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CONTENTS

| | |
|--|---|
| Conservation and Development of National Resources | 1 |
| Commonwealth Education Conference | 3 |
| Capital Investment Plans | 3 |
| Vimy Ridge, 1917-1967 | 3 |
| Water Pollution Survey | 3 |
| Project for Retarded Children | 4 |

| | |
|------------------------------------|---|
| Arctic Resupply Begins | 4 |
| Canadians to Rowing Meet | 4 |
| Auto Parts Tariffs | 5 |
| Generating-Equipment Mission | 5 |
| Consumer Prices | 5 |
| Canadian Ethnic Origins | 6 |

CONSERVATION AND DEVELOPMENT OF NATIONAL RESOURCES

The following are excerpts from a recent address by Mr. Arthur Laing, Minister of Northern Affairs and National Resources to the American Bar Association in Montreal:

...Clean fresh water is undoubtedly Canada's greatest resource. It is the first fundamental to human existence. Its use in industry transportation, power generation, agriculture and civic development are about to place upon it the topmost priority. Canada has between 25 per cent and a third of all the fresh water in the world. The annual run-off of our rivers to the seas, on a *per capita* basis, is ten times that of the United States. Gigantic proposals have been advanced to divert Canadian waters into the United States, though I should make it clear that none of these proposals have originated or been endorsed by the Government of the United States. Mr. Udall has been very careful to say that such questions remain for the future. As a resident of British Columbia, where water is indigenous and where we think our water is the chief magnet for industry and population, I am in full agreement with him. Nevertheless, some of your engineers and some of your prominent legislators have seriously suggested plans costing up to \$100 billion for the diversion of Canadian waters. When we talk in terms of such financial astronomy you may agree with me that water will come to rank with trade in importance between our two countries. I am on record as saying that Canadian water is not now negotiable, and I am not certain that it ever will be. We have our arid areas too, and until we satisfy all our current requirements and protect all our future, we lack proper engineering knowledge to know how we can divert our northern rivers which alone could provide us with any surplus. Even the Columbia

River negotiations, which involved no diversion but only extension of natural annual flow, took us 20 years to negotiate. Canadians have no complaint over that agreement, but it cost the Government of Canada alone over \$15 million in studies to ensure the protection of our interest.

WATER AND INTERNATIONAL LAW

Water provides some interesting problems in our national law as well. I am sure you will be astonished to know that there is no interprovincial forum for the arbitration of water disputes between our provinces. Your Supreme Court has jurisdiction in similar questions but ours does not, and such jurisdiction over interprovincial waters as may lie in the Federal Government has never been clearly defined. We rely upon the good common sense of provincial neighbours, though a clearer definition may some day be necessary. Even more, we have not yet tested the limits of whatever powers might be conferred by international agreements in respect to water as in the case of the Boundary Waters Treaty of 1909, which has an overriding effect on the division of powers as described by the British North America Act. Water is, broadly speaking, a provincial resource in Canada, and successive governments have chosen to leave it (except in some respects such as fisheries and navigation) entirely in the hands of the provinces as owners. You who have had an older experience than we in water matters would probably advise us on the basis of your experience that we will one day require machinery for the reconciliation of water differences between the several regions of Canada. Meanwhile, my colleague the Minister of Resources enjoys a commendable degree of co-operation from the resource

ministers of the provinces and a number of extremely valuable co-operative studies are under way.

Water and the law of private ownership is much more of an issue in the United States than in Canada. Private ownership of water and riparian rights are vexing questions in areas of scarcity, but we have noticed some of your states are making commendable progress in revision. These questions may well harden in Canada in those areas of aridity and we shall be studying your progress.

JOINT COMMISSIONS

We are having complex but amicable discussions with you on fisheries. The question in context is, as you know, that of historic rights and the demarcation of territorial waters for fisheries purposes. Conservation fortunately, is well looked after, being governed by a group of international commissions whose performance has been nothing short of superb. These bodies, and we have a number, have been of extraordinary usefulness to both our nations. The outstanding example is the International Joint Commission with its magnificent record on boundary waters extending over almost 60 years. These commissions, adequately supplied with facts upon which the base sound and fair judgments would seem to demonstrate that when the spirit is right there need be no insoluble differences between us. Navigation has never been a serious problem between us and we have been able to co-operate well on such gigantic international undertakings as the St. Lawrence Seaway.

