Five minutes later, 36 CF-100 jet fighters flew over the Hill from west to each at an altitude of 500 feet. Following the fly-past, the bands were joined at the reviewing-stand by the massed pipes and drums of the 2nd Battalion, Canadian Guards, and the Cameron Highlanders of Ottawa.

The closing event of the day was the performance of the RCN's Sunset Ceremony by a guard, band and gun crews from HMCS "Cornwallis", Nova Scotia, numbering 160 officers and men. While the "Sunset Call" was being played and the flags were being lowered, the Naval units were joined on Parliament Hill by the massed bands of the other services for a

final tri-service salute to Dominion Day.

MOTOR VEHICLE SALES

Sales of new passenger and commercial vehicles in April declined for the third consecutive month both in volume and value. The volume of sales fell 11.2 per cent to 15,283 units from 57,775 a year earlier, bringing sales in the January-April period to 165,437 units from 180,956 a year ago, a decrease of 8.6 per cent. The retail value of the month's sales dropped 10.4 per cent to \$154,306,000 from \$172,305,000, and the four-month total decreased 8.6 per cent to \$502,-436,000 from \$539,800,000.

Sales of new passenger cars declined 12.9 per cent in April to 43,666 units from 50,125 a year earlier, comprising Canadian and U.S. makes at 33,355 units against 35,607 and overseas types at 10,311 units against 14,518. The retail value of these sales dropped 10.4 per cent to \$128,559,000 from \$143,-468,000, the total for Canadian and U.S. models falling to \$107,418,000 from \$114,364,000 and that for overseas makes to \$21,141,000 from \$29,104,000.

Japuary-April sales of new passenger cars declined 9.5 per cent in volume to 140.294 units from 155,009 and 8.6 per cent in retail value to \$413,-114,000 from \$452,040,000. Four-month sales of types made in Canada and the U.S. were down in volume to 108,607 units from 114,499 and also in value to \$348,581,000 from \$371,232,000. Sales in this period of passenger cars manufactured overseas were down to 31,687 units from 40,510, and the retail value was also down to \$64,534,000 from \$80,809,000.

SANDYS VISIT

Prime Minister Diefenbaker announced recently that arrangements had been made for Mr. Duncan Sandys, Secretary of State for Commonwealth Relations in the United Kingdom Government, to visit Ottawa from July 12 to 17, to discuss questions of the relations between the United Kingdom and the countries of the European Economic Community, and their implications for Canada.

TRIBUTE TO A SOLDIER

On June 20, Prime Minister Diefenbaker issued the following statement on the death of Lieutenant-General Sir Richard Ernest William Turner, V.C., K.C.B., K.C.M.G., D.S.O., V.D.:

"In the passing of Lieutenant-General Sir Richard Turner. Canada moums the death of one of her most

distinguished soldiers and citizens.

"Sir Richard began his military career in 1892 by joining the militia as a 2nd Lieutenant in the Queen's Own Canadian Hussars. While serving as a Lieutenant with the Royal Canadian Dragoons during the South African campaign, he was severely wounded on two occasions and was awarded the Victoria Cross and the D.S.O.

"In the First World War he rose from the rank of Lieutenant-Colonel to that of Lieutenant-General, attaining the appointment of Chief of the General Staff, Overseas Military Forces of Canada.

"Following his retirement from the active force, he maintained a strong interest in the affairs of veterans throughout Canada and the Commonwealth. Sir Richard played an important role in the formation of the Royal Canadian Legion and was one of its chief architects.

"May I, on behalf of the Government, extend my sincerest sympathy to Sir Richard Turner's family and friends at the loss of one of this country's great, eminent and distinguished sons."

U.S.-CANADA POSTAL CONVENTION

A new convention governing the postal service between Canada and the United States came into effect on July 1. Under this convention, there are changes in parcel-post and newspaper rates from Canada to the United States, and an increase in registration indemnity for articles posted in Canada and destined for the United States.

Postmaster General Hamilton, in a recent reminder to mailers, pointed out that, under the new agreement, the weight limit on parcels mailed in Canada to the United States had been increased from 15 pounds to 25 pounds and that the maximum indemnity for the loss of a registered article mailed in Canada to the United States had been raised from \$25.00 to \$100.00.

