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PASSAMAQUODDY POWER PROJECT

The Secretary of State for External Affairs, Mr. Howard Green, announced on May 1 the release of the International Joint Commission's report on the International Tidal Power Project in Passamaquoddy Bay in Maine and New Brunswick. The Commission found that the price of power from the Tidal Power Project, either alone or in combination with auxiliary power sources, would not be competitive with the price of power from alternative steam-electric plants and that the project was not, therefore, economically feasible under existing conditions. The Commission recommended, however, that development of the project be viewed as a long-range possibility, which would have better prospects of realization when other less costly energy sources available to the area were exhausted. The Commission also pointed out that the economic feasibility of the project might be affected by future changes in the costs and benefits considered in the present evaluation and added that the Canadian and United States Governments might wish to consider the desirability of crediting the Tidal Project with certain public benefits not included in the Commission's determination of economic feasibility.

EFFECT ON REGIONS INVOLVED

In determining the impact of the project upon the local economies of Maine and New Brunswick, the Commission found that industrial development would not be appreciably affected, through short-term benefits resulting from expenditures for goods and services might be expected. The Commission noted that the creation of two large salt-water lakes would provide

additional facilities for recreation and that the tidal dams, locks and gates could serve as foundations for an international highway connecting the present coastal highways in Maine and New Brunswick. The Commission recognized that the existence of a high pool in Passamaquoddy Bay might stimulate greater traffic to shipping points in the area. In the Commission's view, the project would not be detrimental to the region's important sardine industry and would have only a minor effect on other fisheries if appropriate remedial measures were undertaken.

This problem was first referred to the Commission by the Governments of the United States and Canada on August 2, 1956, in accordance with Article 9 of the Boundary Waters Treaty of 1909. Under this authorization, the Commission established the International Passamaquoddy Engineering Board and the International Passamaquoddy Fisheries Board. Membership on the Boards consisted of two representatives from Canada, two from the United States. In April 1960, shortly after both Boards had presented their reports to the Commission, a public hearing was held in Calais, Maine, for the purpose of receiving the testimony of all parties interested in the findings set forth in the Board's reports. As a result of these investigations and the Commission's subsequent deliberations, the Commission prepared the final report to governments which has just been released.

This report is being studied carefully by both Governments and a copy has been sent to the Province of New Brunswick.

P.O. ADDRESS SERVICE

The more than six million Canadians who change their address this year will get a free house-warming present from the Post Office, it was revealed recently by Postmaster General William Hamilton. The \$120,000 gift will take the form of an offer of free postage to patrons wishing to inform correspondents of changes of address.

Noting that, according to Dominion Bureau of Statistics figures, more than a third of Canada's population moves each year, Mr. Hamilton said that arrangements had been made to permit official change-of-address cards to be posted by any mail patron free of charge. The cards may be obtained at any post office and there is no restriction on the number that may be mailed.

Mr. Hamilton said that the migratory habits of Canadians pose great problems for post office mail sorters, who must attempt to keep up with their wandering patrons. He noted that the change-of-address cards had been available for some time but that the Post Office had charged the regular two-cent postage rate for their transmission. The free service, he said, was designed to increase the use of the cards and to promote better mailing practices.

The Postmaster General hastened to add that the free service is in addition to the change-of-address card the Post Office asks its patrons to file with their local postmasters when they move, which enables mail to be sent on to a patron's new address for three months after he has moved.

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B.C. INDUSTRIAL CONFERENCE

Mr. George Hees, Minister of Trade and Commerce, recently announced that he would be accompanied by the Deputy Minister, three Assistant Deputy Ministers and ten other senior officers of his Department at the British Columbia Trade and Industrial Promotion Conference to be held in Vancouver on May 18. Other officials attending would include the Vice President of the Export Credits Insurance Corporation, the Executive Director of the National Productivity Council, and the trade commissioners from Chicago and Los Angeles.

The conference has been arranged in co-operation with the Vancouver Board of Trade and the British Columbia Department of Industrial Development, Trade and Commerce. Two sessions will be held, one pertaining to domestic commerce and the other to export trade, in an effort to provide businessmen with as broad an understanding of the services available to them in these two fields as possible.

