



CANADA

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SULPHUR IN CANADA

During 1959, the Canadian sulphur industry has been faced with a number of problems, particularly in the

FOUNDATIONS OF CANADA'S EXTERNAL POLICY

The Canadian Club of Ottawa was told by Prime Minister Diefenbaker on November 24 that the "essential foundations" of Canada's international policies were "the Commonwealth, the United Nations and NATO." The speaker observed that another meeting of Commonwealth Prime Ministers would be held either in March or April 1961, during which certain subjects would be broached that would "either strengthen or weaken the position of the Commonwealth in the years ahead." He expressed his belief, however, "in the spirit that has characterized the Commonwealth in the past as it meets changing and changed conditions, without any formal agreements, and without any compulsion".

The balance of Mr. Diefenbaker's address was devoted to the other two "foundations" of Canada's external policies:

"...All of you have been following the present session of the United Nations General Assembly. It opened at a time when all that remained of the 'summit' was a rubble of disappointed hopes. Disarmament negotiations had been brought to a stop. Berlin was again a source of discord and danger. Peace was threatened in the Congo and in Laos. Nothing that was occurring at that time gave any hope of reducing, much less removing, the possibility of a miscalculation by one side or another which would result in world catastrophe.

"What of the intervening months? What are the hopes of mankind today? There has been no significant or immediate change for the bet-

ter. Peace continues to be dependent on the precarious premises and unpredictable personalities in Moscow and Peking. The best that may be said today is that we are at the cross-roads. We either go forward in the months ahead to greater harmony, or we relapse into still greater tension.

SHADOW OF FEAR

"I would recommend to you...if you want to get a picture of the situation in the world today, to read those magazines that come from China. The aggressive declarations of the leaders of mainland China in tone and content cast a frightening shadow of fear over mankind. Their views are threatening and the necessity of a realistic review of the situation becomes necessary and mandatory. There is no doubt that Canada has a vital interest in the future character of the relations of mainland China to the general stream of world politics. So vast and almost numberless a people cannot be ignored. The world is too interlocked with its common dangers to exclude almost one-quarter of the human race from the areas of major political settlement.

"You saw what happened at the United Nations - the histrionic bluster of Chairman Khrushchov, his smiles and his sneers even to the accompaniment of pounding shoes. This and the riddle of the Soviet relationship with Communist China in recent months, as well as the language of Peking, bellicose and threatening, assail us with fears and potential dangers.

"There has been some easing of tension. Mr. Khrushchov has postponed for some months the Berlin question. The nuclear-testing talks at Geneva are beneficial and hopeful, but these things are offset by the refusal of the Soviet Government to face the central issue of disarmament -- international inspection and control.

MR. K AT THE UN

"The United Nations meets and the discussions take place, representative of most of the earth. What are the results that flow from that Assembly meeting that is still continuing? I think Mr. Khrushchov came to New York to make up for lost ground. He said he came to discuss disarmament. Well, all he did while there was not discuss disarmament but endeavour to cripple the effectiveness of the Secretary-General's office. He tried to secure support to bring about a three-man praesidium of East, West and neutral in the place of the Secretary-General, an arrangement under which unanimous consent would be required before any action could be taken.

"By this, Chairman Khrushchov would have debased the Assembly, he would have diminished its dignity, he would have paralyzed its authority. He denied the impartiality of the Secretary-General. There was no possibility of this being accepted by the Assembly.

"Why then did he take this course? That will always be a matter of difficulty. Was he building for some other plans? Was he endeavouring to undermine? Was he in fact fearful that in the years ahead he would again be thwarted by the Assembly? The Congo situation at the time was very serious....

UNITED NATIONS

"I saw it born. I remember well, in San Francisco in 1945, the hopes and aspirations of all mankind. They were embodied there, as the representatives of Canada, the United States, the United Kingdom and France and other nations gathered together. I believe the United Nations today is facing its greatest challenge. I do not think that Mr. Khrushchov made any particular impression on the Asian or African delegations by his proposal for a praesidium. I do not think those nations rely on the U.S.S.R. to defend and protect their independence; they know that the U.S.S.R. today endeavours to take over the souls of those peoples yet uncommitted. But I do believe this -- that those nations have been attracted and encouraged by the idea of having more influence in the administrative branch of the United Nations. This is something that we must face in the days ahead, for the West no longer has a majority in the United Nations and I think changes will have to be made.

"As far as we in Canada are concerned, we have taken the stand that the Security Council and the Economic and Social Council should be enlarged, to the end that proper representation, geographically and culturally, may be achieved.

