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ANOTHER BIG WHEAT DEAL WITH THE U.S.S.R.

The Canadian Wheat Board recently announced the sale to the Soviet Union of 4.6 million tons of wheat and 400,000 tons of flour in the form of flour. This sale amounts to the equivalent of approximately 187 million bushels.

The wheat and flour have been purchased for cash, and delivery is to be made between August 1965 and July 1966. Shipment of the entire quantity will be made from St. Lawrence River and Atlantic ports.

This contract is in addition to the sale of 700,000 tons of wheat and 20,000 tons of flour to the U.S.S.R. announced on August 5, and to smaller contract quantities announced earlier this year but for shipment during the period August-December 1965. In total, purchases of wheat from Canada by the U.S.S.R. for delivery in the current crop year now amount to approximately 222 million bushels.

STATEMENT BY MR. SHARP

At a press conference in Winnipeg, Manitoba, on August 11, the Minister of Trade and Commerce, Mr. Mitchell Sharp, made the following statement:

"The Soviet trade delegation is in Canada for three main reasons:

- (1) To acquaint Canadian businessmen with the range of Soviet goods available for sale and to promote the sale of Soviet goods generally. The delegation will be touring Canada for this purpose. Mr. Ossipov, head of the Soviet delegation, was in Montreal yesterday for the beginning of the tour.
- (2) To engage in preliminary discussions for renewal of the Canada-Soviet Trade Agreement, which

expires in April 1966. These preliminary discussions have already taken place, and I feel confident that the agreement will be renewed on mutually beneficial terms.

(3) To buy wheat.

It is in connection with this third purpose that I have called this press conference and have asked the head of the Soviet delegation to be present.

"Last week the Wheat Board announced the sale of 700,000 tons and 20,000 tons of flour (approximately 27 million bushels) to the Soviet Union, for shipment from the Pacific Coast during the current crop year....

MARKET ASSURED

"This massive sale of another five million tons (approximately 187 million bushels) means that, once again, as in the crop year 1963-64, Canada will have an assured market for every bushel of wheat that can be moved through all our ports during the next 12 months. In fact, the total demand for our wheat is even greater than it was in that astounding year. I wish to stress, however, that, as was the case in 1963-64, the Canadian Wheat Board has taken every care to ensure that it will be able to supply our traditional markets with their normal requirements.

"With the co-operation of all concerned, we shall establish another record, which could not come at a more propitious time for the producers who have such excellent crop prospects and for the country at large....

"In announcing another massive sale to the Soviet Union, I said that this could not have come at a more propitious time. It means, in effect, a market for the

coming crop almost regardless of its size. There could be an actual reduction in the carryover if the crop does not exceed 700 million bushels.

"The target for exports of wheat and flour for the current crop year is 600 million bushels, which is larger than the previous record, established in 1963-64. Adding 150 million bushels for domestic consumption means total disappearance of 750 million bushels.

IMPORTANCE TO EXCHANGE EARNINGS

"These two recent sales to the Soviet Union, plus smaller earlier sales for shipment during the current crop year, total 222 million bushels. These will be worth to the Canadian economy about \$450 million. This is a welcome addition to Canada's exchange earnings at a time of prosperity and mounting imports. We are also selling more wheat to our other customers as a group than in previous crop years.

"I am particularly pleased that there is included in the sale to the Soviet Union 300,000 tons of flour. Our milling industry is going through difficult times and this business will be of substantial help to them during the present period.

"Before this massive sale of wheat was completed, I called the heads of the railway companies into conference and asked them whether they could provide the transportation to move over 600 million bushels of wheat and flour into export, plus domestic requirements including the increased feed requirements of Eastern Canada. They expressed confidence that they could handle the movement, given reasonably good weather and the co-operation of all concerned in loading and unloading boxcars.

"When we faced a similar situation in 1963-64, all those who worked in handling Western grain did a magnificent job and I am sure they will again.