Under the new rate, Canadian parcels mailed to the United States require postage ranging from 40 cents for a one-pound parcel to \$4.00 for a 25pound package. Registration fees on mail for the United States are now identical with domestic rates, ranging from 20 cents for a maximum indemnity of \$25.00 to 40 cents for a maximum indemnity of \$100.00.

Mr. Hamilton noted that the United States adhad recently announced increases ministration in rates governing printed matter, samples, registration fees and parcel post on items mailed in the United States for Canada.

NEW B.C. AIRPORT OPENED

Sporting a 10-gallon hat, Justice Minister E Davie Fulton officially opened a new \$2,184,000 Department of Transport airport at Williams Lake, British Columbia, on July 5. Mr. Fulton used a short-handled, double-bladed axe rather than a paid to scissors to cut the ribbon held by Williams Lake Stampede Queens Paddy Twan and Vivian Chelsea.

The new airport, like the one it replaces, is operated by the federal Department of Transport as a mainline airport and is served daily by Canadian Pacific Airlines. It is also the site of a new Department of Transport radio range station replacing the one at Dog Creek, B.C.

The hard-surface runway measures 7,000 feet by 200 feet and is provided with standard medium intensity lighting. The \$176,000 terminal building is a one storey structure measuring 120 feet x 50 feet. There are also a maintenance garage 122 x 80 feet, a one storey transmitter building 40 x 20 feet and five double two-storey staff houses

The land round the airport has been reserved and surveyed for possible future expansion. A paved road leads to the airport.

SCIENTIFIC ATTACHÉ IN WASHINGTON

Dr. E.O. Hughes of the National Research Council of Canada will leave Ottawa on July 8 for duties in Washington as Scientific Attaché in the Canadian Embassy. In this position he will be responsible, under the Ambassador, for scientific questions at the Embassy.

While in Washington, Dr. Hughes will also serve as Canadian Liaison Officer at the British Commonwealth Scientific Office. In this capacity his services will be available to any scientific organization in Canada.

Mr. Harry Williamson, the present Scientific Attaché in Washington, will return to the National Research Council in Ottawa at the end of July.

VISIT OF REFUGEE COMMISSIONER

The United Nations High Commissioner for Refugees, Mr. Felix Schnyder, visited Ottawa on June 30. Mr. Schnyder was formerly Observer of Switzerland at the United Nations in New York, and was appointed to succeed Dr. Lindt as High Commissioner for Refugees in the spring of 1961.

Mr. Schnyder met the Prime Minister at nine o'clock, June 30, and presented him with a plaque honouring Canada as the first country to accept refugees from Europe with active tuberculosis. It will be recalled that, as part of Canada's contribution to World Refugee Year, three groups of tubercular refugees were brought to this country in 1960-61. The Federal Government, with the co-

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Operation of the provincial governments, was responsible for their transportation costs, the cost of treatment in sanatoriums and other maintenance costs for one year or until such time as the families became established. The total number of tubercular refugees with their families admitted to Canada under this programme was 826.

Mr. Schnyder was making his first regular tour of North America as High Commissioner for Refugees. During his visit, he had discussions on refugee problems with the Secretary of State for External Affairs and with the Minister of Citizenship and Immigration.

CIVIL AVIATION DISCUSSIONS

The Secretary of State for External Affairs, Mr. Howard Green, announced on June 30 that aviation delegations composed of officials of the United States and Canadian Governments had concluded in Washington the first stage of consultations conceming the future operation of bilateral air services between Canada and the United States. During the course of the discussions, the two delegations carried out a review of existing bilateral air arrangements.

The Canadian delegation submitted certain proposals concerning principles and criteria for the establishment and allocation of routes between the two countries, which in its view would be based on the needs of the travelling public. One of the objectives of the Canadian proposals would be to permit carriers of both countries to serve, although not necessarily on an exclusive basis, the major centres generating traffic between the two countries. The United States delegation agreed to examine these proposals and present its comments at meetings to be held in the near future.