Technology has produced a brand new area of international law in the question of resources of the sea bed. We are both signatories to an international convention on this matter which answers some questions but leaves others open. Your Association, no doubt, has somewhere provided a sub-committee to study the problems in this area. This so called "hydro space" is likely to contain even more resources than our land mass and the most advanced methods of exploitation are being quickly devised. Questions of ownership, both national and individual, are bound to arise where regulations and control in a medium where surveillance, at least with present techniques, is inherently very difficult.

PUBLIC MANAGEMENT

The management of public lands would no doubt provide some fascinating comparisons between our two countries. As a broad generalization there is a significant evolution over time with respect to the degree of retained control by the public authority. In Canada, more and more, the attitude is not to alienate government lands outright. Some resources, as oil and timber, are subjected to specific retained controls. In many parts of Canada we have tree farm licences providing for general management by private companies but subject to government conditions regulating allowable cut, public access, reforestation, and forest-fire control. We have cases where governments delegate the management and the allowable crop to the operating company, but not the ownership of the land nor even the resources thereon. Another degree of public control is exemplified in the

concession system where government actually constructs and invests in the asset and charges a fee to private management on a short term basis. You are using this device in your national parks. We are studying the progress of your system very carefully.

GROWTH IN EXPLORATION

I have spoken at length on conservation. There are areas where exploitation should be encouraged in the public interest. We Canadians share with the Soviet Union 90 per cent of the Arctic area. This vast region embraces 1.7 million square miles - 40 per cent of the land mass of Canada. There is little evidence of much resources above the ground - recent discoveries suggest that below it is incredibly rich. North of latitude 60 degrees we have a population of only 40,000 people. The volume of sedimentary rocks indicate we *could* have something like 30 billion barrels of oil in the Arctic Islands. In the North, we have a portion of the Canadian Shield equivalent to that in our provinces and this latter section, even in its undeveloped state, produced last year \$1.6 billion in minerals. Mineral production in the Northwest Territories grew from \$17 million in 1964 to \$70 million in 1965, and I am hopeful it will this year exceed \$100 million. Best of all, the rate of exploration is increasing. We now have a mine where open-pit development is producing ore of over 50 percent combined lead and zinc. We must develop our nation in depth and we cannot afford to leave the resources in cold storage. We are engaged in a major road-building programme of \$100 million, we participate with industry in the building of airstrips, we create townsites and provide schools and hospitals. We have just recently announced a subsidy for mineral and oil exploration. To see how others develop their remote areas I, last year, visited the Soviet Union and spent 14 days in Siberia travelling some 13,000 miles. It was the most fascinating experience of my life. The Soviets have six million people living above latitude 60 degrees and 800,000 above the Arctic Circle. Under the new dispensation, incentive is the order of the day. Thirty per cent of the construction budget of the Soviet Union is being placed in Siberia for six per cent of its population. The land is indescribably harsh and incredibly rich. They have there over 50 per cent of the world's soft woods, vast quantities of lead, zinc, copper, asbestos and nickel, and oil and gas in abundance. They have bauxite, gold and diamonds. They also have recorded winter temperatures of 90 degrees below zero Fahrenheit. The new enticements include Moscow wages plus up to 80 per cent, cheap housing, and subsidized food. Three thousand two hundred miles east of Moscow I saw a cellulose plant in which half a billion dollars had been invested. They have an excellent inventory of their resources and one cannot help but admire their difficult but courageous attack on the frontier.

It is reassuring to find that the qualities of the enquiring mind, the inventiveness, the accommodation to conditions, and the persistence and industry of the peoples of our countries remain as valid on this continent as they have ever been....

COMMONWEALTH EDUCATION CONFERENCE

Mr. Paul Martin, Secretary of State for External Affairs, announced recently that the Canadian Government would send a delegation of five to the Commonwealth Conference on the Education and Training of Technicians to be held in Huddersfield, England, in October.

