



CANADA

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## FRANCE AND THE FUTURE OF NATO

*In a speech on March 21 to the Rotary Club of Windsor, Ontario, the Secretary of State for External Affairs, Mr. Paul Martin, discussed as follows a note received a few days earlier by the Canadian Ambassador in Paris setting forth the position of the French Government on the future role of France in the North Atlantic Treaty Organization:*

The French note, received by Canada, states that France intends to withdraw all its remaining land and air forces from NATO commands. Its naval forces had been withdrawn already. France also requires the removal from French territory of all NATO military headquarters, including SHAPE itself. Finally, France requests the withdrawal of foreign forces and installations from France, unless the forces are placed under French operational command, a condition which they themselves recognize is unacceptable.

The implication for Canada is that we shall have to relinquish our air base at Marville and the Air Division headquarters at Metz and to re-locate these forces and facilities elsewhere. Other Canadian forces in Europe are not directly affected.

I know you will recognize immediately the far-reaching nature of the French decision. I use the word "decision" because the French authorities have made it clear that they are not anticipating counter-proposals. The French Government have, in effect, decided to withdraw from integrated military arrangements within NATO. They are evidently prepared to negotiate only on the modalities and timing for giving effect to the French decision. This will apply to the Canadian bases at Metz and Marville.

We have known from President de Gaulle's press conferences over the last few years, and from action which he has already taken to withdraw French naval forces from NATO command, that the French Government was dissatisfied with the military arrangements in NATO.

It was for this reason, among others, that the Canadian Government has indicated on numerous occasions that it was ready to consider modifications in the NATO organization which would be acceptable to all members of the alliance. This was our motive in proposing in 1964 that the NATO Council should undertake a study of the future of the alliance. In this way we hoped to start an exchange of views in which France and our other allies could participate, and in which plans could be discussed for adapting the alliance to the changed circumstances of the 1960s. Although the proposal was endorsed by the ministerial meeting in December 1964, there was subsequent resistance to the study being developed because it was thought by many of our allies that it might tend to precipitate a confrontation with France. In these circumstances, we were not able to pursue the proposal.

Now France has chosen to act on her own, so that, as matters stand, we have no alternative but to take account of France's unilateral decision and concentrate on limiting the adverse consequences to NATO.

### REGRETTABLE DECISION

I am bound to say that the Canadian Government regrets the French decision and is not persuaded by the arguments which the French Government has



used to justify its actions. Our experience in the last two wars has led us to conclude that there is no effective alternative to unified command and planning arrangements for allied forces. That is even more true of modern warfare with the emphasis on rapid and dependable communications and on quick, but jointly and carefully considered, responses. The need for continuing these proven arrangements is accepted as imperative by all other members of the alliance. Last week these governments agreed on a declaration of their continuing support for the Organization....

...The Canadian Government continues to give its full support to the organizational arrangements which have been established over the years in NATO. This does not mean that we think the military organization cannot be improved. Within the conception of unified command and planning, we believe that the military organization would profit from a re-examination aimed at improving its effectiveness and rationalizing the command structure. The readjustment which is imperative as a consequence of the French decision will afford an opportunity to apply the lessons we have learned. This opportunity must be seized.

#### FORMAL TIES TO CONTINUE

In spite of its decision to withdraw from the integrated military arrangements of NATO, the French Government has stated that it does not intend to denounce the North Atlantic Treaty in 1969; that is, that it will continue to be a party to the Treaty. The implications of this intention, in the light of the announced decision to withdraw from the integrated military arrangements, have yet to be explored with the other members of NATO. But the Canadian Government welcomes this indication of France's desire to continue its formal association with the other parties to the Treaty.

The French Government has also indicated a willingness to develop organizational arrangements with other members of NATO to co-ordinate plans in the event of possible conflict. There are serious doubts as to the real effectiveness of such arrangements under the conditions which would be likely to obtain in modern war. Such arrangements could, however, constitute additional links in France's continuing association with the other members of NATO.

#### CANADA'S POSITION

One object of Canadian policy will be to ensure that nothing is done which would make more difficult the resumption by France of full military participation in NATO, should France so decide. No matter how great our regret that the French Government should have taken the decision it has, we shall do all we can not to allow this action to affect the existing warm and friendly relations between Canada and France, which form an important and basic element of our foreign policy. Indeed, if the institutional links between France and NATO must be loosened, it is all the more important to maintain and strengthen, if possible, the bilateral relationship.

