



CANADA

CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

January 20, 1960

Vol. 15 No. 3

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CANADA ABROAD DURING 1959

"Addressing the Advertising and Sales Bureau of the Vancouver Board of Trade on January 4, the Secretary of State for External Affairs, Mr. Green, said that Canada, "because of her dependence on export trade", would be one of the countries to suffer most from the lack of stable conditions throughout the world. Mr. Green observed that the big powers were "insulated against the economic consequences of world tension" by their huge populations and large domestic markets. "That is one reason," he continued, "why Canada not only must play her full part in international affairs but also must seek constantly to give leadership in building the kind of world society in which we can develop our country within the framework of an expanding world economy." Mr. Green then described Canada's main international undertakings during 1959, as follows in part:

NATO ROLE

"...I think the fact which emerged most clearly at the recent meeting of NATO was that the nature of the Soviet challenge was in the process of change--that we are entering upon a new phase of international relations in which, while the threat of war may well recede, competitive co-existence in the economic and ideological spheres will continue unabated. These new circumstances pose problems for NATO no less demanding than the threat of open aggression which first led to the creation of the Alliance--and they will require certain adjustments in NATO activities.

"I came away from Paris convinced that all member nations realize this fact--and convinced also that there is a deep feeling of mutual confidence which will enable the Alliance to meet this new challenge. That spirit of inter-dependence is vital and to maintain and strengthen it calls for the fullest consultation at NATO meetings on all matters which significantly affect the Alliance.

"It was for this reason that, when I addressed the Permanent Council in Paris last October, I urged that the December Ministerial Meeting, which was to coincide with the meeting of the Heads of Government of the United Kingdom, the United States, France and West Germany, should be so arranged as to allow for consultation with the other NATO members both before and after the Western summit meeting.

"As you know, this suggestion was adopted with the result that the three powers who will represent the West at the summit talks with the Soviet Union not only had the benefit of the views of the Alliance as a whole prior to the Western summit meeting in Paris but were able to review their tentative conclusions with the other NATO partners in the meeting which followed on December 22. I can assure you that this was no perfunctory reporting on conclusions already reached. Indeed it produced one of the best spontaneous discussions of East-West problems that NATO has ever known....

(Over)

TEN-POWER DISARMAMENT COMMITTEE

"For Canada participation in a working group on disarmament means an additional responsibility, but it is one which we accept readily. It was a logical development, because last September we were suggested by the foreign ministers of the United Kingdom, the United States, France and the Soviet Union, meeting at Geneva, as one of the members of a ten-power East-West negotiating group on disarmament. This Committee, you will recall, consists on the Western side of Canada, France, Italy, the United Kingdom and the United States, and on the Eastern side of Bulgaria, Czechoslovakia, Poland, Roumania and the Soviet Union... On this ten-power group the main responsibility will rest for devising, negotiating and ultimately implementing a practical programme of controlled, phased disarmament....

"As you will see, the recent NATO decision to make the five Western members of that committee also a working group for preparations on disarmament questions for the East-West simply gave the group a dual function. It is, however, unlikely that anything more than directives or general guidance will come from the East-West summit on disarmament questions. The real work will take place in the ten-power group. The Canadian Government attaches great importance to the work of this Committee and for this reason such a distinguished Canadian public servant as Lieutenant-General E.L.M. Burns, until recently Commander of UNEF, has been appointed to represent Canada on the Committee....

NATURE OF NEGOTIATIONS

"The new negotiations...will take place against the background of important developments in the disarmament field at the recent session of the United Nations General Assembly. There both the United Kingdom and the Soviet Union advanced comprehensive disarmament proposals, the latter's including for the first time an apparent willingness to accept the principle of inspection and control. In addition a resolution was adopted unanimously which expressed the hope that measures leading towards the goal of general and complete disarmament under effective international control would be worked out in detail and agreed upon in the shortest possible time. Finally, they will take place in the improved atmosphere which, for want of a better phrase, is sometimes called the "Camp David spirit".

EAST-WEST SUMMIT MEETINGS

"...Canada welcomes the fact that there is to be not just one East-West summit meeting but a series, to take place in succession in the respective capitals of the participants. We have long favoured a series of summit meetings for a number of reasons: for example because complex questions of international

security could patently not be settled in one brief meeting; further, because there is intrinsic value in keeping alive the discussions between the great powers; and also because one all-or-nothing summit conference could easily raise false expectations in the public mind which would almost certainly be disappointed.