Businessmen and manufacturers in both primary and secondary industries are being invited to participate in this conference and the panel discussions. They are being requested to give consideration to their ability to enter the export field or to expand the value of their sales at home and abroad.

CONFERENCE PROGRAMME

Means of stimulating industrial development in British Columbia will be explored, in order that the resources of that province may be more fully utilized to provide additional employment. The discussion of services available will include such topics as: assistance to small business, including guaranteed bank loans for small enterprises; accelerated capital-cost allowances available for assets to produce new products; federal-provincial programmes to assist in industrial expansion; the manufacture of goods in Canada under licensing arrangements with foreign manufacturers; the importance of industrial design as a factor in the competitiveness of Canadian products; industrial standards; and the objectives of the National Productivity Council.

"We already co-operate closely in the field of industrial development," Mr. Hees said. "It is most desirable that we should explore every avenue whereby, through co-operation, we can develop markets at home and abroad, take full advantage of our natural resources and establish new industries. Thus, we will build together a firmer foundation for a balanced economy, and provide more employment opportunities for Canadians."

The Export Trade Promotion Conference, held in Ottawa last December, was, according to Mr. Hees, "the most inspiring and enthusiastic gathering of businessmen and government officials ever held in Canada in an effort to arouse interest in securing a larger proportion of the world market for Canadian products."

The Ottawa conference was followed by a similar one in Winnipeg on February 10, sponsored by the Government of Manitoba. Another, sponsored by the Government of Alberta and trade associations, is scheduled for May 16 in Calgary, and the South-western Ontario Trade and Industrial Promotion Conference is planned for May 25 in London. Several additional conferences of this nature are in the planning stage for other regions in Ontario and also in the Atlantic Provinces.

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NORTHWEST ROAD PROGRAMME

Extensive road building and reconstruction work will be carried out during the fiscal year 1961-62 in a continuing programme to improve road transportation in the Northwest Territories and in the Alberta portion of Wood Buffalo Park. The estimated cost of the programme is \$3,892,000.

Twelve projects are included, five of which will be supervised by the Department of Public Works. Major items involve the completion of the extension of the Mackenzie Highway, the reconstruction of the roadway from Hay River to the Alberta Boundary, McKay Road and the road from Peace Point to the West boundary of Wood Buffalo Park.

SOUTH AFRICAN TRADE MISSION

Mr. George Hees, Minister of Trade and Commerce, recently met members of the South African Trade Mission who were visiting Canada in an effort to stimulate two-way trade and to arouse interest in South African investment opportunities. The mission had previously visited six Latin American countries and the United States.

Members of the mission were: Dr. H.J. van Eck, Managing-Director of the Industrial Development Corporation of South Africa, Limited; Mr. John Berry, Managing-Director of African Cables Limited; Mr. Phillip Frame, Chairman and Managing-Director of the Consolidated Textile Mills Limited; and Mr. J.L. Pretorius, Co-ordinator of Government Purchases, Department of Commerce and Industries.

CANADA - S.A. TRADE

Mr. Hees said that Canada had been represented in South Africa for nearly 60 years, a commercial agent having been appointed in Cape Town in 1902, and the first trade commissioner in 1907. Trade relations between the two countries had expanded substantially, and an additional office of the Trade Commissioner Service was subsequently established in Johannesburg to assist Canadian firms in promoting the sale of their products in the northern section of the Union. Canada erected a pavilion in 1958 at the Rand Easter Show, in Johannesburg, where more than a hundred firms displayed a wide variety of consumer goods, industrial equipment and forest products.

Canadian exports to South Africa in 1960 had a value of \$52.7 million, and consisted of automobiles and parts, newsprint, lumber, wheat, aluminum, leather, drugs, chemicals, canned fish and a wide range of other commodities. Canadian purchases from South Africa last year had a value of \$11.5 million, the more important items being sugar, wool, peanuts and peanut oil, oranges, wine and diamonds.