In spite of the uncertainties and the problems

which the French action will cause for us and our allies there are certain essential points about the Canadian position which I should like once more to underline:

- (a) We shall continue to subscribe to the purposes and objectives of the North Atlantic Treaty;
- (b) Canada intends to continue to participate in the integrated military command and planning arrangements, the need for which we discovered at such tragic cost during the last two great wars, and which has become even more important with the increasing complexity and rapidity of military actions and reactions;
- (c) France's decision will require a review of NATO military arrangements. Canada will seize this opportunity for an examination of how we can best contribute to the continuing military effectiveness of the alliance and how the existing arrangements can best be adopted to meet contemporary needs;
- (d) The Canadian Government desires to preserve and strengthen the existing close and friendly relations with France and will do all it can not to allow the French action in NATO to impair our bilateral relations. The Canadian Government also hopes that the French action will not impair France's co-operation with other European and North Atlantic countries in economic, financial, trade, and other matters of great importance to France and to the rest of us.

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#### RECORD SALE OF WOOD TO BRITAIN

A recent report from the Department of Trade and Commerce shows that, in 1965, Canada replaced Russia as Britain's major supplier of sawn softwood lumber, regaining a position last enjoyed in 1949. This pre-eminence was achieved by the supply of 26 per cent of Britain's total softwood requirements last year. Canadian exports to Britain increased to one billion board feet, valued at roughly \$120 million. Such a volume had not been achieved since 1940.

Sales to Britain of other Canadian wood products showed corresponding improvement. Plywood exports in 1965, for example, also exceeded the 1964 level.

#### RESULT OF VIGOROUS PROMOTION

This improved export performance reflects an accelerated promotional programme conducted jointly by the Canadian lumber, plywood, and allied building materials industries and the Department of Trade and Commerce. It began with a timber housing mission from Britain to Canada in 1963, followed by construction by Canada of six demonstration timber-frame homes in Britain, participation in the Building Trades Exhibition, London, a home builders' mission from Britain and a Canadian construction materials' mission to Britain.

The British-financed Harlow Development Project, providing for construction of 176 dwellings, is a direct result of the promotion. Construction of these units is expected to begin this summer.



## EXTENSIVE PROGRAMME OF DEVELOPMENT FOR INDIAN COMMUNITIES

The following statement was made recently in the House of Commons by Mr. Arthur Laing, Minister of Northern Affairs and National Resources:

I should like to inform the House of some recent developments in Indian affairs. It is recognized that many Indian communities do not have adequate homes, either in quality or in number, and that also many reserves lack facilities and services such as electricity, running water, bathrooms, sewage-disposal systems or good roads.

I am pleased to inform the House that an extensive Indian reserve improvement programme, to cost about \$112 million in the next five years, will be undertaken. Under the programme, Indians will receive assistance to provide better housing, safe water supply, sanitation facilities, electrification of homes and improved roads in their communities.

A comprehensive study of housing conditions on reserves was completed in February 1965, indicating a need for 12,000 new homes over the next five years to meet the backlog of approximately 6,000 homes required now, and also new family formations of about 1,250 a year. In addition, community services are required on many reserves.

Many of the Indian leaders, as well as others, have been suggesting what would amount to a "crash programme" to raise living conditions in Indian communities, particularly housing.

The situation was discussed with the National Indian Advisory Board which met in Ottawa, January 10 to 12 this year. The Board called for an accelerated programme to eliminate the problem in the shortest time.

### AREAS OF NEED

Under the accelerated programme, the objective is to build 12,000 homes in five years. Apart from what may be met from band funds and personal contributions, about \$75 million in public funds will be required. The programme will be flexible to meet the wide variety of reserve conditions across Canada, but will recognize four general areas of need:

First, there are those who are widowed, aged, indigent, disabled, or otherwise unable to make more than a token contribution towards their homes. Suitable housing will be provided for them largely at public expense.

Secondly, there are those Indian families living in marginal economic areas who must be helped in some way to provide homes for their families, which are of minimum standards for decent living.

Thirdly, there are those Indian families who live on reserves where economic conditions and prospects are favourable, where through wages or self-employment, they earn sufficient income to contribute to the cost of their homes. Some assistance will be provided to enable them to acquire a higher standard of home.