CANADA AND THE UNITED NATIONS

"...It is in the United Nations that Canada enjoys one of its greatest opportunities to offer constructive leadership. I have been impressed by the respect we enjoy in that forum as a disinterested middle power. The reasons are not difficult to find; no one fears us because we are without territorial ambitions; no one harbours resentment towards us since we have never held sovereign control of an alien people; no one suspects us of coveting his national resources as we are known to have plenty of our own. We have made many friends by gaining a reputation for independent thought and objective judgment on issues that come before the United Nations.

"At the recent session of the General Assembly we tried very hard to give constructive leadership. The Canadian initiative which attracted the most attention was our proposal, eventually co-sponsored by ten other powers and unanimously endorsed by the Assembly membership, to encourage the world-wide collection and central collation of more accurate information on radiation. We took this initiative in the knowledge that even if nations agree to stop testing nuclear weapons, the problem of radiation will not vanish. It seems imperative that the substantial gaps which exist in our knowledge of this frightening phenomenon should be filled, and that research into the biological effects of radiation should be based upon the fullest and most reliable information possible. I was greatly heartened by the enthusiasm with which the Canadian people greeted this initiative and by the complete support it received in the United Nations....

"Towards United Nations efforts at peace-keeping and peace supervision, Canada continues to make a contribution in which, I think, we all can take pride. Our support for the United Nations Emergency Force in the Middle East continues undiminished and I believe it is true to say that we have contributed more manpower to various United Nations observation groups--for example, in Palestine, Kashmir and Lebanon--than any other single nation....

COMMONWEALTH MEMBERSHIP

"Canada, of course, continues to play her full part in the Commonwealth of Nations. It is an association for which we have a deep sentimental attachment reinforced by the comradeship and common sacrifices made in two world wars.... But, of course, there is far more to this unique fraternity than mere

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SPEECH FROM THE THRONE

Addressing the members of the House of Commons and the Senate on the occasion of the opening of the third session of the Twenty-Fourth Parliament on January 14, His Excellency the Governor-General said, in part:

"...My Prime Minister looks forward to meeting with the leaders of the other Commonwealth Governments early in May. The Commonwealth is in a state of rapid constitutional development....

"We welcome the spirit which has made possible the progress of the past year in meetings between the leaders of great nations and we believe that with wisdom and patience the series of meetings arranged to commence in Paris in May can bring about the results which all desire. Canada will be prepared to assist wholeheartedly by consultation, particularly in the North Atlantic Treaty Organization, with those immediately involved in these efforts to achieve just diplomatic settlements.

"A lasting peace between nations, founded upon understanding and tolerance, is the strongest aspiration of Canadians. The Government continues to regard as a primary goal the achievement of the greatest possible measure of controlled disarmament. Canada will devote every effort to discharging its responsibilities as a member of the ten nation disarmament committee....

"We are heartened by the unanimous approval given by the United Nations to the Canadian proposal to sample and analyse more widely and effectively the radioactive content of the atmosphere, soil and food. For this purpose necessary funds to enable Canada to take a leading part in this work will be requested.

"It must be expected that the recent technological advances in the penetration of outer space will lead to further dramatic developments. Canada welcomes the opportunity to participate actively in the United Nations Committee intended to ensure that outer space is used only for peaceful purposes.

"...Substantial progress has now been made in finding a satisfactory basis for the development of the power of the Columbia River in co-operation with the United States and negotiations for this purpose have now been initiated with the Government of the United States. The results will be placed before Parliament for approval and for the authority to take the measures necessary to bring about the full use of this most valuable source of power. The Government of Canada remains ready to participate with British Columbia in the joint development of the potentials of this great river.

"...Legislation to provide for a Canadian Bill of Rights will be placed before you for your approval.

"...Bills will also be submitted for your approval to give added status and responsibility to the Territorial Councils of the Yukon

and Northwest Territories and to improve the administration of justice in the Territories.

"...You will be requested to revise the Civil Service Act and a Special Committee of the House of Commons will be proposed for the consideration of the bill. Amendments to the Public Service Superannuation Act will also be placed before you.

"...Legislation will be introduced to give Indians the franchise in Federal elections. You will be invited to re-establish the Joint Committee on Indian Affairs.

"You will be asked to authorize the establishment of a new department to be concerned with affairs relating to the forests of Canada and their most effective utilization and conservation, and to assume responsibility for other related resources...."

* * * *

COLOMBO PLAN - TENTH ANNIVERSARY

January 14, 1960, marked the tenth anniversary of the conception of the Colombo Plan. Meeting in Colombo on January 14, 1950, the foreign ministers of Canada and a number of other Commonwealth countries agreed that the resources and technical skills of their respective nations might be combined to further, by co-operative effort, the economic development of South and Southeast Asia. Within the year, a Consultative Committee of ministers had been formed and plans drawn up for the economic development of the Commonwealth countries of the region.