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OCEANOGRAPHIC RESEARCH PROGRAMME

Canada is making real progress in carrying out its expanding programme of oceanographic research. This was the common denominator of the reports given at the annual meeting, held recently in Ottawa, of the Canadian Committee on Oceanography, which co-ordinates and directs Canada's work in oceanography and represents it internationally in this field of scientific endeavour.

The Committee comprises representatives of the various Federal Government agencies interested in oceanographic research - the Royal Canadian Navy, the Royal Canadian Air Force, the Fisheries Research Board, the Department of Mines and Technical Surveys, the Defence Research Board, the Meteorological Branch and the Marine Services of the Department of Transport, and the National Research Council - and of universities interested in this field of work - the University of British Columbia and Dalhousie

University, Halifax (both of which have Institutes of Oceanography), and the University of Toronto (through the Great Lakes Institute).

RECENT ACCOMPLISHMENTS

The most important accomplishments for the 1960-1961 period were: the establishment of the East Coast Working Group on Oceanography, which brought together all organizations and agencies interested in the problems of Canada's East Coast waters; the re-organization of the Working Group on Ice in Navigable Waters to handle ice research and ice problems in Eastern and Arctic waters and in the Gulf of St. Lawrence, and St. Lawrence Seaway and Great Lakes; the establishment of the Institute of Oceanography at Dalhousie University, Halifax, Nova Scotia, to assist in the training of scientific personnel to carry out Canadian research in oceanography; the setting under way of a programme of limnological research on the Great Lakes by the Great Lakes Institute; the appointment of a Director of Oceanographic Research, Dr. W.M. Cameron, in the Department of Mines and Technical Surveys, and of a Director of Maritime Research, P.W. Nasmyth, in the Defence Research Board.

Of marked importance were the development of the Oceanographic Information Services on the East and West Coasts to give special services to the Royal Canadian Navy and the RCAF, the move of the Atlantic Oceanographic Group of the Fisheries Research Board to Halifax, where, on completion of the new Bedford Institute of Oceanography, it will be the unit concerned with fisheries oceanography, the further development of the polar continental shelf project, and developments within the Department of Transport to further marine meteorology and those studies directed toward ice problems and the design of ships. These included the setting under way of an intense programme dealing with ice problems relating to increased navigation on Canada's East Coast and in Arctic waters arising from the growing pace of resource development, particularly along the north shore of the St. Lawrence River and of the Gulf of St. Lawrence.

SHORTAGE OF RESEARCHERS

A major problem in the carrying out of Canada's research programme--the acute shortage of oceanographers--is being met mainly by the training of graduate physicists, chemists, mathematicians, etc., at the Institutes of Oceanography at the University of British Columbia, at Dalhousie University in Nova Scotia and at the Great Lakes Institute, as well as by the Committee's East and West Coast Working Groups in Oceanography, reports showed.

Canada's increasingly active role in international oceanographic activities was noted in Canadian participation in various international programmes including the International North Pacific Fisheries Commission and the International Commission for North Atlantic Fisheries. Canada was represented at meetings of these organizations at Vancouver and Bergen, Norway, respectively, and at the Intergovernmental Conference on Oceanography in Copenhagen;

at the meetings of the International Union of Geophysics at Helsinki, the Scientific Committee on Oceanographic Research at Helsinki, the NATO Sub-Committee on Oceanographic Research in Paris and the International Council for the Exploration of the Sea at Moscow; and at the European Economic Co-operation Conference on Pollution in Paris.

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VISIT OF INDIAN PEDAGOGUE

Dr. Veni Shankar Jha, Director of the Commonwealth Education Liaison Unit in London, arrived in Vancouver, British Columbia, on April 21 on an official visit to Canada. He will remain until May 9, when he will proceed to The West Indies via the United States. By the time he leaves Canada, Dr. Jha will have visited Vancouver, Victoria, Edmonton, Winnipeg, Toronto, Ottawa, and Montreal, and have met representatives of provincial departments of education, of universities, of teacher-training colleges, and others concerned with educational matters.