DISARMAMENT PROSPECT UNENCOURAGING

"In the field of disarmament, the outlook is not very hopeful. One has only to go back to those years before the Second World War. Read for a moment the message of President Roosevelt at that time to the nations of the world in 1933. The hopes of that day have been dissipated in the light of subsequent experience. Today over mankind hangs this nuclear fear. What is our stand?

"We have continued to press for disarmament, without which there cannot be survival, for sooner or later, if the armament race continues, either by calculation or miscalculation war must almost inevitably follow. We have taken a stand for an end to nuclear weapons, an end of testing, an end to the production of fissionable material for weapons, and for the transfer of existent fissionable materials to peaceful purposes. We have taken a stand for internationalization of outer space, without which there cannot be hope for mankind a generation hence. We have at the same time demanded that there shall be full inspection, to the end that disarmament agreements will be carried out according to the pledged word....

CANADA AND NATO

"Until these measures for disarmament are achieved, Canadians must maintain their defences and all the nations of the free world must give full and first place to the requirements of security. I have noticed some people saying that Canada should withdraw from NATO. That I cannot accept.

"I believe that NATO is, and will remain, an association where Canada belongs. It not only meets the criterion of self-interest from the point of view of military defence. It is a group of nations, strong of purpose, sound and good in motive, respectful of free institutions, and representing collectively those heritages that are part of our civilization. It has proven to be an impregnable bulwark for freedom. Its function today is as imperative as ever.

"We must not and dare not discard it. But that does not mean that changes do not have to be made. It is but reasonable that an organization designed to meet the fears and formulas of the 1950's may not be wholly appropriate for the threats and hopes of the 1960's.

"NATO has to be revitalized. It has become secondary and commonplace in the thinking of many. Its cohesion and collective understanding must be enhanced. Changes need to be made in the economic field.

ECONOMIC ROLE OF NATO

"We have to endeavour to bring about economic arrangements within NATO that will ensure that the nations which stand for freedom will not by economic action weaken their neighbours and those associated with them in this responsibility.

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MARINE HONOUR ROLL

On Friday, November 18, at a private ceremony, the High Commissioner for the United Kingdom in Canada, Sir Saville Garner, presented a copy of the Roll of Honour of the Merchant Navy and Fishing Fleet to the Secretary of State for External Affairs, Mr. Howard Green.

The Honour Roll, consisting of three handsomely-bound volumes, was compiled by the United Kingdom Ministry of Transport. It contains the names of those seamen from the United Kingdom and Commonwealth countries, including a substantial number of Canadians, who were killed in the Second World War while serving in ships of United Kingdom registry or under United Kingdom charter.

Consideration is being given to finding a suitable place in Ottawa where the Honour Roll may be displayed, and where interested members of the public may arrange to consult it. A later announcement will be made regarding the location selected.

SULPHUR IN CANADA

During 1959, the significant factor in the Canadian sulphur industry was the recognition that increasing production of natural gas in Western Canada for domestic use and export to the United States would soon result in a very large output of sulphur. Natural gas is in demand for industry and household use in both Eastern Canada and the Northern and Western parts of the United States. The inevitable use of the large supplies available in Western Canada will be accompanied by production of sulphur. Sulphur-recovery plants now operating in Western Canada are capable of producing 600,000 short tons of sulphur annually. Plants planned for the time when full-scale gas exports are in progress require the production of at least 2,400,000 short tons by 1962 and possibly 4 million short tons by 1970.

At present, world sulphur supplies are in excess of demand, and production is increasing at a faster rate than consumption. The discovery of sulphur resources in several countries in recent years and technical advances that produce a high-purity product have caused domestic production to serve local markets and reduced the dependence of consumers on the traditional suppliers, the Frasch-process producers of the United States. Sulphur consumption is rising, but at a rate lower than present producing capacity.

PRODUCTION AND TRADE

Although there are no known deposits of native elemental sulphur in Canada, sulphur or its equivalent in other forms has been produced in this country from native pyrite and pyrrhotite for 90 years. The manufacture of sulphuric acid from sulphur-dioxide gas derived from these sulphides was the basis of one of Canada's earliest chemical industries.

The large-scale production of low-cost, high-purity Frasch sulphur during the 1920's made most pyrite mining operations uneconomic, and the production of pyrite dropped from 416,600 short tons in 1917 to 15,600 short tons in 1925. In some areas, however, pyrite was able to compete with imported elemental sulphur, and the increasing production of base metals in British Columbia, Ontario and Quebec supplied large amounts of low-cost by-product pyrite and pyrrhotite. An increasing demand for sulphuric acid, particularly for the fertilizer and uranium industries, together with improved processes for recovering both hot sulphur and iron from these sulphides, encouraged their use.