Fourthly, there are Indian families who wish to take advantage of employment opportunities off the reserve and may even wish to live permanently off the reserve. In order to help these families to obtain

and hold jobs away from the reserve, financial assistance will be provided so that they will be able to take advantage of normal lending facilities available to Canadians generally for the purchase of homes.

### UTILITIES TO BE IMPROVED

The expanded housing programme, therefore, is intended to provide support to Indian families to not only obtain a reasonably satisfactory house but also to upgrade the level of Indian housing across Canada. Of great importance is the supply of safe drinking water and proper sewage disposal. Vast improvements in this field are needed if Indian people are to have the advantages enjoyed by most Canadians. Some \$10 million will be spent for this purpose.

It is quite evident that progress on many reserves has been seriously hampered by lack of power. It is necessary to bring electricity to reserves if Indian children are to obtain full advantages from the school programme and if the amenities of life are to be made available and economic opportunities are to be furthered. Power is essential to so many of the facilities we use daily and take for granted.

Therefore, a rural electrification programme will be undertaken using existing public utilities wherever possible. The cost of this programme, over the next five years, is expected to be \$7 million, and will be directed mainly to communities where Indians lack band funds necessary to extend facilities.

Transportation is of vital importance to provide access to and from reserves, for school children, employment opportunities and economic development. Improved roads on many reserves is a necessity. To this end some \$17 million will be spent in co-operation with Indian band councils and other levels of government.

In order to achieve the best results from the expenditure of public funds it is necessary to co-ordinate all aspects of the reserve-improvement programme. Community planning is essential. This has been undertaken on a number of reserves and scores of other communities will be examined as the needs and priorities are considered and established by the Indian communities.

Of particular importance — and on which, in large measure, the success of the programme will depend — is the total involvement and participation of Indian band councils and the Indian people.

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### IMMIGRATION EXPANSION ABROAD

Immigration Minister Jean Marchand recently announced that Canada would establish, for the first time, full immigration facilities in Japan, and was proceeding with plans to open an additional office in Birmingham, England; in the near future, Canada's newest immigration office in the Far East will be located in Tokyo.

Mr. Marchand also said that, following discussions with the Government of Switzerland, Geneva had been



chosen as the location of the regional immigration headquarters for continental Europe, announced earlier, which would open in April. "The opening of an office in Japan indicates the extent of our global search for well-qualified, skilled persons so greatly needed by our expanding economy," the Minister added. "It results directly from our policy of doing all we can to facilitate immigration to Canada of persons with skills needed."

#### IMPROVED RECEPTION SERVICES

The Minister said that he was pleased to note that the Department had also expanded its facilities in Milan in 1965 and extended its services to Marseilles and Bordeaux. "We must continue," he declared, "to improve Canadian Immigration facilities abroad and, at the same time, provide better reception services in Canada, so that the period of transition — during which the skills of our newcomers are progressing to their full potential — is as short as possible."

The regional headquarters for continental Europe in Geneva will be responsible for directing and coordinating immigration affairs on the continent. Immigration of Swiss residents will continue to be handled by the office in Berne.

Immigration from Japan was formerly handled through Canadian diplomatic facilities. The opening of full facilities by the Department follows discussions with the Government of Japan and a survey by officers of the Department, to assess the interest in Canada.

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#### HISTORIC SHIP FOR EXPO

Mr. Arthur Laing, the Minister responsible for the Canadian Historic Parks system, announced recently that an exact, full-sized copy of Jacques Cartier's ship *Grande Hermine* would be moored in the La Ronde lagoon of Expo '67. The ship, 78.75 feet long, with a displacement of about 120 tons, will be built by Davie Brothers Ltd., of Levis, Quebec, at an estimated cost of \$279,500. "The *Grande Hermine* will be a major historical contribution to Expo '67", Mr. Laing said. "It will be comparable in significance to the reconstruction of part of the Fortress of Louisbourg on Cape Breton Island, and will be a proud addition to the various sites and structures administered by the Canadian Historic Sites Division throughout the country."

After Expo '67, the *Grande Hermine* will be floated to Cartier-Brébeuf National Historic Park at Quebec City, where it will be displayed permanently as the main attraction. The park was established by the Federal Government in 1958 to commemorate the spot, near the junction of the Lairet and St. Charles rivers, where Cartier wintered in 1535-36 during his second voyage of exploration to Canada.