Dr. C.R. Ford, former Director of the Technical and Vocational Training Branch of the Department of Citizenship and Immigration, will be chairman of the delegation. The other members will be: Dr. G. Hines, Chairman of the National Advisory Committee on Technological Education and Supervisor of the Quality Control Laboratory, Stelco of Canada Limited; Mr. E.L. Palin, Assistant Director of the Technological and Trades Training Branch, Ontario Department of Education; Mr. Paul E. Larose, Director of Vocational Training, Quebec Department of Education; and Mr. H.J. Hodder, Director of the Education Division, External Aid Office.

The meeting, which is being held under the auspices of the Commonwealth Education Liaison Committee, is the result of a recommendation of the Commonwealth Education Conference held in Ottawa in 1964, which invited the Committee to consider planning a conference of experts from all countries of the Commonwealth on a subject of mutual concern. The education and training of technicians was subsequently chosen as the subject of the conference, since it was regarded as a matter of primary importance to the developing countries within the Commonwealth as well as to the more developed countries.

CAPITAL INVESTMENT PLANS

Mr. Robert H. Winters, Minister of Trade and Commerce, recently released a report entitled *Private and Public Investment in Canada - Outlook 1966 - Mid-Year Review*, a joint publication of the Dominion Bureau of Statistics and the Department of Trade and Commerce containing the results of a recent survey of capital-investment intentions.

The survey indicates that current plans for private and public investment in Canada in 1966 involve total outlays of \$15,024 million. Such a programme, if accomplished, would be 17 percent higher than the \$12,798 million spent for capital purposes in 1965, and a modest upward revision in plans stated in the previous survey made at the beginning of this year. The revised investment plans involve capital outlays for machinery of \$5,629 million and for construction of \$9,395 million. Such amounts would be 22 per cent and 15 per cent respectively, above those of last year.

FACILITIES INVOLVED

The upward revisions in capital-spending plans have occurred almost entirely in the business sector of the economy. Plans in this sector now involve a 23 per cent increase over actual outlays for 1965 and six

percent above earlier intentions. Most of the increase in spending intentions since the previous survey appear in manufacturing, mining, electric power, telephones and transportation facilities. Planned outlays for social capital requirements, associated with institutions and governments, indicate little change from the earlier intentions. Reductions in the programmes of the Federal Government have been approximately offset by increases in other areas. In total, social capital-spending intentions are 16 percent above the 1965 accomplishment. Outlays for new housing are now expected to total \$2,116 million, slightly less than in 1965 and nearly five percent below the earlier estimates for the year.

Mr. Winters said that the realization of the investment programme outlined would add to the demands being placed upon the construction, materials and equipment-producing industries. He confirmed the view expressed in the report that, with these industries already operating at close to capacity limits, it seemed unlikely that all programmes planned for 1966 would be fully achieved.

Mr. Winters added that the information revealed in the report underlined the need for restraints, as previously urged by the Minister of Finance when he presented his budget.

VIMY RIDGE, 1917-1967

Mr. Roger Teillet, Minister of Veterans Affairs, announced recently that the fiftieth anniversary of the Battle of Vimy Ridge would be commemorated in ceremonies to be held simultaneously in Ottawa at the National War Memorial and at the Vimy Memorial in Vimy Park, Arras, France, on April 9, 1967.

Early on Easter Monday, April 9, 1917, the Canadian Corps, assisted by a British division and the Royal Artillery, took Vimy Ridge in one of the most carefully rehearsed operations of the First World War. By noon, the Germans had lost the Ridge, their counter-attacks were being broken up and the Canadians were beginning to exploit and consolidate their gains. For the rest of the war, Allied possession of this commanding feature was never in jeopardy.

The Vimy Memorial, Canada's best-known cenotaph abroad, was unveiled on July 26, 1936, in the presence of thousands of pilgrims by King Edward VIII, who described it as "a memorial to no man but to a nation". It bears the names of 11,285 Canadians killed in the First World War whose last resting places are unknown.

