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INVESTMENT IN CANADA--OUTLOOK, 1960

Mr. Gordon Churchill, Minister of Trade and Commerce, tabled recently in the House of Commons a report entitled "Private and Public Investment in Canada -- Outlook 1960", which summarizes the results of a recent survey of capital spending intentions.

The capital expenditure plans of all sectors of the economy, as outlined in the report, involve total outlays in 1960 of \$8,770 million. Such a capital programme would be the largest on record. It would exceed the previous record established in 1957 and be 4 per cent greater than the \$8,411 million spent for these purposes last year.

Within the total, expenditures for new construction are expected to be at an all-time high of \$5,942 million. In 1959, such outlays totalled \$5,798 million. Spending for new machinery and equipment is expected to show a significant improvement from the levels of the past two years. Present plans call for outlays of \$2,828 million for this purpose in 1960. This would be 8 per cent above the \$2,613 million spent last year, and only slightly less than the record outlays of 1957.

Business investment is expected to recover substantially in 1960. An increased rate of spending in this area will provide the principal contribution to the expansion expected in total private and public investment. The emphasis is likely to be on expansion in the resource-based industries. Plans for capital spending in the forest and mineral products

industries combined involve a 20 per cent increase over actual expenditures last year. A further significant increase, in commercial building for stores and offices, will also contribute to the overall growth in business investment. Other major areas of business are expected either to maintain or moderately increase their rate of capital spending in 1960.

Outlays for housing and social capital will account for a smaller proportion of the total capital programme in 1960 than has been the case during the past two years. Housing expenditures are expected to show a further moderate decline from the level of last year. It is anticipated that this will be offset by an increase in institutional construction, particularly for hospital and university facilities. Construction spending by the federal, provincial and municipal governments combined is likely to be slightly above last year's rate.

The 1960 investment programme, as revealed in the report, appears to be consistent with a sound and orderly growth in the economy. It will result in somewhat increased demands being placed on the industries related to construction and the production of equipment. The extent of such increases is not likely to place an undue strain on available resources. Greater emphasis on the modernization and expansion of Canada's productive facilities should help to ensure that Canadian industry will be in a position to share in growing world and domestic markets.

CANADIAN MARINE ENGINEERS

The Institute of Marine Engineers, a professional association which had its origin in England in 1889, and is now world-wide, has established a Canadian Division and the first Vice-President (Canada) and Member of Council is Rear Admiral B.R. Spencer, Chief of Naval Technical Services. The office of the Canadian Division will be located at 336, Crestview Road, Ottawa, and the Secretary (Canadian Affairs) is Mr. T.M. Pallas.

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SEAWAY TRAFFIC

With the continuance of trends now apparent in the use of vessels and the pattern of import and export trade, there is no reason why the Welland Canal could not handle the traffic available for at least another five years without the necessity of twinning some of the single locks, J.C. Lessard, Vice-President of The St. Lawrence Seaway Authority, stated recently.

The trends mentioned were the use of larger "upper-lakers", the continued reduction in the number of canallers, and a definite pattern of import and export business for the ocean trade.

Mr. Lessard served as Chairman of the Canadian Committee on Tolls, which prepared the basis of the tariff of tolls adopted by the Canadian Government in conjunction with the United States Government, which received like recommendation from its parallel toll committee.

Seaway facilities have much potential in reserve, Mr. Lessard said, and stand prepared to move as many more millions of tons as industrial activity of Canada and the United States is prepared to offer. "The Seaway is not an independent agency", he pointed out, "but is basically attuned to our economic life and it should progress on a par with the growth of the two nations which created it and are now operating it".

The traffic on the Seaway portion between Montreal and Lake Ontario was composed 91 per cent of bulk commodities and nine per cent general cargo, Mr. Lessard said, and, of the total of 20,350,000 tons, grain accounted for a total of 6.4 million tons, iron ore, 6.2 million tons, coal and coke 1.2 million tons and fuel oil and gasoline 1.2 million tons. Thus nearly 62 per cent of traffic was in grain and iron ore.

Mr. Lessard called for an end to suggestions for immediate changes in the tariff of tolls, pointing out that a full review of the previous five years would be undertaken in 1964. He said it would take at least five years for a firm pattern to become established.

Ocean ships made 27 per cent of total transite and 55 per cent were made by lakers,

on the "new" Seaway portion Montreal - Lake Ontario, he said. (Other vessels included tugs, scows, pleasure craft and others.)

The ocean ships carried 31 per cent of the cargoes and generated 37 per cent of the tolls, while lakers carried 68 per cent of the cargoes and generated 62 per cent of the tolls received, the Seaway vice-president stated.

