



CANADA

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## NEIGHBOURING LEGISLATORS CONFER

The Canada-United States Interparliamentary Group concluded two days of discussion in Ottawa on March 2. Twenty-three members of the Parliament of Canada and 16 members of the Congress of the United States, representing all political parties, participated in the discussions. The Canadian delegation was led by the Speakers of the Senate and House of Commons, Mr. Mark Drouin and Mr. Roland Michener. The co-chairmen of the United States delegation were Senator George Aiken from Vermont and Mr. Cornelius Gallagher, Member of the House of Representatives for New Jersey, assisted by Mr. Laurence Curtis, member of the House for Massachusetts.

This was the sixth meeting of the Group, which held its first and organizational meeting in Washington in January 1959. Since that time, meetings have been held alternately in Canada and the United States. The fifth session was held in Washington in June 1961.

The United States delegates were welcomed at the opening plenary session on March 1 by Prime Minister John G. Diefenbaker.

Committee meetings were held on both days. One committee discussed defence and foreign-policy matters of mutual interest and the other discussed economic and boundary matters of concern to both countries. The agreed summary reports of the two committees which were approved at the final plenary session follow:

### COMMITTEE ON DEFENCE AND FOREIGN POLICY BERLIN AND EUROPEAN SECURITY

The Committee opened its discussion with a consideration of the status of Berlin and the problem of European security. The discussion reflected no differences of opinion as to the Canadian and the United

States approach to the Berlin situation and the basic position from which any negotiations with the Soviet Union should proceed. Major attention, therefore, centered around how the present difficulties arising over Berlin should be approached to reduce tensions with the Soviet Union.

The rights accorded the West under the quadripartite arrangements must be maintained. Any search for an accommodation with the Soviet Union must take into account three points upon which the West must stand firm: (1) the rights of the people of West Berlin; (2) the rights of the occupying powers to be in the city; and (3) the right of the Western powers to have access to the city. Any negotiations with the Soviet Union must seek to clarify the latter point so that there will be firm guarantees given the West to have access to the city not only by means of the present four air corridors but also of specific land, rail and water corridors.

The Berlin problem is symptomatic of the many large issues that must be carefully and thoroughly explored, first among the Western powers and then with the Soviet Union at the diplomatic level, before the convocation of a summit conference.

### CHINA POLICY

The Committee noted that since the Group's last meeting the question of the admission of a Communist Chinese delegation to the United Nations had been considered and had been rejected, but that the matter would again confront the next meeting of the General Assembly. While neither Canada nor the United States has recognized the Peoples' Republic of China, it was reported that there is a body of opinion in Canada which favours Canada granting recognition. There was

no disagreement on the need to maintain the integrity of Taiwan but there was some difference of opinion as to the validity of a "two-China" policy. The United States members stressed that Taiwan is important to the security of the United States and that the United States administration must always consider the effect of United States recognition on its allies in Southeast Asia, and for these and other reasons the United States opposes such recognition.

There was an extensive discussion of the question of trade with Communist China. While there was complete agreement that there should be no trade in strategic goods, the two delegations were not unanimous in their views as to trade in non-strategic commodities. The Canadian members were generally of the opinion that by such trade it was possible to keep open certain avenues of contact and further questioned the effectiveness of a trade blockade in weakening the position of the Peking regime.

The United States members were of the view that trade with Communist China in any form serves to bolster the regime and facilitates its expansionist policies. The United States members, therefore, hoped that the free world would be able to co-operate with the United States to the end that nothing be done which would strengthen or hasten the development of Communist Chinese military capacities.

DEFENCE PRODUCTION SHARING

The Committee noted the mutual military responsibilities of both countries for the common defense of North America and the endeavours under the Canada-United States defence production-sharing programme to achieve integration of their defence industries' development and production capabilities. The continuing Canadian reliance on United States industry for a substantial part of major items of Canadian defence requirements is economically more acceptable in view of the improving trend of United States defence procurement in Canada.

It was recognized that it would probably never be feasible for the United States to obtain from Canada as large a proportion of United States defence-equipment needs as the proportion of Canadian requirements which is purchased from United States industry. The increased participation of Canadian industry in United States defence requirements is achieving an improved pattern of cross-border defence procurement and desirable standardization of equipment. However, this increased activity is revealing difficulties preventing Canadian industry from contributing fully and it was agreed that efforts must continue to insure that defence industries in both countries have equal opportunity to participate in Western defence requirements.