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COLUMBIA COMMITTEE MEETS

The Canada-British Columbia Policy Liaison Committee met in Ottawa on November 23 and 24 to discuss matters connected with the proposed co-operative development of the Columbia River.

The Committee Co-chairmen were Mr. Alvin Hamilton, Federal Minister of Agriculture, and Mr. Williston, British Columbia Minister of Lands and Forests. Other ministers present were, for Canada: Mr. Howard Green, Secretary of State for External Affairs, Mr. E.D. Fulton, Minister of Justice, and Mr. Walter Dinsdale, Minister of Northern Affairs and National Resources; and, for British Columbia, Mr. Robert Booner, Attorney-General and Minister of the Department of Industrial Development, Trade and Commerce.

During the course of the meeting, the ministers discussed, for the guidance of the Canadian negotiators, matters related to the drafting of a treaty on the basis of the progress report released by the Governments of Canada and the United States on October 19, 1960. Ministers also discussed arrangements connected with the implementation of the terms of the treaty in Canada.

The tentative dates for the next meeting of the Canada-British Columbia Policy Liaison Committee are December 8 and 9 in Victoria.

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WINNIPEG FLOODWAY

A federal-provincial Floodway Advisory Board to advise on the plans and co-ordination of the engineering and construction of the joint Greater Winnipeg Floodway has been established, it was announced on November 26 jointly by Mr. Walter Dinsdale, Federal Minister of Northern Affairs and National Resources, and Mr. George Hutton, Manitoba Minister of Agriculture and Conservation.

The terms of reference for the four-man Greater Winnipeg Floodway Advisory Board are:

- To review engineering studies already made and to recommend the basis or the method under which further engineering and construction would be undertaken.

2. To advise on policy regarding consulting engineers and their selection.
 3. To recommend the scheduling of works and provision of funds.
 4. To review and advise on all matters pertaining to plans and specifications and on the divisions of works and the scheduling of construction.
 5. To review the plans and specifications prior to construction.
 6. To generally review and recommend on construction as it progresses.
 7. To carry out such other matters or assignments as may be referred to the Board from time to time.

The two ministers said the construction of the 30-mile-long Greater Winnipeg Floodway would rank with the world's major excavation projects, involving the removal of about 100 million cubic yards of earth.

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AUSTRIAN ENVOY INSTALLED

On November 29, His Excellency Dr. Eugen F. Buresch presented his Letters of Credence as Ambassador Extraordinary and Plenipotentiary of Austria to Canada. The ceremony took place at Government House. The Chief of Protocol, Mr. H.F. Feaver, presented the Ambassador to the Governor-General. Mr. N.A. Robertson, Under-Secretary of State for External Affairs, and Mr. Esmond Butler, Secretary to the Governor-General, were in attendance on the Governor-General on this occasion. The Ambassador was accompanied by Dr. Wolfgang Wolte, Attaché.

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PEARSON ADVISES HAMMARSKJÖLD

The Secretary-General of the United Nations, Mr. Dag Hammarskjöld, recently invited three of the past Presidents of the Assembly to advise him on questions related to the organization of the work of the Secretariat at the Under-Secretary level.

The three past Presidents who met at United Nations Headquarters on November 25 for a three-day session were: Mr. Lester B. Pearson, President of the seventh session; His Royal Highness Prince Wan Waithayakon (Thailand), President of the eleventh session; Dr. Victor Belaunde (Peru), President of the fourteenth session.

In asking the three last Presidents for their advice, the Secretary-General called attention to the introduction to his annual report of August 31, 1960, in which he stated that the Secretariat:

"...does not dispose of a sufficient number of highly-qualified senior officials for all the tasks that now have to be met -- in spite of the feeling sometimes voiced that the organization is 'top-heavy'. There is, generally speaking, within the Secretariat not enough of a diplomatic tradition or staff with

training in political and diplomatic field activities to meet the needs which have developed over the years." He further indicated that the group might also like to give thought to certain ideas expressed by various delegates in the general debate, with special emphasis on the question as to how these ideas could be developed in a way that would correspond to the explicit terms of the Charter, by increasing the efficiency of the organization and also reflecting the changes in the geographical basis of the membership of the United Nations.

The conclusions reached on the basis of these consultations will be embodied in a report which the Secretary-General will submit to the Committee of Eight established by the General Assembly for a study of the organization and activities of the Secretariat.