Pointing out that the Seaway handled 1300 lakers in ballast and only 300 ocean ships in ballast, he said "when our domestic trade can be handled in our lake vessels loaded in both directions we can look forward to a much more efficient use of the Seaway together with a decrease in the cost of transportation."

With the new grain storage and handling facilities of Baie Comeau in operation this season, the opportunity will be given to move grain down there and iron ore up (from ports nearby) in the same voyage.

"It will be interesting to see what develops along these lines, for I have always been confident that there does not exist anywhere in the world a type of vessel more economical to operate than our upper-lake type, which can transport 20,000 to 25,000 tons of cargo at a time", Mr. Lessard said.

Of all harbours that handled Seaway traffic last season, Hamilton heads the list in importance, Mr. Lessard added. Actual Seaway traffic for this Lake Ontario port was 6,676,000 tons. Montreal (5,581,000 tons), Seven Islands, Quebec, (4,857,000), Ashtabula, Ohio, (3,877,000) and Toronto (3,240,000) followed in that order; and Fort William headed off Chicago by over 500,000 tons.

FIRST "PINAFORE" CASTINGS

When Tyrone Guthrie's production of "H.M.S. Pinafore" sails into port at the Avon theatre next summer, Eric House will be aboard as Sir Joseph Porter and Marion Studholme and Andrew Downie will be prominent members of the crew as Josephine and Ralph Rackstraw respectively. For Mr. House, one of Canada's busiest and most versatile actors, this will be a sixth appearance at the Stratford Festival. For Miss Studholme, a star of Sadlers' Wells opera, and Mr. Downie, a leading figure of the London lyric stage and motion pictures, it will be a first engagement in this country. In private life, Miss Studholme and Mr. Downie are husband and wife.

"My production of 'Pinafore' will make no attempt whatever to be revolutionary," says Dr. Guthrie. "We shall stick closely to the period (1878) in dresses and uniforms; we shall aim at about the same degree of realism as did Gilbert's production."

After its opening at the Avon on July 15, "H.M.S. Pinafore" will be seen each evening, (with the exception of Sunday and Monday) and at Wednesday and Saturday matinees until August 6.

VANCOUVER FESTIVAL

The Vancouver Festival Society has announced the complete programme for the third annual Vancouver International Festival, taking place from July 22 to August 16 in Vancouver, British Columbia.

The three-and-a-half week programme has been designed to appeal to the widest possible audience without relaxing the artistic standards that have earned an international standing for the Festival. The twenty-two major events from six countries will range from the all-Canadian production of "Madame Butterfly" to the North American première of the spectacular Peking Opera. The Kingston Trio will cater to the tastes of popular-music lovers. Hal Holbrook, with his impersonation of Mark Twain, is expected to delight young and old alike.

The Festival Symphony Orchestra will be conducted by William Steinberg and Carlos Chavez. Although much publicity has been given to the appearance of the New York Philharmonic Orchestra and Leonard Bernstein, no official confirmation has been received from New York as yet.

The Vancouver Festival, now going into its third season, has booked twenty-two different events with top performers coming from entertainment capitols of the world to take part.

The Festival events will take place in three theatres, at the Exhibition Forum, the Hotel Vancouver ballroom and on the University of British Columbia campus. Much of the programme will be presented in Vancouver's handsome new Queen Elizabeth Theatre.

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GEOGRAPHICAL NAMES BOARD MEETS

Dr. N.L. Nicholson, Director of the Geographical Branch of the Department of Mines and Technical Surveys, was re-elected Chairman of the Canadian Board on Geographical Names at its annual meeting held recently in Ottawa. Representatives were present from each of the participating provinces, with the exception of Prince Edward Island and Newfoundland.

Mr. G.M. Munroe, Secretary of the Board, reported that some 19,000 names had been processed for 126 new maps, 18 new hydrographic charts, and 9 revised maps. He also reported a strong demand for the gazetteers of British Columbia, Alberta, Saskatchewan, Manitoba, southwestern Ontario, New Brunswick, and the Yukon and Northwest Territories, and noted that the Prince Edward Island gazetteer will be published shortly, and that the gazetteers for Nova Scotia and Ontario are under way.

Mr. Paul Comtois, the Minister of Mines and Technical Surveys, through whom the Board reports to Parliament, entertained members at dinner. He paid tribute to the work of the Board and spoke of the two broad problems with which it was faced: that of obtaining satis-

factory new names for features, hitherto unnamed, in areas of Canada recently opened up, and in southern Canada, the need for changing names in response to local conditions, with the changes in population composition, the expansion of urban areas, and the depopulation of some rural areas.