"Indeed, the Canadian Wheat Board and I were encouraged to accept these huge commitments because of the performance two years ago. At that time, we fulfilled every commitment dead on the nose and I know that is one of the reasons why we are once again called upon to supply such large quantities.

"I make an appeal to producers, elevator companies, the railways, the grain handlers, the long-shoremen, the port authorities, the shipping companies, the Board of Grain Commissioners; I appeal to everyone involved for a maximum effort.

"I can think of nothing more important to the welfare of the farmer, and of the Canadian economy as a whole, than the attainment of the export target of 600 million bushels, which is equivalent to about \$1,200 million of income to Canada and Canadians, those who produce the wheat and those who move it from the farms to the ocean ports."

FIRM DROPS HEAVY-WATER PLANS

Atomic Energy of Canada Limited announced recently that Western Deuterium Company Ltd. had withdrawn its proposal to build a heavy-water pro-

duction plant at Estevan, Saskatchewan, capable of producing 300 tons a year. The proposed plant was to have employed a new process based on the use of ordinary water as a source of deuterium, coupled with an ammonia-hydrogen exchange process. AECL had examined the process and concluded that it was technically sound.

A MAIN CONSIDERATION

One of the stipulations in the invitation to submit proposals was that the plant should be in full productive capacity 31 months after the acceptance of a proposal. Western Deuterium had been informed that its proposal was acceptable but had subsequently decided that it could not guarantee under contract that full production would begin by November 1967. Consequently, no contract has been signed.

The decision of Western Deuterium was influenced by the consideration that, with the growing major increase in the demand for fertilizer, both in Canada and abroad, fertilizer-production plants were being planned that would produce very large quantities of ammonia. It appeared that heavy water could be produced in a combined fertilizer/heavy-water production plant at a cost even less than from a single-purpose heavy-water production plant. Mr. Harold Husband, president of Western Deuterium, said that prudence dictated that he forfeit the significant sum of money already spent on the preliminary design of the heavy-water plant rather than risk the penalties for late completion of the plant and the uncertainty of its future competitive position.

FRENCH INTERESTS INVOLVED

The ammonia-hydrogen isotope-exchange process for heavy-water production appears to have considerable potential for development and application. An association of interests in France, including the Commissariat a L'Energie Atomique, has been working on the process for some time. Western Deuterium had proposed to use, under appropriate agreements, some of the technology developed by this association.

Since Canada will have increasing requirement for heavy water to meet the needs of nuclear-power stations of Canadian design built at home and abroad, AECL has continued the discussions with the French interests begun by Western Deuterium. An AECL technical and economic study team is now on a visit to France, with the object of ensuring that the technology is available for future application in Canada.

Canada still needs additional heavy water in the immediate future to meet known requirements such as that of the major nuclear-power station of Ontario Hydro at Pickering, Ontario. An approach is therefore being made to Dynamic Power Corporation Ltd. of Calgary, Alberta, which submitted the second-lowest bid, with a view to entering contract discussions for the underwriting of 300 tons of heavy water a year. Dynamic Power proposed to use the hydrogen-sulphide process and to build a plant at Estevan, Saskatchewan.

SUPER COMPUTER FOR GOVERNMENT

The Central Data Processing Service Bureau, a branch of the Treasury Board of Canada, has recently been authorized to call for tenders on a system designed to provide a multiple-access computing and data-processing service for Canadian Government departments and agencies. The central feature of this system is a large, flexible computer installation with the capability of processing a variety of computing and data-processing tasks. The size of this installation has been determined in part by the expected demand from users. However, because of the rapid growth expected in computing and data-processing requirements, the capability of the central installation will be considerably greater than that required to meet the initial demand. Moreover, the capacity of the installation will be reviewed from time to time and, if necessary, additional equipment will be acquired to ensure ready access by subscribers.

The equipment specified for the central-service installation is such as to provide facilities for both scientific computation and data-processing. It includes high-capacity memory devices suitable for storage of data, such as library-accession lists, personnel records, financial and accounting records, file contents, etc. Facilities will be provided for bringing these records up to date and for retrieving information by subscribers as required.