The achievements of the defence production sharing programme were commended as an outstanding example of the close co-operation which exists between the two countries and which should continue to receive the active support of both governments. It is important that public opinion in both countries recognize that this programme is aimed at more efficient utilization of the industrial capacity in both countries to the benefit of mutual defence and economic interests.

DISARMAMENT

The Committee, noting that renewed disarmament negotiations are to begin in Geneva on March 14, expressed the hope that these would result in some progress. It also considered that there were some grounds for restrained optimism in this regard. The Committee agreed that, initially, a good basis for the conference's work exists in the agreed statement of principles and that the participation of foreign ministers would be appropriate to lend additional guidance to the opening phase of the negotiations.

The question of United States resumption of nuclear testing was also discussed. The United States members pointed out that any resumption would be undertaken reluctantly and in full awareness of the impact that this would have on public opinion, even though devices tested would be held to the minimum in point of number and size. On the other hand, the progress which the Soviet Union has made in the field of nuclear armaments, as evidenced by their series of tests last Fall, might leave the United States no alternative but to resume testing.

CANADA AND THE OAS

The Canadian delegation expressed its appreciation for President Kennedy's pledge of support to Canada should it desire to become a member of the Organization of the American States (OAS). The Canadian members explained the various considerations that have made Canada reluctant to assume the obligations of membership at this time.

It was noted by both the Canadian and United States delegates that Canada has displayed an increased interest in Latin American matters. This has been evidenced by the creation of a Latin American Division in the Department of External Affairs, the establishment of diplomatic relations with all the Latin American nations, Canadian membership in the United Nations' Economic Commission on Latin America, and the assignment of observers at important meetings of the OAS.

There was support for Canadian presence at meetings of the OAS and other inter-American organizations. It was also suggested that consideration be given to the appointment of a permanent Canadian observer at the OAS.

CUBA

The Committee agreed that a Communist Cuba is a serious menace in the Western Hemisphere which requires careful control and control-action. It was noted that, as a result of recent policy review, the United States had now terminated all imports from and exports to Cuba, with the exception of certain medical supplies. The United States members believed that a similar review and common policy of economic sanctions against Cuba by Canada and all Western countries would serve to counter the Communist threat. The Canadian delegation recalled that Canada has long since terminated any exports to Cuba of arms, and is rigidly controlling other exports to Cuba and is preventing any re-export of United States goods through Canada. This is a similar policy to that which was recently approved by OAS at Punta del Este.

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### 1961 CENSUS

The population of Canada reached 18,238,247 on June 1, 1961, according to the final count of last year's decennial census, released recently by the Dominion Bureau of Statistics. This figure represents an increase of 4.2 million persons, or 30 per cent, since the last decennial census of 1951, and compares with an increase of 2.1 million, or 19 per cent, in the decade 1941-51.

The population gain in the past decade was very evenly distributed between the two five-year periods (viz., 2,071,362 in the 1951-56 period, and 2,157,456 in 1956-61). However, the rate of growth was slightly lower in the latter period, amounting to 13.4 per cent, compared to 14.8 per cent between 1951 and 1956. The lower rate of growth in the past five years was owing mainly to smaller numbers of immigrants and slightly lower birth-rates in the closing years of the decade.

The two most heavily populated provinces, Quebec and Ontario, accounted for 67 per cent of the 4.2 million population increase since 1951. Alberta and British Columbia accounted for 20 per cent, and the remaining six provinces and territories accounted for the residual 13 per cent. The highest provincial

rates of growth on a percentage basis for the 1951-61 decade, however, occurred in Alberta, which increased 41.8 per cent, and in British Columbia (39.8 per cent). These were followed by: Ontario, 35.6 per cent; Quebec, 29.7 per cent; and Newfoundland, 26.7 per cent. Next in order by rates of growth were: Manitoba, 18.7 per cent; New Brunswick, 15.9 per cent; Nova Scotia, 14.7 per cent; Saskatchewan, 11.2 per cent; and Prince Edward Island, 6.3 per cent.

Rates of increase for the relatively smaller populations of the Yukon and Northwest Territories were higher than for the provinces. The Yukon Territory increased in population by 60.8 per cent during the 1951-61 decade, and the Northwest Territories gained 43.7 per cent.