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CAPITAL-EXPORTERS CONFER

A delegation headed by Mr. A.F.W. Plumptre, Assistant Deputy Minister of Finance, and including members of the Department of External Affairs, the Department of Trade and Commerce and the Bank of Canada, represented Canada from March 9 to 12 at a meeting of capital-exporting countries held in Washington, D.C. The meeting of what is now being called the Development Assistance Group was an outcome of the conference of twenty countries held in Paris from January 12 to 14 to discuss economic co-operation in the North Atlantic area.

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DECEMBER WEEKLY WAGES

Average weekly wages in manufacturing declined in December to \$68.78 from \$71.08 in November and hours worked to 38.7 from 40.9, while average hourly earnings rose to \$1.78 from \$1.74, according to advance figures issued by the Dominion Bureau of Statistics. Weekly wages in December 1958 averaged \$63.71, hourly earnings \$1.71 and the work week 37.3 hours.

Average hourly earnings in durable-goods manufacturing rose in December to \$1.92 from \$1.89 in the preceding month, while the work week decreased to 39.2 hours from 41.2. Factors contributing to these changes were a shorter work week over the Christmas holiday, especially in industries paying below the general average, back-to-normal operations in the automotive industry, following layoffs due to steel strikes in the United States, and overtime on Christmas Day in smelting and refining.

Average hourly earnings in non-durable goods manufacturing also rose in the month to \$1.63 from \$1.60 in November, and the work week was cut to 38.3 hours from 40.7. These changes were caused partly by short time and a seasonal decline of lower-paid employees in canning and preserving, and considerable short time during the holiday period in leather products and clothing factories where many women are employed.

Average hourly earnings in mining rose in December to \$2.08 from \$2.06 in November, mainly due to short time in the lower-paid segments of the industry. Excessive short time and further seasonal layoffs were reported in construction.

SALMON FISHERIES COMMISSION

The International Pacific Salmon Fisheries Commission, which is responsible for the preservation, protection and extension of the sockeye and pink-salmon stocks of the Fraser River, met on February 26 with Fisheries Minister J. Angus MacLean.

Under the chairmanship of DeWitt Gilbert, U.S. Commissioner, the Commission reviewed the results of its activities to date, and reported on its continuing work to conserve the two salmon stocks in the area covered by the Convention signed by the two countries.

The Commission was originally appointed in 1937 to restore the sockeye stocks of the Fraser River system. The Convention under which it was set up was amended in 1957 to cover the conservation of pink-salmon stocks in the same area.

Canadian Commissioners attending the meeting were Senator Thomas Reid and Fred D. Mathers, both of New Westminster, British Columbia, and A.J. Whitmore, Pacific Area Director of Fisheries for the Department of Fisheries of Canada. Fisheries Minister MacLean was accompanied by Deputy Minister of Fisheries George R. Clark.

In addition to the other two United States Commissioners, Milo Moore and Arnie Suomela, W.C. Herrington of the U.S. State Department was present.

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WORKMEN'S COMPENSATION BULLETIN

The 1959 edition of the bulletin "Workmen's Compensation in Canada", has been released. Mr. Michael Starr, Minister of Labour, announced recently.

The bulletin, prepared by the Legislation Branch, Department of Labour, describes the main features of compensation legislation and sets out in tabulation form, by provinces, the scale of compensation in effect in case of disability from an industrial accident and the benefits to dependants in case of a fatal industrial accident. It also contains a review of the changes in workmen's compensation laws in 1959 up to October, the date of publication.

In Manitoba and Nova Scotia, amendments to the Acts implemented recommendations of Royal Commissions. The changes in Saskatchewan resulted from an inquiry into the Act by a Committee of Review appointed every four years. The Acts of British Columbia, New Brunswick, Newfoundland and Prince Edward Island were also revised.

The main changes affecting compensation for disability were the increase in Nova Scotia of the percentage rate of earnings on which awards for disability are based from 70 to 75 (making a 75 per cent rate uniform across Canada), and increases in the maximum yearly

earnings base for the computation of compensation to \$3,600 in Nova Scotia, \$4,500 in Manitoba and \$5,000 in British Columbia.

The most significant changes in benefits to dependents in fatal cases were the increases in monthly pensions to widows to \$90 in British Columbia, \$75 in Manitoba and \$60 in Nova Scotia.

Children's allowances were also raised in British Columbia, Manitoba, New Brunswick and Nova Scotia.