In the ten years since this unique partnership was begun, the Colombo Plan has expanded well beyond the original membership of seven Commonwealth governments, until it now includes all the countries of South and Southeast Asia, as well as Canada, the United Kingdom, the United States of America and Japan. The original six-year term of the Colombo Plan has twice been extended. At its November 1959 meeting in Indonesia, the Consultative Committee agreed that the Colombo Plan should now run until 1966 and that a further renewal should be considered in 1964.

In keeping with the purpose of the Colombo Plan, Canada has provided capital grants to assist in major development projects and technical assistance in the form of training opportunities in Canada for students from the Colombo Plan region, the provision of technical experts from Canada on loan to the various regional governments and other assistance for technical training facilities in the area.

Since 1950, Canada has contributed \$281.7 million in Colombo Plan aid. The annual Canadian contribution was increased this year to \$50 million and the Government has expressed its intention to ask Parliament for \$50 million in each of the forthcoming two years.

The tenth anniversary of the Colombo Plan conception in being marked by messages from

heads of government or foreign ministers of Colombo Plan countries, which are being published today in Colombo and the capitals of the member nations. In his message, the Prime Minister of Canada, Mr. Diefenbaker, has stated: "The implementation of the Colombo Plan is an outstanding example of what individual nations can achieve when they unite in their obligations to one another." The Colombo Plan Bureau is publishing on this occasion a number of articles recalling the circumstances of the historic meeting in Colombo, the formative years of the Plan, and describing the forms and amounts of aid administered under the Plan since 1950.

WELLAND CANAL

The Welland Canal became part of the St. Lawrence Seaway and was transferred from the Canals Branch of the Department of Transport to the St. Lawrence Seaway Authority on April 1st, last year. It may be regarded as the first portion of the Seaway to be constructed. It connects two of the Great Lakes and forms an integral part of the recently completed deep waterway, providing facilities for large lakers and ocean navigation between Montreal and the Head of the Lakes.

As the Welland Ship Canal it was officially opened on August 6, 1932, by the Earl of Bessborough, then Governor-General, in ceremonies at the North end of the flight of three locks, Nos. 4, 5 and 6. These overcome the difference in level created by the Niagara escarpment. R.B. Bennett (later Viscount Bennett) was Canada's Prime Minister and the Minister of Railways and Canals was Mr. R. J. Manion. The British Empire Economic Conference was in session at the time at Ottawa and the official opening was attended by representatives of the various Dominions and other British entities attending the Conference.

As Lord Bessborough turned a lever that raised a fender protecting the gates of the east chamber of Lock 6, the S.S. "Lemoyne", then the largest freighter on the Great Lakes, entered the lock downbound. On that occasion she carried 530,000 bushels of wheat. She is 633 feet long and has a beam of 70 feet and was sailing on a draught of 19 feet, six inches.

The present Welland Canal is the fourth constructed as a means of overcoming the obstacle to navigation presented by the rapids and falls of the Niagara River. Figuratively, these canals permitted ships to "climb Niagara Falls". The world-renowned falls were apparently first reported upon by the explorer Etienne Brulé in 1616 or 1617 and shown on Samuel de Champlain's map of 1632.

By order of the International Joint Commission, the level of Lake Ontario is to be maintained between 244 and 248 feet above sea level as near as may be; the levels of Lake

Erie vary in nature between 569 and 575 feet above sea level. The difference in level overcome by the Welland Canal is generally expressed as 327 feet.

The present canal is 27.6 miles long, has eight locks and its alignment is almost exactly North and South. The Lake Ontario or northern entrance is at Port Weller and the Lake Erie entrance is located at Port Colborne.

The successive Welland canals were:
First Canal -- 40 wooden locks, 110 feet long, 22 feet wide, eight feet of water over sills, completed 1829.

Second Canal -- 27 cut-stone locks, 150' by 26½ by 9', completed 1845.

Third Canal -- 26 cut-stone locks, 270' by 45' by 14', completed 1887.

Welland Ship Canal, 8 concrete locks, six of dimensions 859' by 80' and 30 feet of water over sills, completed 1932.

(One lock is 865 feet long and Lock No. 8 at the Lake Erie end of the Canal is 1,380 feet in length).

Inside useable length, between breast-wall and upper gate fender of locks is usually expressed as 765 feet. Lifts vary from 43.7 to 47.9 feet, except at Lock No. 8 where the lift is a maximum of 12 feet, applicable only under special conditions on Lake Erie.