#### CENSUS PUBLICATIONS

The announcement of final population counts of the 1961 census for Canada and the provinces will be followed in coming weeks by advance reports giving final counts for federal electoral districts, counties and census divisions, major urban centres, etc. Distributions of the population by such basic characteristics as rural and urban, sex, age-groups, marital status, etc., will follow in the next few months.

#### INVESTMENT OUTLOOK 1962

Mr. George Hees, Minister of Trade and Commerce, recently tabled in the House of Commons the report "Private and Public Investment in Canada - Outlook 1962", which summarizes the results of a recent survey of capital-spending intentions.

Capital expenditure plans for all sectors of the economy, as outlined in this report, involve total outlays in 1962 of \$8,596 million. This proposed expenditure exceeds actual outlays realized last year by \$487 million, or about 6 per cent.

Expenditures for new construction are expected to total \$5,862 million, or 5 per cent more than the \$5,574 million spent for this purpose in 1961. Both house-building and non-residential construction will share in this larger programme. Outlays for new machinery and equipment are expected to total \$2,734 million, 8 per cent more than the \$2,535 million spent last year.

Plans for increased capital spending in 1962 are common to all the major investment sectors, including business investment, social-capital spending and house-building. New investment by the manufacturing industry is expected to exceed that of 1961 by about 16 per cent. In other areas of business, expanded programmes for power and communication facilities, ferrous and non-ferrous metal mining, and for new retail outlets offset the declines expected in outlays for pipe lines, office buildings and commercial aircraft.

Within the social-capital sector, outlays for schools will be much higher, largely as a result of a greatly expanded programme of technical-school construction. Significant increases are also expected in the building of new hospital and university facilities. Outlays for new improvements by all levels of government will be higher in 1962.

In addition to investment plans for the country as a whole, the report provides information on capital-spending intentions in the provinces and the major metropolitan areas. A higher level of capital spending in 1962 is planned in all provinces, with the exception of Alberta and British Columbia. In these provinces large programmes of pipe-line building were completed in 1961.

Mr. Hees said the capital programme now anticipated will reinforce the expansion in general activity now under way in Canada. More directly, it should generate an increased demand for both labour and materials in construction and related trades and in equipment-producing industries.

#### ARGENTINE AVIATORS WITH RCN

Seven naval aviators from the Argentine Navy recently embarked on HMCS "Bonaventure" to observe carrier operations.

The aviators, who had completed a training course with the United States Navy, are spending two weeks in the Canadian aircraft carrier. The "Bonaventure", with other units of the Atlantic fleet, is engaged in training exercises in the Bermuda area.

A Canadian naval officer, Lieutenant-Commander Neil St. C. Norton, of Vancouver and Ottawa, has been with the Argentine Navy since October 1961 as an observer on an Antarctic expedition sponsored by the Argentine Government.

The Argentine Navy has one aircraft carrier, the "Independencia", the former HMCS "Warrior", which was bought by Argentina from Britain in 1958. The "Warrior" was in commission in the RCN from 1946 until 1948.

### COAST-GUARD DEPOT SHIP

A \$2,600,000 contract has been awarded to Canadian Vickers Limited for the construction of a twin-screw, 2,000 horse-power diesel depot vessel for northern operations. The 251-foot vessel will provide living quarters afloat for stevedores and landing-craft crews during the annual Eastern Arctic supply operations. The ships previously used for this purpose will then be available for other duties. The new depot ship will be completed in 1963 and will form part of the Canadian Coast Guard fleet.

#### BUOY DUTY IN WINTER

The stevedore accommodation can be removed to make room for the storage of buoys or other cargo in the hold, enabling the ship to carry out lighthouse supply and buoy duties, as well as some light ice-breaking, during the winter months.

Designed for navigation in ice, the vessel has an icebreaking stem and an ice knife on the stern. It will be built to Lloyd's Register of Shipping Class II requirements for navigation in ice. Hull, machinery and equipment will be built to the approval of the Board of Steamship Inspection for Home Trade Voyages, Class I.

The ship will have a continuous upper deck and midship superstructure containing bridge accommodation, with the midship 'tween deck arranged to house stevedores, key personnel and landing-craft crews to the latest Department of Transport standards. It is designed for one-compartment subdivision, in accordance with Canadian Steamship Inspection Regulations for Passenger Ships.