WATER POLLUTION SURVEY

In connection with a survey of pollution in Lake Ontario and the International Section of the St. Lawrence River, the Public Health Engineering Division of the Department of National Health and Welfare is to open water-pollution laboratories and

engineering facilities in Kingston, Ontario. The new facilities will include chemistry, bacteriology and engineering sections and offices for supporting staff and will be responsible for the evaluation of water samples to determine the extent and distribution of pollution in relation to health.

JOINT PROJECT

The survey is a joint project of the Department of National Health and Welfare, the Department of Mines and Technical Surveys, the Department of Fisheries and the Ontario Water Resources Commission, under the auspices of the International Joint Commission.

Three ships will be used during the survey: the motor vessel *Brandal*, a deep-sea fishing vessel specially adapted for research and two smaller ships, *Old Squaw* and *Petrel*. All are provided by the Department of Mines and Technical Surveys.

Among the items of equipment that will be used to analyze the numerous water samples is a device known as the auto-analyzer, which makes it possible for laboratory technicians to conduct four different chemical tests of multiple samples at any one time. Two of these instruments are being used in the survey, one installed aboard the *Brandal* and the other at the Kingston Laboratory.

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PROJECT FOR RETARDED CHILDREN

With the help of a \$34,000-grant from the Centennial Commission, the Canadian Association for Retarded Children is organizing a centennial school athletic programme with events for retarded children. All children attending retarded schools in Canada will be able to participate, including those in pre-school classes with children aged four and five years, and nursery classes with six and seven year old children.

DETAILS OF PROGRAMME

The programme will include: teacher training with workshops and seminars, a manual for the provincial and local CARC centennial athletic programme committee, a manual for organization and planning physical education classes as well as extra curricular programmes, a testing programme for the participants.

AWARDS

Each participant will receive a red participation shield, and an award for each performance level he reaches. The awards for performance are based on three levels: bronze, silver, and gold.

The entire programme has been worked out with educational and physical education specialists, particularly those who have had close association with the mentally retarded.

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ARCTIC RESUPPLY BEGINS

Twenty-three ships, including 15 vessels of the Canadian Coast Guard and eight chartered commercial

cargo-carriers, are making their way northward or preparing to depart from Atlantic or St. Lawrence River ports as the Department of Transport's annual Arctic resupply programme gets under way.

The fleet includes seven heavy icebreakers — *John A. Macdonald*, *Labrador*, *N.B. McLean*, *d'Iberville*, *Wolfe* and *Montcalm* — all scheduled for operations in Hudson Bay or the Eastern Arctic.

The first ship to go north was CCGS *Camsell*, which left Victoria, British Columbia, on June 29 to start the long voyage round Alaska. Because of the usually difficult ice conditions along the north coast of Alaska, the ship's progress is often slow as she makes her way to Tuktoyaktuk, at the mouth of the Mackenzie River, to begin the task of shepherding cargo barges and coastal freighters eastward as far as Spence Bay, Shepherd Bay and Gjoa Haven.

These ports of call, oddly enough, are hundreds of miles farther east than the westernmost ranging of some of the Eastern Arctic ships of the Coast Guard. In some years, heavy icebreakers in the latter group have steamed to the west through Viscount Melville Sound and right into M'Clure Strait, on the edge of the Beaufort Sea. Ice conditions vary from year to year, however, and the extent of any probes, by icebreakers, for purposes of scientific research, must be decided on in the light of observations made after the ships are actually in the high Arctic.

ICE SURVEYS

The movement of the ships is aided by the reports of ice conditions and forecasts of ice movement made following regular aerial ice surveys. These are carried out by specially trained observers of the Transport Department's Meteorological Branch, who fly over routes followed by shipping bound from Europe to Churchill in Hudson Bay, and along the paths to be followed by the Department's supply convoys as far north as Eureka and Tanquary Fiord, northernmost inlet in Ellesmere Island, and in the narrow Robson Channel between the tip of Ellesmere Island and Greenland. The reports are made available to all interested shipping either by radio or as ice maps broadcast via radio facsimile.