METHOD OF ACCESS

Access by departments to the central facilities will be by "pick-up-and-delivery" service or by direct-communication links. The choice of the method of access will be at the discretion of the users. The pick-up-and-delivery service will be available to all subscribers to facilitate delivery of such items as card decks, printed output and data that may be required in hard-copy form. Users requiring more immediate access to the Bureau's facilities may install direct-communication links, which will allow passage of programming instructions and data for automatic processing, and the return of output to the user. The capacity of individual communication links can be chosen in accordance with the requirements of the user, and could range from an ordinary teletype line through voice-grade lines and Telpak-like facilities to links capable of passing data at extremely high rates.

Subscriber departments and agencies will install in their own data centres equipment suitable to their own computing and data-processing needs, taking into account services that can be obtained from the central installation. Some departments will require local facilities by virtue of the nature of the tasks they must undertake. Many users will find it more useful and economic to install minimal terminal equipment in their own departments and to take service as they require it from the central facilities, which will be much more powerful than those that could be supported by their requirements alone.

RETENTION OF LOCAL CONTROL

The organization of the central service will be such that users will be able to maintain the same control

over their work as they would in their own installations. Furthermore, the central facilities will be readily available to all those requiring service, and users will be able to achieve the same, or better, "turn-around" time on tasks as they might enjoy on a local facility. With guaranteed access and user control over the task to be performed, the use of the central facility via a communication link will be virtually indistinguishable from operations at a local installation. Provision of additional communication links will make computer service directly available to officers in dispersed locations not immediately adjacent to the local data centre.

While the majority of initial users of the central service will probably be within the Ottawa area, direct-communication links to the central facility from other centres in Canada can be foreseen. Present government-leased lines between Ottawa, Toronto and Montreal (soon to be extended to Quebec City and Halifax) will provide an immediate capability in this regard. Present plans to extend the coverage of leased lines will improve access from other regional centres. The choice between direct-communication links from these centres and the delivery of data by other means (such as air freight) will be dictated by the nature of the application and considerations of cost. Should the requirement arise, facilities will be set up in other centres to operate like the Ottawa installation.

The Bureau's role will be that of custodian of the central equipment, with the task of providing equal service to all users according to their requirements. Departments will be encouraged to retain their staffs of analysts and programmers to process departmental workloads, using the central computer as an extension of their local facility. The Bureau will provide programming assistance to departments that have not had the opportunity to build up sufficient local staff for this purpose.

The Bureau will establish rates for the use of the central-service installation in a manner similar to other government and commercial facilities. The very great power of the computer specified for the installation will ensure that these rates will be most advantageous to the user in terms of computing and data-processing accomplished per dollar.

AIR-LINE LOWERS BAGGAGE COSTS

Air Canada will substantially increase free-baggage weight allowances on North American flights, all but eliminating excess-baggage collections, it was announced recently in Montreal. The air-line will permit economy and first-class passengers to carry three pieces of luggage free of charge on all North American flights, provided that the outside dimensions of the largest piece does not exceed 62 inches and that the other two are within smaller but liberal dimensions. In effect, the new free-baggage weight allowances will permit each passenger to carry baggage equivalent to one man's three-suitcase, one two-suitcase and a large attaché case or overnight bag, provided the latter can be stowed under the passenger's seat.

(Over)

CHARGES FOR OVERSIZE

There will be token charges for additional or oversize bags: \$2 if the one-way fare is less than \$25, \$3 between \$25 and \$50, \$4 between \$50 and \$120, \$5 between \$120 and \$200 and \$6 if the one-way fare is more than \$200.

It costs \$60 to carry 100 pounds of excess baggage between Montreal and Vancouver today. With introduction of the new free-baggage allowances, it will cost only \$4 to carry an oversize bag, or a fourth bag, on the same route. The maximum size acceptable as baggage will be 36-by-26-by-18 inches.