Locks 4, 5 and 6 are twin locks in flight and permit uninterrupted passage of upbound and downbound traffic.

When the construction of the St. Lawrence Seaway was begun in 1954, the available governing depth of the Welland Ship Canal was 25 feet throughout.

Work undertaken by the St. Lawrence Seaway Authority has resulted in a governing depth of water of 27 feet throughout.

Port Dalhousie is still in operation as a port, together with Lock No. 1 of the Third Canal, by means of which vessels may enter the reach that has been common to the Second and Third Canals.

WHEAT MISSION TO FAR EAST

Mr. Gordon Churchill, Minister of Trade and Commerce, recently issued the following statement concerning Canada's participation in the Wheat Utilization Committee's Mission to Japan, India and Indonesia:

"The Wheat Utilization Committee, which was established at the Food for Peace Conference in Washington in May 1959, recommended at its second meeting last October that a technical, fact-finding mission be sent to the Far East to explore possibilities of improving the effective utilization of wheat. The mission would be composed of specialists from member countries, namely Argentina, Australia, Canada, France, the United States, and also from the Food and Agriculture Organization of the United Nations.

The Canadian Government has agreed to participate in this international mission and has nominated as its representatives Dr. L. Bradley Pett, Chief, Nutrition Division, Department of National Health and Welfare, Ottawa; and Mr. D.H. Treleaven, Secretary, Canadian Wheat Board, Winnipeg. Dr. Pett will act as the nutritionist on the Mission and Mr. Treleaven as the wheat marketing specialist."

* * *

IDB REPORT

Following is the introduction to the annual report of the Industrial Development Bank for 1959, by the president, Mr. J.E. Coyne:

"The Industrial Development Bank has now been in operation for a period of fifteen years. During this time, it has approved 3,955 loans in a total amount of \$260.6 million. In the fiscal year ended September 30, 1959, the number of loans made was 599 for a total amount of \$30.6 million. At September 30, 1959 the Bank had 2,030 loan accounts on its books for 1,609 industrial enterprises. The original amount of the authorizations in respect of these accounts aggregated \$166.9 million, on which the amounts outstanding were \$96.7 million and the total of amounts outstanding plus amounts not yet disbursed was \$109.1 million.

"Of the loans which the Bank had outstanding or committed at September 30, 1959, to 1,609 customers, 43 per cent by number were for amounts of \$25,000 or less and 93 per cent by number were for amounts of \$200,000 or less. The total of loan accounts for which an amount not exceeding \$200,000 was outstanding or committed was \$65.0 million at September 30, 1959, and the total outstanding or committed for loans in excess of \$200,000 was \$44.1 million. The statutory limit on the total of accounts with amounts outstanding in excess of \$200,000 is \$75 million.

"The IDB was established to fill a gap in the financial structure--to make term loans to industrial enterprises which, because of their small size, or their lack of a sufficiently long earnings record, or complications in respect of the security they could offer, or for other special reasons, could not obtain term financing from other sources on reasonable terms and conditions. On the basis of the Bank's experience to date their appears to be a continuing demand from industrial enterprises for term lending of this type.

"Over the past four years, the number of loans made to new borrowers per year has tripled. In part this results from the 1956 revision of the IDB Act, which made additional categories of industry eligible under the Act. ...The expansion of lending is particularly noticeable in newly eligible categories such as transportation and storage, construction, and industrial and technical services. The Bank's rate of lending has also increased among a wide variety of other industries,

mainly because of a growing awareness in the business community of the facilities which the Bank can offer.

"The Bank's procedures and criteria for making loans are open to modification from time to time in the light of operating experience, but two basic principles stand unchanged and indeed re-emphasized by experience. One is the necessity of adequate management capabilities in the applicant business as a condition for making a fruitful loan, that is, one which will be of benefit to the borrower and be repaid within a reasonable period. The other is the importance of the amount and character of the principal's own investment in the business. It would confer only an illusory and temporary benefit on any borrower to make a loan where these two major requirements for success are not adequately met.

"At the beginning of the fiscal year ending September 30, 1959, the rate of loan applications and approvals was showing a tendency to decline. This proved to be a temporary condition and for the year as a whole the number of new loans was slightly higher than in the previous fiscal year. The new fiscal year ending September 30, 1960, has started on a rising trend and at a substantially higher level than a year ago.

"The number of new loans made in the fiscal year 1959 was 599 as compared with 571 in the previous fiscal year. The total amount authorized for new loans was \$30.6 million as compared with \$35.9 million and the average amount authorized per new loan was \$51,000 as compared with \$63,000. There were 56 more loans in categories up to \$50,000 and 28 fewer loans for amounts over \$50,000."