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CANADIANS TO ROWING MEET

A federal grant of \$11,000 will enable a team of Canadian rowers to compete in the World Rowing Championships to be held in Bled, Yugoslavia in September. The grant, made under the Fitness and Amateur Sport Programme, will cover half the travel and living costs of 16 oarsmen, two coaches and a manager, and includes \$2,000 for the transportation of equipment.

The backbone of the Canadian contingent is the senior "heavy-eights" crew from St. Catharines, Ontario, that captured the recent Canadian title at the Royal Canadian Henley. The St. Catharines crew is backed by a senior "heavy-fours" crew from Burnaby Lake, British Columbia — winners at the same event.

Among the Canadian oarsmen will be Tony Biernacki, veteran international singles rowing ace from Ottawa, who is now a laboratory technician and rowing coach at Brock University, St. Catharines, and Roger Jackson, an Olympic gold medalist at Tokyo in 1964, who was rowing for the crack University of British Columbia team at the time.

Other veterans of Olympic and international competition on the Canadian team include three of the Burnaby Lake four - Daryl Stordy, Bob Stubbs and Max Wiczorek of Vancouver. All represented the University of British Columbia at the 1962 British Empire Games and were members of Canada's gold-medal eight at the 1963 Pan-American Games. Daryl MacDonald, of St. Catharines, who was a member of the 1954 British Empire Games team and the 1964 Olympic crew, and Biernacki will serve as spares for the St. Catharines eight at Bled and will row as a pair.

AUTO PARTS TARIFFS

A new procedure for considering tariff remissions for some imported machinery and equipment used in the manufacture of automotive parts was announced recently by Mr. C.M. Drury, the Minister of Industry.

Mr. Drury said the purpose of the tariff remissions was to help Canadian manufacturers of automotive parts and accessories improve their competitive position by encouraging modernization and efficiency in their industry. The Canada-United States Automotive Agreement has greatly increased opportunities for Canadian automotive parts manufacturers to achieve a substantial expansion in their production and employment. Manufacturers of Canadian automotive parts have already announced a major expansion of facilities in order to take advantage of the expanded market for their products.

The Minister said that the Automotive Parts Manufacturers' Association had sought relief from duties, expressing concern that their ability to compete was impaired because of the duties paid on production machinery and equipment not available in Canada.

In order to obtain remissions of duties, a firm must make an application to the Adjustment Assistance Board, which will examine each application to determine whether the machinery or equipment could be obtained from Canadian producers within a reasonable time.

GENERATING-EQUIPMENT MISSION

Mr. Robert H. Winters, Minister of Trade and Commerce announced recently that a trade mission comprising seven representatives of the industry and an officer of the Trade and Commerce Department, would leave Canada in August to assess the prospects for the sale of Canadian power-generating equipment in Australia and New Zealand.

The mission will decide how Canada can best compete in supplying the requirements of Australia and New Zealand for power-generating equipment - hydro, thermal and nuclear.

Members of the group will meet officials of government and industry in both countries and will visit hydro-power and thermal-power installations and related research establishments. Some of the members will deliver technical papers on Canada's achievements in power-generation to the Electricity Supply Association of Australia and engineers on the staff of the New Zealand Electricity Department and Ministry of Works.

Mr. Winters pointed out that the Canadian electrical manufacturing industry, which employs about 100,000 people, had exports last year valued at \$150 million. "Because of Canada's rapid development in power installations," he said, "Canadian electrical equipment manufacturers are recognized widely as very proficient and their advance equipment designs are gaining acceptance abroad."

CONSUMER PRICES

The consumer price index for Canada advanced 0.3 per cent to 144.3 at the beginning of July 1966 from 143.8 at the beginning of June. The July index was 3.4 per cent above the level for the corresponding month a year ago, which stood at 139.5. The increase between June and July resulted mainly from a 1.2 percent rise in the food component and a small advance in housing. Two component indexes - clothing and health and personal care - declined slightly while the three remaining component indexes - transportation, recreation and reading, and tobacco and alcoholic beverages - were unchanged in July.