#### TO CARRY LANDING CRAFT

In addition to one motor lifeboat and one combined motor workboat/lifeboat, the vessel will carry two special 56-foot landing craft on the foredeck. A 40-ton derrick will be fitted for handling the landing craft during Northern re-supply work.

The propulsion machinery will consist of two direct connected and direct reversing heavy-duty marine diesel engines with hydraulic couplings, each engine developing 1,000 B.H.P. The main engines will be remote-controlled from the bridge wings and wheelhouse, with additional controls in the engine room.

A.C. diesel generators will supply ship's services and D.C. deck machinery through motor generator sets. The winch working the derrick will be situated inside the forecastle with remote controls port and starboard on the forecastle head.

Two sets of sewage-disposal unit systems will be provided internally and ample fresh water will be available in the double bottom, with automatic chlorinators and purifying elements for drinking water in accordance with Department of Health regulations.

#### NAVIGATIONAL EQUIPMENT

Navigational equipment will include two marine radars, one gyrocompass with repeaters on the bridge wings and steering compartment, echo sounder, radio direction-finder, Loran, Decca, Navigator, radio tele-

graph and telephone, including VHF, lifeboat and workboat transceivers and loud hailer. A sound-reproduction system and sound-power telephones will be installed throughout the ship.

Provision is made for the accommodation of a doctor and hospital facilities. A special mess will be provided for the stevedores amidships, and there will be recreation rooms for crew, stevedores, landing-craft crew and key personnel. A machine shop will be located in the forecastle head for the necessary repairs to vessels and landing craft engaged in Northern operations.

The ship has been specially designed to carry 35 tons of refrigerated cargo, 34 tons of cargo in the hold, and 78 tons of reserve oil fuel for supply to ships engaged in northern operations.

Hot air and steam heating will be provided throughout, and the vessel will be insulated to the Department's requirements. Mechanical and natural ventilation will also be available throughout the ship.

The principal particulars of the ship are as follows: Length, overall, 251' 6"; length, B.P., 229'; breadth, moulded, 42'; depth, moulded, 21' 6"; load draft, 12'; total brake horsepower, 2,000; range at 11 knots, 5,000 nautical miles.

The ship's complement is as follows: Officers, 12; key personnel, 15; landing-craft crew, 24; stevedores, 60.

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### EAO DEPUTY ANNOUNCED

The Secretary of State for External Affairs, Mr. Howard Green, has announced the appointment of Mr. Peter M. Towe as Deputy Director-General of Canada's External Aid Office. Mr. Towe will be the first incumbent of this position in the organization responsible to the Secretary of State for External Affairs for the operation of Canada's external assistance programmes.

During the past 14 years, Mr. Towe has served with the Department of External Affairs in Washington, Bonn, Beirut, Paris and Ottawa. His most recent overseas assignment was in Paris as Canadian representative to the Organization for Economic Cooperation and Development (OECD) and before that with the Organization for European Economic Cooperation (OEEC).

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### MORE CANADA COUNCIL SCHOLARSHIPS

Seventy-five scholarships in the fine arts, humanities and social sciences have been announced by the Canada Council. The awards, of an average value of \$1,500, are for study towards a master's degree at a Canadian university. (Exception is made for candidates wishing to study architecture, music, art and archaeology. Scholarships for such subjects are tenable abroad, but no travel allowance is provided.) As in the past, competition in this category was severe. A total of 314 applications were received for the 75 scholarships available.

## BORDUAS IN RETROSPECT

A retrospective exhibition of the work of the painter Paul-Emile Borduas (1905-1960) opened on March 8 at the National Gallery in Ottawa, where it will run until April 8. Organized by the Montreal Museum of Fine Arts in co-operation with the National Gallery and the Art Gallery of Toronto, the exhibition, which consists of 130 paintings and six pieces of sculpture, illustrates the development of his career from the time of his early studies with Ozias Leduc, a painter of religious subjects in Borduas' birthplace of St. Hilaire, Quebec, until his death in Paris in 1960.

The evolution of Borduas' style from representational to non-figurative painting can be traced through the works on display, which were borrowed from his estate, from members of his family, and from public and private collections in Montreal, New York, Ottawa, Toronto and Quebec City. A number of paintings in this exhibition have never been shown publicly in North America.