Research for this project sponsored by the Federal Government, has been done by L'Ecole Polytechnique of Montreal, which will supervise the construction of the *Grande Hermine* and its location at the Expo site.

#### NATIONAL ARTS CENTRE TAKES SHAPE

Public Works Minister George J. McIlraith announced recently that six construction companies had been asked to submit bids to build the final phase of the National Arts Centre in Ottawa. A committee selected 30 companies from across Canada to be considered for the project and, on the basis of a questionnaire investigating past experience, work force and present commitments, selected six to submit tenders by the beginning of May. Work on the main complex, which is scheduled to begin in the middle of June and completed by the end of 1968, will include a substructure, three superstructures, mechanical and electrical systems and all finishes. Three months will be needed for testing acoustics and stage and lighting equipment when the project is finished.

#### LOCATION AND DESIGN

The National Arts Centre will occupy a seven-acre site immediately south of Confederation Square in the park bounded by Elgin Street, the Rideau Canal and the Mackenzie King Bridge, Ottawa. The underground structure will be three storeys high, its roof forming a plaza at about the level of Confederation Square and the Mackenzie King Bridge, from which the main buildings will rise — a concert hall, a medium-sized theatre and a small studio for the use of theatrical groups.

#### SEATING CAPACITIES

The main hall will seat 2,300 and will house symphony concerts, operas, ballets and musicals. The theatre will be used for drama, chamber music and soloists and will have a seating capacity of 900. The studio, which will seat about 300, is intended for experimental theatre, use by amateur groups, and rehearsals. Plans for service facilities, 40 feet below ground, include restaurants, cafeterias, a shopping mall and a garage that will also be used for commercial city parking. Dressing rooms will accommodate 160 people and there will be extra rehearsal rooms and office space.

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#### HIGHWAY SAFETY STAMP

Support for a campaign to reduce traffic accidents will come from the Post Office in May with the issuance of the first Canadian highway-safety stamp, Postmaster General Jean-Pierre Côté announced recently.

The Postmaster also said that he would participate in sessions of the Canadian Highway Safety Council in Calgary, Alberta, where the opening ceremonies of the group's twelfth conference will coincide with the date of issue for the new stamp.

The Toronto artist Helen Fitzgerald designed the new issue, which portrays traffic signs and symbols in tones of blue and yellow on a black background. The stamp is to be of the five-cent denomination, and will be one of the few stamps issued in any country encouraging highway safety.



In producing 26 million highway-safety stamps, the Post Office is co-operating with the CHSC to impress on the public the need for an equal awareness of dangers to drivers, passengers, and pedestrians.

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### COMMODITY IMPORTS

Canada's commodity imports in September 1965 were valued at \$724,998,000, an increase of 17.6 per cent from the September 1964 total of \$616,347,000. This placed the value in the January-September period at \$6,188,702,000, compared to \$5,521,768,000 in the first nine months of the preceding year, an advance of 12.1 per cent. Most of the gain in September was in volume as that index (1948=100) climbed by 15.9 per cent from a year earlier, to 251.9 from 217.3, while the price index rose 1.5 per cent to 131.9 from 130.0.

### LEADING SOURCES

Import values were up from the preceding year in both September and January-September for nine of the ten leading countries; imports from Venezuela were smaller in value in both periods. The nine countries delivering more to Canada in the month and the cumulative period were the United States, Britain, Japan, the Federal Republic of Germany, France, Italy, Belgium and Luxembourg, Sweden and the Netherlands.

Among the ten principal commodities imported, values were higher than a year earlier both in September and January-September for industrial machinery, motor-vehicle parts (except engines), aircraft and parts, tractors and parts, passenger automobiles, broadwoven fabrics (all textiles), farm machinery and parts (except tractors), non-ferrous metals and alloys, and communication and related equipment. Values were smaller in both periods for crude petroleum.

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### NEW UTILITY AIRCRAFT

A new Canadian aircraft, developed by a Canadian company with the assistance of the National Research Council, is expected to find a world market as a utility freighter for operations in bush country. The single-engine 3,000-pound economy plane, designed to carry payloads of just over 1,000 pounds, is the first light-weight freighter aircraft to be built in Canada since the Second World War. It was developed by Found Brothers Aviation Limited, of Rexdale, Ontario, and the National Aeronautical Establishment of NRC proved its structural integrity and recommended modifications in the design.