Dr. Jha is a Vice-Chancellor of the Benares Hindu University and has been a member of the Central Advisory Board of Education in India. He has been associated with several educational reforms in his own country and was head of the Indian delegation to the Second Regional Conference of UNESCO National Commissions in Asian Countries, which was held in Manila in 1960.

The Commonwealth Education Liaison Unit was established as a result of the Commonwealth Education Conference held at Oxford in July, 1959. The Unit receives information from Commonwealth countries on programmes and other activities arising from the Oxford Conference. It reports periodically to all member countries and it performs duties for the Commonwealth Education Liaison Committee, which is composed of representatives of all member countries of the Commonwealth and one member for the colonial territories.

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MANUFACTURERS' SHIPMENTS

Manufacturers' shipments in February were valued at an estimated \$1,760.9 million, down slightly (0.4 per cent) from the revised January total of \$1,768.6 million and down 4.0 per cent from the February 1960 figure of \$1,834.6 million, according to advance figures published by the Dominion Bureau of Statistics. Seasonally-adjusted data show shipments in January at \$1,979.6 million and in February at \$1,925.2 million, a month-to-month decline of 2.7 per cent.

The total inventory owned by manufacturers at the end of February was estimated at \$4,278.3 million, up 0.7 per cent from \$4,248.9 million in January and up 1.3 per cent from \$4,225.1 million in February last year. The total inventory held by manufacturers at the end of February was \$4,507.8 million, an increase of 0.8 per cent from \$4,472.4 million in the preceding

month and a decrease of 0.9 per cent from \$4,547.7 million in the same month last year. The value of inventory held under long-term contracts (progress payments) was estimated at \$229.5 million at the end of February, up 2.7 per cent from \$223.5 million a month earlier and down 28.9 per cent from \$322.7 million a year ago. Components showed the following changes between January and February this year: finished products, up 1.3 per cent; goods in process, up 1.7 per cent; goods in process less progress payments, up 1.4 per cent; and raw materials, virtually unchanged.

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RED CHORUS TO VANCOUVER

The Red Army Chorus, dancers and orchestra have been signed for four appearances during the 1961 Vancouver International Festival, on the evenings of August 10, 11 and 12, with matinees on August 12. The famed singers, 180 strong, will make their first appearances in North America at the Festival. The company will fly from Moscow to Montreal, where it will be picked up by two CPA "Britannias" to bring it to Vancouver.

The Red Army Chorus is coming to Canada under the auspices of Canadian Concerts and Artists, Inc. Nicholas Koudriavtzeff, through whom the Festival Society made the booking, confirmed the final arrangements with the Festival Society after his return from Moscow, where he arranged for an exclusive Canadian tour of the choir with its 25 dancers and 42 piece orchestra of balalaikas and accordions.

The Festival Society's artistic director Nicholas Goldschmidt, stated that he hopes this engagement is the beginning of a long-range plan which will see other major Soviet attractions at the Festival in succeeding years.

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COLOMBO PLAN STAMP

Details of the special commemorative five-cent postage stamp to mark the tenth anniversary of the Colombo Plan have been announced by the Postmaster General, Mr. William Hamilton. Designed by B.J. Reddie, designer of the Northern Development and Pauline Johnson stamps, the new issue portrays two figures holding a blueprint in front of a huge hydro power plant. One figure is clothed in Western garb. The other wears a turban and warm-climate clothing typical of the Southeast Asian countries. In the top left corner, the following wording appears: "Le Plan de Colombo Plan". Along the bottom of the stamp appear the words "Postes Canada Postage". The figures and foreground will be printed in blue on a background of light brown. The stamp is a large horizontal design, measuring 1½ inches by an inch.

The stamp will be placed on sale in post offices across Canada on June 28, 1961, in time for the official anniversary of the Colombo Plan, which was inaugurated on July 1, 1951. Thirty million stamps will be printed.

NEW TCA JETS

The Vickers "Vanguard", newest addition to the Trans-Canada Air Lines turbine-powered fleet, carried 27,000 passengers in its first two months of scheduled operation.