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FEBRUARY PRICE INDEX

Canada's consumer price index declined 0.2 per cent from 127.5 to 127.2 between the beginning of January and the beginning of February this year. A year ago the index stood at 125.7.

The current decrease resulted almost entirely from a decline of 0.7 per cent in the food index, combined with a drop of 0.4 per cent in the clothing index and 0.1 per cent in the household-operation index. The indexes for shelter and "other" commodities and services were both up a fractional 0.1 per cent.

The food index moved from 121.6 to 120.8, as lower prices were reported for a wide range of meats, with price declines in beef ranging up to 5¢ a pound. Other price declines were limited largely to orange juice, grapefruit and most fats. Egg prices, after dropping some 20¢ a dozen between November 1959 and January 1960, edged slightly lower in February to stand at 41¢ a dozen. Most fresh and canned fruits and vegetables were higher, with potato prices, continuing to rise, at their highest February levels since 1952.

The shelter index rose slightly from 142.8 to 142.9, as the home-ownership component increased slightly, while the rent component, unchanged for the fourth successive month, continued its levelling trend apparent over the past year.

A drop of 0.4 per cent in the clothing index from 110.2 to 109.8, reflected a further impact of winter sales. Men's, women's and girls' winter overcoats, boys' parkas and girls' snowsuits were mainly affected.

In the household-operation index, a fractional decline from 123.3 to 123.2, resulted mainly from sale prices in furniture and floor coverings, which more than balanced scattered price increases for some household supplies and utensils, as well as textile prices, up from January sale levels.

Price changes in "other" commodities and services were of a minor nature, with somewhat higher prices reported for pharmaceuticals, personal-care items and taxi rates, which were partly offset by price declines for gasoline. As a result, the index increased from 136.9 to 137.0.

STARR SAYS STAY IN SCHOOL

Labour Minister Michael Starr has stressed the importance of young people staying in school and obtaining as much education and training as possible before seeking employment. He said that, during Education Week, this matter assumed vital importance in the effort to maintain a high level of training skill in Canada. He pointed out that the proportion of unskilled and semi-skilled jobs available in Canada was declining, while the skilled and professional jobs, demanding more schooling, were increasing.

The semi-skilled and unskilled occupations in Canada represent only 30 per cent of the jobs available, the Minister added. Almost 70 per cent of the youngsters entering Grade Two or starting their elementary school education will drop out before getting their junior matriculation or the equivalent. In other words, they leave school without reaching a level of education that would equip them for most jobs beyond the unskilled or semi-skilled categories.

During the past ten years, opportunities in professional occupations had increased by about 70 per cent, skilled occupations by an estimated 35 per cent, white collar occupations by another 35 per cent, while semi-skilled and unskilled occupations showed an increase of only about 20 per cent. Mr. Starr pointed out that this trend resulting from technological advances would inevitably continue and if the average young Canadian hoped to reap the benefits of a modern progressive nation he would have to face up to the fact that education was no longer a luxury, but a necessity.

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NEW SUB-DETECTOR

A new type of sonar that holds promise of being one of the most significant breakthroughs in the science of submarine detection in recent years is to be manufactured in Canada for the Royal Canadian Navy.

Called "variable-depth sonar" (VDS), the new system will enable warships to lower sonar gear through the ocean's thermal layers, thereby overcoming the ability of submarines to escape detection in or below these temperature strata.

Variable-depth sonar is the result of more than ten years' research and development by Defence Research Board scientists of the Naval Research Establishment, Halifax.

The need for a layer-probing sonar first became apparent when German submarines, both by accident and design, made tactical use of thermal layers during the Second World War.

The upper levels of the ocean usually contain layers of varying temperature forming a horizontally uniform pattern many miles in extent. These layers may refract or completely

resist penetration by sonar transmissions from hull-mounted sets.

The problem was of particular concern to the RCN because of the presence of such layers off Canada's coasts.

DRB scientists and RCN anti-submarine specialists, working on the project together, discovered the problem could be substantially overcome by placing transducers in or below the layers of varying temperatures.

Applied research and development followed. The result is equipment consisting essentially of a transducer enclosed in a streamlined body that can be towed at varying depths. The towing-cable houses a core of electrical conductors. These transmit signals to the towing ship's sonar displays and also carry electrical power from the ship to the transducer.

The idea that led to the development of VDS was conceived almost simultaneously in Canada and the United States. Close liaison was maintained with the Royal Navy and United States Navy, which also sought improved detection methods along similar lines. Information was shared throughout by the associated countries, with Canada concentrating on specified possible methods as the other countries explored different but allied techniques.