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CANADA'S PETROLEUM

Production of crude petroleum increased in 1959 to the highest level in history. The 184,767,744 barrels of crude oil produced were almost 12 per cent over the 1958 output and about 1.5 per cent over the previous record level, reached in 1957. All producing areas except New Brunswick, Manitoba and the Northwest Territories turned out more than in 1958. Alberta's increase of 16.6 million barrels contrasted strikingly with the 24.2-million barrel decline that occurred in 1958. Saskatchewan's moderate increase of 2.8 million barrels is also in marked contrast with its 7.7-million barrel increase of 1958. In 1959, Manitoba's decline amounted to 0.7 million barrels; its 1958 decline to less than 0.3 million. Ontario made an all-time record, exceeding the 829,104 barrels produced in 1894. Production in New Brunswick continued to decline.

Alberta accounted for 70.3 per cent of Canada's production (68.4 per cent in 1958), Saskatchewan for 25.6 per cent (27.0 per cent in 1958), Manitoba for 2.7 per cent (3.5 per cent in 1958) and Ontario, British Columbia, the Northwest Territories and New Brunswick for the remaining 1.4 per cent (1.1 per cent in 1958).

NUMBER OF WELLS

There were 12,523 producing oil-wells in Western Canada at the end of 1959 - 8,280 in Alberta, 3,447 in Saskatchewan, 730 in Manitoba, 37 in British Columbia and 29 in the Northwest Territories. Over the last two years, the number of producing wells in the Northwest Territories has increased, not because new wells have been drilled but because old producers have been reactivated to provide oil for increased runs to stills at the Norman Wells refinery. There were 14,318 wells capable of production - i.e. completed and linked to facilities capable of delivering crude oil to purchasers - but the lack of

markets kept 1,795 wells inoperative. In 1958 there were 13,145 wells capable of production, but 1,586 of these were inoperative. At year-end the industry was operating at about half its capacity to produce crude oil.

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NEW STAMPS ANNOUNCED

The subjects of four new postage-stamps to be issued in 1961 have been announced by the Postmaster-General, Mr. William Hamilton. They will be issued before July 1. All will be of the five-cent denomination.

The first issue, to be released on February 8, will be a tribute to the development of Canada's northland and the increasing activity there in recent years.

On March 10, a stamp will be issued to commemorate the centennial of the birth of Emily Pauline Johnson, the Indian poetess. Miss Johnson, a Mohawk, was born, according to most authorities, on March 10, 1861, at "Chiefswood" on the Six-Nation Indian Reservation in Ontario. She died on March 7, 1913, at Vancouver.

MEIGHEN ISSUE

In keeping with tradition, the late Arthur Meighen, a former Prime Minister of Canada, will be remembered in a special issue to be released on April 19. Mr. Meighen served two terms as Prime Minister--from July 10, 1920, to December 29, 1921, and from June 19, 1926, to September 25, 1926. He died at Toronto on August 6, 1960.

The tenth anniversary of the Colombo Plan will be marked by a special stamp to be issued on June 28, in time for the official anniversary celebrations on July 1. Canada has participated actively and substantially in both the fields of capital and technical assistance to fellow Commonwealth countries and, more recently, to other countries under the terms of the Colombo Plan.

The Post Office Department has plans for other issues that will appear in the latter part of the year, and these will be announced as soon as the subjects have been confirmed.

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UNESCO AFTER FIFTEEN YEARS

After an introduction in French, during which he expressed Canada's satisfaction with the manner in which the affairs of UNESCO had been managed since the previous conference two years before, Mr. Marcel Cadieux, head of the Canadian delegation to the eleventh session of the UNESCO General Conference, which opened on November 22, spoke in English as follows:

"It gives me great pleasure...to be able to report to this conference that during these last two years there has been a very consider-

able increase in interest and in activity in Canada in UNESCO affairs. The Canadian National Commission for UNESCO, created at the end of 1957, has during this interval been briskly getting on with its important tasks of collaborating with UNESCO, and in bringing the work of the organization to the attention of the appropriate Canadian institutions and organizations, and to the interest of the Canadian public generally.

UNESCO'S GROWTH

"Canada in 1945 was one of the 47 founder states of UNESCO and has been, over the years, a strong supporter of UNESCO's activities and purposes. Reasons which led Canada to the conviction that the work of UNESCO was of the greatest importance are still valid 15 years later, and indeed they now carry much more weight. UNESCO, in 1960, is immeasurably stronger than it was 15 years ago; stronger in resources, in membership, of course, and, what is of great importance, stronger in experience and confidence. Over these years Canada has been by no means a purely passive or uncritical advocate of UNESCO's activities. With other member countries, we have had from time to time apprehensions that the necessarily limited resources of UNESCO were in some danger of being spread over too many unrelated activities..."