The big 96-passenger turbo-prop aircraft, which can fly at 425 miles per hour, went into twice-daily service on transcontinental routes February 1, serving Montreal, Toronto, Winnipeg, Regina, Saskatoon, Edmonton, Calgary and Vancouver.

The air line's nine "Vanguards" logged 1,225 hours in revenue service between February 1 and March 31, flying almost half a million miles. In addition, they have chalked up 450 hours flight-time since the first of the year in pilot training.

TCA inaugurated "Vanguard" service between Canada and the Caribbean early in April, and will introduce the aircraft on services to the Atlantic Provinces April 30, giving Canadians turbine-powered "Vanguard" service from coast to coast.

The "Vanguard" carries 50 economy-class passengers and 46 first-class, and has taken over from the piston-engined "North Star" and "Super Constellation", offering new levels of passenger comfort and convenience at both economy-class and first-class fares.

RCN SUBMARINES

When HMCS "Grilse" commissions at Groton, Connecticut, on May 11, she will become the seventh submarine to be operated by the Royal Canadian Navy.

"Grilse", now the USS "Burrfish", is being lent to the RCN under agreement between the Governments of United States and Canada. She will be employed in training of anti-submarine ships and aircraft on the Pacific Coast.

Four of the RCN's previous submarines were of First World War construction. The other two were German U-boats that surrendered at the end of the Second World War.

The first two submarines, the CC-1 and CC-2, were purchased by the Province of British Columbia for \$1,150,000 from a Seattle shipyard out of concern by the provincial authorities over the lack of coastal protection when Canada entered the First World War.

FIRST ACQUISITION

The two ships were on order for the Chilean Navy when the B.C. government arranged the purchase. Manned by civilian crews, they spirited out of Seattle harbour for a secret rendezvous with a group of Canadians. The Canadians inspected the boats, turned over the cheque and sailed the submarines to Esquimalt.

The provincial government turned them over to the RCN, and for three years they carried out patrols off Canada's West Coast. Their presence is credited with deterring German incursions into these waters.

In 1917 the two submarines were transferred to the East Coast and were accompanied by HMCS "Shearwater", a sloop. The vessels were the first warships flying the white ensign to pass through the Panama Canal. Later, they were used for training in the Bras D'Or Lakes. In 1920, they were sold for scrap along with the cruiser HMCS "Niobe".

The next two submarines were given to the RCN in January 1919 by the Royal Navy. They were included in an order for 10 submarines built in the United States for the RN. Identified as H-14 and H-15, the two were on their way to England when the First World War ended and they were subsequently ordered to Bermuda where they remained a year.

The Prime Minister at that time, Sir Robert Borden, was in Europe in January 1919, and agreed to accept a gift of the two submarines. They were brought to Halifax and remained in service, as CH-14 and CH-15, until 1922, when, in a period of sharp retrenchment, they were paid off.

WAR CONTRACTS

During the First World War, 24 submarines of the same class as the CH-14 and CH-15 were built in Canada for Britain, Italy and Russia.

Early in the war, Canadian Vickers Ltd, of Montreal, under contract from the Electric Boat Company of Groton, Connecticut, began building ten "subs" for the Royal Navy. Six sailed for England on July 22, 1915, and became the first submarines to cross the Atlantic under their own power. The other four later sailed for the Dardanelles. Later, eight were ordered for the Italian Government and six for the Russians.

After the CH-14 and CH-15, no submarines were operated by the RCN until after the Second World War.

During the war, however, a number of Canadians trained and served in Royal Navy submarines. RN submarines were also based at Canadian ports to provide RCN personnel and ships with realistic anti-submarine training.

DISPOSAL OF CAPTURED U-BOATS

When Germany capitulated in 1945, two U-boats, the U-889 and U-190, surrendered to Canadian warships in the Western Atlantic. The U-889 gave herself up to the Algerine escorts "Oshawa" and "Rockcliffe" and the "Dunvegan" and "Saskatoon" off Shelburne, Nova Scotia, on May 10, 1945. The U-889 was turned over to the U.S. Navy in January, 1946, and was eventually destroyed.