The air-line has filed for introduction of the new free-baggage allowance on September 17, but intends to move up the date of introduction if this seems feasible.

BAGGAGE ALLOWANCE RECORD

Air Canada has long been a leader in championing the cause of increased baggage allowances. In 1961, it introduced international weight allowances - 44 pounds economy and 66 pounds first class - on its domestic services and reduced excess-baggage charges to a half of one per cent of the economy-class fare rather than of the first-class fare - an industry "first", and the most liberal free-baggage allowance on domestic services in North America.

SOVIET NORTHERN EXPERTS VISIT

A six-member delegation of Soviet experts on northern development and construction arrived in Ottawa on August 16 to begin an 18-day tour of Canada that would take them as far north as Inuvik in the Northwest Territories. "I am glad we have been able to arrange this visit", Mr. Arthur Laing, the Minister of Northern Affairs and National Resources, said in his announcement of the visit. "The Soviet Government received a Canadian delegation of six, headed by me, for a 17-day, 14,000-mile, visit to the U.S.S.R. in May and June of this year. We were able to see something of their northern construction and resource development in that time. Now the Soviet delegation will see comparable activity in Canada. Each member of the delegation is a specialist in some phase of northern construction.

"Canada and the Soviet Union are by far the largest members of the Arctic community and have much in common in dealing with the problems of construction in the permafrost and in taking resources out of the Arctic," Mr. Laing stated. "We are just beginning to develop co-operation between Canada and the Soviet Union, and we hope that the exchange of delegations between the two countries will lead to the establishment of an agreement to allow Canadians and Russians to study common problems by

visits and exchanges of professors and students as well as established specialists."

MEMBERS OF SOVIET PARTY

Heading the Soviet party is a member of the Council of Ministers of the U.S.S.R., Minister Slivinsky, who is also a Deputy Chairman of Gosstroy, the State Committee for Construction of the U.S.S.R. His Excellency, Ivan F. Shpedko, Ambassador of the U.S.S.R. to Canada, Vladimir G. Moltchanov, First Secretary at the Soviet Embassy in Ottawa, and Vladimir Mikhailov, Tass correspondent in the Parliamentary Press Gallery, are also with the party.

Mr. Laing received the Soviet delegation on August 16 and gave them a briefing on the Canadian North. The Deputy Minister of Northern Affairs, Mr. Ernest A. Côté, is in charge of the delegation in its travels through Canada. Mr. Laing, who is escorting it on its first visit to construction projects in Montreal, will rejoin it on its arrival at the Peace River site of B.C. Hydro and accompany it back to Ottawa, where concluding talks will be held. John Turner, M.P., Parliamentary Secretary, Jack Austin, Special Assistant to the Minister, and W.D. Mills, Executive Assistant to the Deputy Minister, are also accompanying the Soviet group during parts of their trip.

The Department of Northern Affairs planned the itinerary to show the visitors a variety of Canadian construction and resource-development activities in a number of Canadian cities, including Montreal, Toronto, Yellowknife, Inuvik, Whitehorse, Prince George and Vancouver. A special emphasis will be placed on projects in the Northwest Territories and the Yukon Territory.

A VARIED TOUR

The schedule provides for visits to a wide variety of construction and development sites. At Schefferville, the party will visit the Iron Ore Company of Canada's mine and at Baie Comeau they will see the port and shipping facilities. As guests of the Quebec Hydro Electric Commission, they will inspect the construction of the series of dams on the Manicouagan and Outarde Rivers. A special feature will be a tour of Manic 5, where they will see a huge buttressed multi-arch dam which, when completed, will be over 4,000 feet long and 703 feet high above bedrock.

One feature of the tour of the Northwest Territories will be a visit to Pine Point, Canada's newest northern mining town. The visitors will go underground to watch silver and gold mining operations at Elsa, Yukon Territory, and Yellowknife, N.W.T., and will visit Fort Smith, Hay River, and Canada's "town built on stilts", Inuvik.