BUDGETARY DUPLICATION

"I must confess that we find it somewhat disturbing to know that the various Specialized Agencies, which draw very substantially from the Special Fund and from the Expanded Programme, should be at the same time financing a growing number of technical assistance programmes through their own budgets. What gives Canada, and this delegation in particular, some concern has been the consistent increases in budgets of the Specialized Agencies while at the same time Canada, and other countries of course, have been increasing substantially their contributions to the Special Fund, the Expanded Programme and to other centralized agencies..."

"Although, therefore, the Canadian delegation supports the provisional budget level approved by the conference we, and no doubt many others, propose to examine, both in detail and in principle, certain of the proposals which have been laid before us. It is certainly true that the great majority of UNESCO's proposals have commanded and do command themselves to the approval of the Canadian Government. This does not alter the fact that with steadily increasing commitments to United Nations funds and to the budgets of Specialized Agencies many national governments including that of Canada will have to consider very carefully their views on the most effective methods in which their funds available for international purposes can be expended..."

(Over)

FOUNDATIONS OF CANADA'S EXTERNAL POLICY

(Continued from P. 2)

"There have been suggestions that we should set up a kind of triumvirate in NATO with Britain, the United States and France determining the course. Canada stands opposed to that, definitely and unequivocally.

"We take our NATO commitments seriously. We do not intend to accept a secondary or subordinate position. We believe that the consultative machinery of NATO should be improved.

"We believe that the nations within NATO should not take any course that will have the result of diminishing the strength or the purpose or the idealism of the organization as a whole.

"There has also been some suggestion recently that members may be asked to increase their contributions to NATO. I point out this fact for Canada--that we have at all times maintained our contribution to a degree not exceeded by any other nation.

"We have paid a high insurance premium, and I see no reason why Canada should or could contribute more than she has this year and in years past.

"We have maintained our strength in NATO. We have supplied air and ground troops. We have made a contribution on a per capita basis of which Canadians as a whole can be proud.

PROPOSED CHANGES

"I believe, as I said, that some changes must be made. I think there should be a meeting of heads of government at the earliest possible date.

"There should be a full and considered review of NATO purposes and policies. Indeed in the last two or three weeks the U.S.S.R. and its satellites and associates have been meeting in Moscow. Our strategic policies must be revised and reviewed in the light of the decisions which come to us as having been made at the Communist conclave which is even now still in session.

"Maintain the United Nations; contribute according to our responsibilities; press for disarmament but maintain our defences....

THE FUTURE OUTLOOK

"There is a revolutionary turbulence in the world today. Everywhere there is a call on the part of peoples and nations for their independence.

"You heard Mr. Khrushchov as he inveighed against the colonialism of Britain and France. Yet since the last war those colonies and dependencies of the United Kingdom and of France have diminished to such an extent that more than half a billion people have secured their absolute freedom. Mr. Khrushchov was not

able to give an answer when asked how many human beings had been given their freedom by the U.S.S.R. during the same period of time.

NUCLEAR ARMS FOR CANADA?

"We live under a continuing nuclear threat. It touches the hearts of Canadians. The question is asked: are you going to provide nuclear weapons for Canadians?

"...The responsibility resting on those who have authority, as a trust from the people, knows no greater or more trying problem than this.

"We have taken the stand that no decision will be required while progress towards disarmament continues. To do otherwise would be inconsistent. When and if such weapons are required, then we shall have to take the responsibility. The future of Canadians requires that we make that decision which, in the light of the best information we have, represents the maximum security for our country. We have made it equally clear that we shall not, in any event, consider nuclear weapons until, as a sovereign nation, we have equality in control - a joint control. In other words this problem is not one requiring immediate decision. The course to be taken will be determined in the light of what happens in connection with disarmament and in the light of events as they transpire and develop in the months ahead.

"The great danger today, and I have found it everywhere, is that our people and the peoples of the free world are becoming complacent. The threat has been there so long that it is becoming commonplace.

CONCLUSION

"I conclude and summarize. The principal aim of Canadian foreign policy is Canadian security in partnership with her friends. It is peace; it is welfare for all peoples, and particularly those who live in under-developed countries in poverty or in a state of retarded development. It is an understanding between cultures however diverse, human ideologies however conflicting. It is the achievement of universal respect for law, for the processes of co-operation and for the peaceful settlement of disputes.

"We live in a time of change. The Prime Minister of the United Kingdom said that we live in a time when the 'winds of change' are blowing. We hope that new developments will come ushered in by winds of change rather than gales of destruction. My message to you is this: that we, as Canadians, set our Canadian sails, follow and steer a course so that those winds will not become gales. I hope that Providence and human intelligence will together allow these changes to take place without the storm that hovers over the horizon."