The U-190 surrendered to the frigate "Victoria-ville" and the corvette "Thorlock" on May 12, 1945, and was brought into Bay Bulls, Newfoundland. Later, she was taken to Halifax. The U-190's last victim had been the mine-sweeper HMCS "Esquimalt", which was torpedoed off Halifax in April, 1945, on the eve of the war's ending. "Esquimalt" was the last RCN ship sunk in the war.

On October 21, 1947 - Trafalgar Day - having been thoroughly checked, tested and evaluated, the U-190

was taken out to the position off Halifax where she had torpedoed HMCS "Esquimalt". There, "Seafire" and "Firefly" aircraft of the RCN's 883 and 826 Squadrons attacked with rockets and bombs as HMC Ships "Haida" and "Nootka" (destroyers) and "New Liskeard" (Algerine) prepared to open fire. The U-boat lasted only minutes and "Haida" and "Nootka" barely managed to fire their opening salvos before she sank.

REGIONAL PRICE INDEXES

Consumer price indexes declined in five of ten regional cities during February and March 1961, with decreases ranging from 0.1 per cent both in Saint John and Toronto to 0.3 per cent in Montreal. The Halifax index was unchanged, while increases in the other four regional cities ranged from 0.1 per cent in Winnipeg to 0.5 per cent in Ottawa.

Food indexes were lower in eight of the ten regional cities, with only the St. John's and Winnipeg indexes at higher levels. Shelter indexes were unchanged in four cities, down in four and up fractionally in the remaining two regional cities. Clothing indexes advanced in nine of the cities; the Halifax index was slightly lower. Household-operation indexes rose in six cities and declined in the other four. Indexes for "other" commodities and services were up in three cities, down in four, and unchanged in the remaining three.

BIRTHS, MARRIAGES, DEATHS

Fewer births, marriages and deaths were registered in provincial offices in March this year than last. The totals in the January-March period were higher for births and lower for marriages and deaths. The month's registrations were: births, 37,576 (39,524 a year earlier); marriages, 5,163 (7,721); and deaths, 11,507 (13,069). January-March totals: births, 115,656 (115,497 a year ago); marriages, 18,899 (23,447); and deaths, 35,628 (36,098).

GOLD PRODUCTION

Conditions throughout the gold-mining industry in 1960 were more favorable than in the preceding year, with the result that gold production increased. Prices also rose, the Royal Canadian Mint annual average being about 36 cents a fine troy ounce higher than in 1959. An upswing in the price of gold that occurred late in the year on international markets brought an increase in the earnings of gold mines selling on the open market.

A 1958 amendment to the Emergency Gold assistance Act had raised cost assistance to qualifying mines by 25 per cent, and an additional amendment, passed in 1960, extended these benefits for three years - to the end of 1963. To obtain cost assistance under the Act, Canadian gold mines must sell directly to the Royal Canadian Mint in Ottawa. Of the 54 lode-gold mines in operation during the year, 42 received this cost assistance. The others, because their costs were lower, did not qualify. Most of the non-qualifying lode-gold mines sold on the open market, where about half of Canada's 1960 gold production was available for sale.

COSTS OF EXTRACTION

Labor costs were higher, but the rise caused in the Mint price by the decline in the value of the Canadian dollar in relation to the United States dollar helped the industry to meet them. Material and power costs were also higher. Had it not been for the increase in the Mint price of gold and in the cost assistance provided for in the Emergency Gold Mining Assistance Act, many older mines, faced with a decline in ore reserves and having access only to lower-grade ore, would have been unable to continue operations. Three mines were closed during 1960, and two new mines began operations.

An estimate of the Dominion Bureau of Statistics places the year's gold production at 4,602,762 fine troy ounces valued at \$156,171,715. The final total for 1959 was 4,483,416 fine ounces valued at \$150,508,275. In 1960, the volume produced was the highest since 1942 and the value was the highest since 1955, when an ounce of fine gold was valued at \$34.52. Production increased in all producing provinces. Ontario, with 59 per cent of the total, remained the principal producer, followed by Quebec with 23 per cent, the Northwest Territories with 9 per cent and British Columbia with 4 per cent.