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SEAWAY TRAFFIC-1959

Preliminary traffic statistics issued by the Canadian and United States Seaway authorities on January 8 show that 20,100,000 tons of cargo were carried through the St. Lawrence Seaway (Montreal - Lake Ontario) in the 1959 navigation season. This figure is 8,300,000 tons or 71 per cent, in excess of the quantity of cargo carried by the old St. Lawrence canals in 1958. The upbound movement increased by 6,150,000 tons (132 per cent) and the downbound by 2,180,000 tons (31 per cent). Bulk cargo (as defined by the tariff) was 91 per cent of the total. (The figures are subject to revision when all cargo returns have been processed.)

Cargo carried during November and December amounted to 2,300,000 tons, of which 57 per cent was downbound. The total was 44 per cent ahead of the corresponding figure for 1958.

Cargo transported through the Welland canal to the end of navigation totalled 26,900,000 tons, which was 27 per cent greater than the 1958 traffic. Upbound movement increased by 92 per cent and downbound by 6 per cent.

During the months of November and December 1959, while the increase in upbound movement continued, the downbound tonnage also showed an increase of 19 per cent over the same period of 1958. The total for the period (November and December) was 3,800,000 tons, as compared with 2,900,000 in 1958.

CANADA ABROAD DURING 1959

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sentiment. The Commonwealth is an entirely new conception, embracing the belief that sovereignty, limited by a voluntary association with other sovereignties for the preservation of common values, is an acceptable and civilized political order. It is, moreover, a dynamic conception, with members constantly admitted as they emerge from colonial to independent status. In 1957 we welcomed into the Commonwealth the Federation of Malaya. This year will see Nigeria take her place in our family of nations, and in a few weeks Canada will be opening a diplomatic post in the capital, Lagos....

"The fact that these new nations are voluntarily joining the Commonwealth, graphically illustrates the kind of multi-racial community which is developing, bound together by common ideals and institutions, and exercising a profound influence for good throughout the world. I believe the Commonwealth offers a lesson for the world in that it points the way towards the only tolerable solution of the basic dilemma of our time--the problem of achieving order with freedom.

"There are lessons, too, for others in the way in which there is mutual assistance within the Commonwealth for improving the lot of the less-developed members. The greater part of Canadian assistance has been carried out under the Colombo Plan, to which we have last year raised our contribution to \$50 million....

"Canada has found a large number of projects where Canadians and Asians have worked harmoniously together, have learned from each other and together have made an effective contribution to the development of a particular country. Canadian experts sent out to Asia and the Asian student trainees who have come to Canada in a two-way stream of traffic have enriched and broadened our understanding of one another.

"We also derive considerable strength and influence in international affairs from our unique relationship with our large and friendly neighbour to the south, the United States. Both the Americans and ourselves tend to take for granted the deep understanding and friendship which permeates the daily relations of our two countries, but the fact is that there are few neighbouring states in the world between which ordinary day to day life is so intertwined....

"Now I am not going to pretend that we never have any differences of opinion with our southern neighbours; we do, and these differences invariably get free play in the press of both countries. It is inevitable that the impact of a large population such as that of the United States on her much less populated neighbour is profound, and we cannot afford to be complacent if we wish to preserve our separate identity as a nation. It is the Government's policy to speak up frankly when Canadian national interests are suffering as a consequence of United States policies...."

SOIL EXPERTS TO WEST INDIES

Canada is lending the services of two soil-survey officers of the Department of Agriculture to the Government of The West Indies, under the Canada-West Indies Aid Programme.

Mr. Alexander J. Green of Vancouver and Mr. Paul Lajoie of Ste-Anne de Bellevue, who left Canada last week, will carry out soil and land-use surveys on islands in the Federation designated by The West Indies Government. They expect to remain in The West Indies for approximately one year.

Mr. Green and Mr. Lajoie will spend the first weeks of their tour of duty in Port-of-Spain, at the Regional Research Centre of the Imperial College of Tropical Agriculture. After eight months spent in conducting the soil and land use surveys, they expect to return to Trinidad to compile reports and to make recommendations.

NEW SERGEANT AT ARMS

The Prime Minister, Mr. Diefenbaker, has announced the appointment of Lieutenant-Colonel David V. Currie, V.C., of Moose Jaw, Saskatchewan, and Montreal, to succeed Lieutenant-Colonel W.J. Franklin, M.C., as Sergeant-at Arms of the House of Commons.