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Canada's overseas telecommunications facilities provided a record net profit of \$1,363,751 during the last fiscal year, it was disclosed in the eleventh annual report of the Canadian Overseas Telecommunication Corporation tabled in the House of Commons recently by Transport Minister Léon Balcer.

In submitting the report, Douglas F. Bowie, president and general manager of the Corporation, stated that "overall revenue increased by 25.9 per cent compared to the previous year in overseas telegraph, telephone, International Telex and leased circuits", to mark the eleventh successive profitable report since the formation of the Crown agency. The net profit of \$1,363,751 was recorded after the Corporation paid out \$1,332,413 in income tax and paid a total of \$1,163,354 in interest charges on government loans.

Other features of the report revealed that an additional 80 trans-oceanic voice circuits would

soon be available, as Mr. Bowie stated that a new Canada - United Kingdom multi-channel, multi-purpose cable was being laid and should be ready for operation "around the end of October". This cable will form the first link of the Commonwealth round-the-world cable.

Mr. Bowie also reported that some Canadian materials would be used in the Commonwealth Pacific cable, which would be the second link of the round-the-world system.

Materials supplied from Canadian sources will include copper, aluminum, cotton tape and polythene.

"This important link in the Commonwealth system, between Vancouver and Wellington, N.S., and Australia via Hawaii and Fiji is scheduled for completion early in 1964," Mr. Bowie said.

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MINERAL PRODUCTION IN 1960

The value of Canada's mineral production reached a record \$2,476,241,000 in 1960, an increase of 2.6 per cent over the preceding year's \$2,409,021,000, according to the annual report on mineral production by the Dominion Bureau of Statistics. Increases were posted for nickel, copper, zinc, asbestos and crude petroleum, and decreases for uranium and iron ore.

Production in Ontario rose in value to \$984,-025,000 from \$970,762,000 in 1959, but accounted for a slightly smaller share of the national total at 39.8 per cent, against 40.3 per cent. Quebec's total value eased down to \$440,051,000 from \$440,897,000 and its share of the national total was smaller at 17.8 per cent, against 18.3 per cent.

The value of production in Alberta rose to \$391,-711,000 from \$376,216,000 in 1959, while its share of the national total was larger at 15.9 per cent versus 15.6 per cent. Production value in Saskatchewan moved up to \$213,388,000 from \$210,042,-000, while its share of the all-Canada total edged down to 8.6 per cent from 8.7 per cent.

Mineral production in British Columbia in 1960 was valued at \$182,835,000 (\$159,395,000 in 1959); Newfoundland, \$84,357,000 (\$72,157,000); Nova Scotia, \$65,059,000 (\$62,880,000); Manitoba \$56,788,000 (\$55,512,000); Northwest Territories, \$23,633,000 (\$25,874,000); New Brunswick, \$19,038,000 (\$18,133,000); Yukon, \$12,180,000 (\$12,592,000); and Prince Edward Island, \$3,175,000 (\$4,559,000).

STRIKES AND LOCKOUTS

During May, there were 50 work stoppages in Canada involving 13,000 workers and a total duration of 111,980 man days, according to a preliminary summary of strikes and lockouts released recently by Mr. Michael Starr, the Minister of Labour. In April there were 30 work stoppages, involving 6,265 workers and a total duration of 59,240 man days.

Thirty-one of the May work stoppages were in industries in Ontario, seven in Quebec, three in New Brunswick, two in Nova Scotia, and one in each of British Columbia, Manitoba and Newfoundland. Four of the work stoppages, nine of which were terminated by the end of the month, involved 100 or more workers.

Four of the stoppages accounted for more than 69 per cent of the month's time loss. These were among hotel employees in Toronto, in shipyards at Halifax and Dartmouth, Nova Scotia, in the shipbuilding industry in Saint John, New Brunswick, and in the building trades in Toronto.

STRIKES AND LOCKOUTS

A breakdown by industry of the month's stoppages shows 19 in manufacturing, ten in construction, eight in the service industries, seven in transportation, storage and communication, four in trade, one in public utilities and one in mining.

Based on the number of non-agricultural wage and salary workers in Canada, the number of mandays lost in May represented 0.10 per cent of the estimated working time. In April the percentage was 0.06. The corresponding figure for May 1960 was 0.07.

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