### STURDY AND ECONOMICAL

This reliable, rugged, "no-frills" freighter aircraft, costing \$21,650, fills a large gap in the Canadian aircraft industry. Until its development, aircraft of this size had to be imported from the United States.

The plane is ideally suited for operation in

rugged country such as the Canadian North, having a short take-off, steep climb, steep approach and short landing, a cruising speed of 129 miles an hour on floats and a range of 820 miles. Its Lycoming power-plant develops 250 horsepower.

### UNIQUE STRUCTURAL FEATURE

The aircraft - known as the *FBA-2C* - is noticeably different from almost every other of similar configuration. It has no wing struts, which are usually used to brace the wing and give its added strength.

It was decided to eliminate the need for wing struts since they are an obstruction to all loading operations. This was done by designing all the required wing strength into the wing structure itself.

Mr. F.R. Thurston, Director of NAE, said that the aid given to the Found company is a typical example of the type of assistance which is made available to Canadian industry by NRC. "NAE is happy to have been able to play a role in the development of this aircraft and the creation of a Canadian business operation that might otherwise not be in existence," he explained.

### AIR AMBULANCE

As well as being an economical freighter, the new aircraft will be valuable in evacuating injured or sick persons from remote areas of the Canadian North. Persons on stretchers can be lifted with ease into the cabin which is large enough to accommodate dog teams.

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### HERRING FISHERY POTENTIAL

A new awareness by the fishing industry of the potential of Canada's Atlantic herring resource, conjoined with a rapidly expanding market for herring meal, herring oil and herring as food for human consumption has prompted the Federal-Provincial Atlantic Fisheries Committee to sponsor a Canadian Atlantic Herring Fishery Conference, to be held in May in Fredericton, New Brunswick. The conference is designed to attract the operators of herring-fishing vessels and processing plants, biologists and technologists specializing in the behaviour, finding and capture of herring and those concerned with the processing of the species, as well as economists, marketing specialists, and provincial and federal government officials.

The main objective of the conference is to assess the potential of the herring fishery in Canada and, with millions of dollars already invested or earmarked for investment in this sector of the industry, to help in its orderly development.

### PAPERS PRESENTED

A number of papers are being prepared by scientists and technologists, provincial and federal fisheries authorities, fishing companies and high-line fishing skippers. These will form the basis for discussion by those attending the conference. The subjects will include the herring resources of the northwest Atlantic, current Canadian developments in the



herring industry and the Atlantic Provinces, herring-catching vessels and fishing gear, trends in the utilization of the species, marketing and economic considerations, and the whole approach being taken in the development of this promising fishery.

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**STRIKES AND LOCKOUTS**

According to a preliminary summary of strikes and lockouts released recently by Mr. John R. Nicholson, Minister of Labour, there had been more work stoppages in January than December, more workers were involved and the loss in time was higher.

There were 66 stoppages in January, involving 15,878 workers and a time loss of 139,450 man-days. In December 1965, there were 58 work stoppages, involving 9,185 workers and a loss of 86,460 man-days.

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Only one of the stoppages was in an industry under federal jurisdiction. Of the rest, 31 were in Ontario, 17 in Quebec, 13 in British Columbia, two in New Brunswick, and one in each of Nova Scotia and Saskatchewan.

Thirty of the work stoppages involved 100 or more workers. Of these, 13 were terminated by the end of the month.

A breakdown by industry of the month's work stoppages shows 39 in manufacturing, six in mines, six in construction, five in transportation and utilities, five in service, four in trade and one in public administration.

Estimated on the basis of the number of non-agricultural wage and salary workers in Canada, the number of man-days lost represented 0.12 per cent of the estimated working time, compared to 0.07 per cent in December. The corresponding figure for January 1965 was 0.21 per cent.

Among the ten principal commodities imported values were higher than a year earlier both in September and January-September for nine of the ten leading countries, imports from Venezuela were smaller in value in both periods. The nine countries delivering more to Canada in the month and the cumulative period were the United States, Britain, Japan, the Federal Republic of Germany, France, Italy, Belgium and Luxembourg, Sweden and the Netherlands.

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