HMCS "New Liskeard" (coastal escort) was the first ship to be used for experimental trials. Repeated testing and modification resulted in improvement in the equipment's performance, and a more sophisticated version of VDS, built by Canadian firms, was installed in HMCS "Crusader" (destroyer escort). Intensive evaluation produced effective results and the equipment was accepted for service in the RCN.

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PLAN KLONDIKE FETE

A colourful page in Canada's history will come of life again in 1962, according to plans now being made in Ottawa, Stratford, and Dawson City, Yukon.

In Ottawa, Resources Minister Alvin Hamilton explained that the Historic Sites and Monuments Board had recommended the preservation of a number of structures characteristic of the gold-rush days of '98, including the Auditorium Theatre in Dawson and the stern-wheelers that once plied the Yukon River. The Theatre will be restored in 1961, as the first unit of a Dawson City historical complex.

Several of the old river-boats will be set up in an historical park, one outfitted as a museum of Yukon River navigation. The boats, presented to the Government by the White Pass and Yukon Company, will be moved to a permanent location in 1961. They will be prepared for the move this summer.

Some months ago Tom Patterson, founder of the Stratford Shakespearean Festival, was commissioned to study Dawson and investigate the use of some of the historical features. As a result, the Klondike Gold Rush Festival is in

(Over)

the preliminary planning stage. It is hoped that, by summer 1962, the Auditorium Theatre will once again come alive with shows modelled on those of gold-rush days, when it featured some of the greatest entertainers of the continent.

Mr. Hamilton explained that plans for the festival envisage close co-operation between the Federal Government, the people of the Yukon, and Canadian Theatre Exchange Limited, a newly-incorporated company of which Mr. Patterson is president. The Government will make the theatre available; Mr. Patterson and his associates will produce the shows and spearhead other festival activities.

The festival, it is hoped, will prove one more attraction for tourists visiting Canada's Northland, some 40,000 of whom passed through the Yukon last year.

OLYMPIC CHAMPION FÊTED

Ann Heggveit, first Canadian to bring home an Olympic ski championship, was accorded a boisterous welcome on March 10 by her native Ottawa. While excited crowds lined the route taken by the float, representing a ski-hill, that bore the champion in procession to the Chateau Laurier Hotel, thousands of office-workers filled the air with a blizzard of streamers, ticker-tape and paper. In the parade preceding the float were six bands, dozens of cars, a bevy of "majorettes" and a detachment of the Royal Canadian Mounted Police.

Later, Miss Heggveit was honoured at a banquet attended by the Prime Minister, the Mayor of Ottawa and many other distinguished guests. On behalf of the capital, Mayor Nelms presented her with a silver tea-set, and Mr-Diefenbaker paid tribute to her skill and dedication.

Miss Heggveit acquired her Cold Medal by winning the women's slalom contest. For her performance in this event, she was later named women's world alpine combined and slalom champion.

JANUARY STRIKES AND LOCKOUTS

There were fewer work stoppages in Canada during January than during December, 1959, with fewer workers involved, although the total loss in man-days was slightly higher, according to a preliminary summary of strikes and lockouts recently released by Labour Minister Michael Starr.

In January 20 work stoppages occurred, involving 3,531 workers and a total duration of 58,440 man-days. In December there were 22 work stoppages, with 3,836 workers involved and a total duration of 56,050 man-days.

Of the January work stoppages, 19 were in industries under provincial jurisdiction and one was in an industry under federal jurisdiction.

More than 90 per cent of the time loss -- 53,500 man-days -- resulted from two disputes, one in the textile industry in Magog, Quebec, and the other in the construction industry in Hamilton, Ontario.

A breakdown by industry of the month's stoppages shows seven in construction, six in manufacturing, two in transportation, storage and communication, two in public utilities, and one each in logging, mining and trade.

The total includes four work stoppages involving 100 or more workers. All of these were still in effect at the end of the month.

Based on the number of non-agricultural wage and salary workers in Canada, the number of man-days lost in January represented 0.06 per cent of the estimated working time, compared with 0.05 per cent in December and 0.16 per cent in January, 1959.

Called "variable-depth sonar" (VDS), the new system will enable warships to lower sonar gear through the ocean's thermal layers thereby overcoming the ability of submarines to escape detection in or below these camouflage strata. Variable-depth sonar is the result of more than ten years' research and development by Defense Research Board scientists of the Naval Research Establishment, Halifax. The need for a layer-penetrating sonar first became apparent when German submarines, both by accident and design, made tactical use of thermal layers during the Second World War. The upper levels of the ocean usually contain layers of varying temperature forming a horizontally oriented pattern many miles in extent. These layers may reflect or completely