FOOD

The food index moved up 1.2 per cent to 146.0 in July from 144.2 in June. Increases in prices were recorded for most dairy products, all fat products except lard and for most beef and pork cuts. Price increases were also recorded for tea, coffee, grapefruit, oranges, apples, frozen orange juice, turnips, tomatoes, celery and lettuce. Scattered price decreases were noted for sugar, pickles, jelly powder, evaporated milk, eggs, chicken, turkey, lard, hamburger, smoked ham, sausages, bananas, grapes, strawberries, most processed fruits, potatoes, carrots, cabbage and tomato juice.

HOUSING

The housing index rose 0.3 per cent to 144.8 from 144.4 as both the shelter and household operation components increased. Advances in rents and home-ownership, coupled with price increases in all sub-groups in household operation except fuel and lighting outweighed scattered price decreases for dinette suites, dryers, washing machines, vacuum cleaners, irons and some miscellaneous household supplies.

CLOTHING

The clothing index edged downward to 125.2 in July from 125.3 in June. Decreases in prices of men's and children's wear outweighed increased prices for women's wear, footwear and piece goods. The transportation index remained unchanged at 151.2. Lower prices for automobiles were offset by higher prices for gasoline and motor oil and for train and bus fares. The health and personal care index declined slightly to 181.0 from 181.2 as a result of lower prices for some personal care items.

RECREATION

The recreation and reading index remained unchanged at 159.3, with lower prices for radio, television and phonograph records balanced by higher prices for bicycles and newspapers. The tobacco and alcoholic beverages index was unchanged at 125.1 for July.

WHOLESALE PRICE INDEXES

The price index of 30 industrial materials, calculated as an unweighted geometric average, decreased to 264.7 from 264.8 in the three-week period June 30 to July 22. Prices declined for nine commodities, advanced for six and remained unchanged for 15. In the same three-week period, the price index of Canadian farm products at terminal markets decreased 2 per cent to 244.3 from 249.3.

SECURITY PRICE INDEXES

The investors' index of common stock prices (1956=100) decreased 2 per cent from 170.1 to 166.7 in the four-week period June 29 to July 28. Indexes for all three major groups decreased as finance declined 4.3 per cent from 141.9 to 135.8, industrials 1.8 per cent from 177.0 to 173.9, and utilities 1.6 per cent from 165.6 to 162.9.

CANADIAN ETHNIC ORIGINS

Canada's 1961 census showed 44 per cent of the population to be of British Isles ethnic origin, 30 per cent French, about 23 per cent of various other European origins and the balance of Asiatic, native Indian and Eskimo, Negro and other origins.

Among the European groups recording the most rapid of growth in the 1951-61 period were the Danish, Greek, Hungarian, Italian and Yugoslavic. The Greeks showed the most rapid growth-rate; the Italian, the greatest absolute increase from 152,000 in 1951 to 450,000 in 1961. The latter was exceeded in number in 1961 by only the German group at 1,050,000 and the Ukrainian at 473,000 among the European origins, other than British Isles and French.

Mr. Duff said the purpose of the tariff... was to help Canadian manufacturers... improve their competitive... position by encouraging modernization and efficiency... in their industry. The Canada-United States... Motor Vehicle Agreement has greatly increased... opportunities for Canadian automotive parts... manufacturers to achieve substantial expansion... and employment. Manufacturers of Canadian... motor vehicles have already enjoyed a... number of facilities in order to take advantage of... expanded market for their products. As well... as the Minister said that the Automotive Parts... Manufacturers' Association had sought relief from duties... expressing concern that their ability to compete was... impaired because of the duties paid on production... machinery and equipment not available in Canada. In order to obtain remission of duties, a firm... must make an application to the Adjustment Assistance Board, which will examine each application to... determine whether the machinery or equipment could... be obtained from Canadian producers within a reasonable... period. The Board will also consider applications... for remission of duties on production machinery... and equipment not available in Canada. In order to obtain remission of duties, a firm... must make an application to the Adjustment Assistance Board, which will examine each application to... determine whether the machinery or equipment could... be obtained from Canadian producers within a reasonable... period. The Board will also consider applications... for remission of duties on production machinery... and equipment not available in Canada.