### BORDUAS IN NATIONAL GALLERY

The first work of this painter to join the national collection was the canvas "Sous le Vent de l'Ile", bought by the National Gallery in 1953. In 1956, "Sea-Gull", which is at present on exhibit in Poland with about 60 other Canadian paintings, was purchased for the nation. In 1955 and 1959, Borduas exhibited at the first and third Biennials of Canadian Paintings organized by the National Gallery.

### TRAINING

In 1923, Borduas, who received little formal schooling in his early years, entered the Ecole des

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The Committee agreed that the policies of both Canada and the United States must be developed in the light of each country's long-range plans to counter the Communist threat.

### UNITED NATIONS BOND ISSUE

The Committee was unanimous in its support of the United Nations at this difficult juncture in its history. In this connection the Committee discussed the method and extent of meeting the United Nations' financial obligations arising principally from its efforts to establish peace and security in the Congo. The Committee discussed and explored the United Nations' proposal to help meet these obligations through the sale of bonds. The failure of many members to meet their assessments has created a financial crisis.

The Committee was of the opinion that the United Nations fiscal machinery should be made more efficient and more stringent control should be exercised over financial matters.

Beaux Arts in Montreal, where he received his diploma in 1927.

He was the first pupil of the Ecole des Beaux Arts to be employed by the Catholic School Commission, where he taught drawing from 1927 to 1939, with several interruptions. From 1937 to 1939, he worked as a part-time professor of drawing, decoration and documentation at Montreal's Ecole du Meuble; from 1939 until 1948, he was a full-time member of the staff. Among his students was the now famous Jean-Paul Riopelle.

Though Borduas consistently refused to join groups of artists, he was a founder of the Contemporary Arts Society in 1939, an organization that exerted an important influence on the artists of the Montreal area.

### "AUTOMATISTE" EXHIBITION

In 1947, with a number of his students, Borduas presented the first "Automatistes" exhibition. "Automatiste" was the term used for painting executed without premeditation. Next year he issued the now historic "Refus Global", which attacked the very roots of the tradition he and his followers were steeped in and caused his dismissal from the Ecole du Meuble.

In 1953, Borduas went to the United States, first to Provincetown, Massachusetts, and then to New York. In 1955, he went to Paris, where he lived until his death in 1960. The same year he was posthumously awarded the Guggenheim prize for the best painting executed in Canada in 1960.

### ECONOMIC COMMITTEE

#### RELATIONS WITH THE COMMON MARKET

The Committee discussed the broad implications and the effects on Canada and the United States of European developments, with particular reference to the United Kingdom's application for membership in the Common Market. The Committee recognized that both Canada and the United States face special problems of trade arising from European regional arrangements. At the request of the Canadian delegation, the United States delegation outlined the purpose and scope of new trade legislation now before the United States Congress. The Canadian delegation expressed support for expansion of multilateral world trade by such measures as may be agreed upon and Canada's willingness to take a constructive part in this expansion.

Both delegations expressed the view that the commercial and agricultural policies of the Common Market following negotiation for their application to Canada and the United States should result in a fair and adequate access for the industrial materials, agricultural products and manufactured goods of both countries.

(Over)

The Committee noted the contribution made by the Commonwealth and the U.S.A. to world peace and stability.

The Canadian delegation emphasized the significance of traditional Commonwealth trade links, including especially free entry into the United Kingdom market and the exchange of preferences. The Committee clearly recognized throughout the discussions that it was for the United Kingdom alone to make a decision whether to join the European Common Market.

It was agreed that Canada and the United States have many common points of view and of interest and that, consequently, in any negotiations and measures undertaken or contemplated by either, this community of interest should be borne in mind.

#### COLUMBIA RIVER

The Canadian delegation outlined the present situation in Canada with regard to the treaty, and pointed out that delay of Canadian ratification was related to differences between the Federal Government and the government of British Columbia. The Canadian delegation noted that it still remains the policy of the Canadian Government to ratify the treaty as soon as possible.

The United States delegation observed that the United States had ratified the treaty and expressed the hope for early ratification by Canada. The United States delegation made reference to the urgent needs of the Pacific Northwest for power which would require early decisions to be taken on alternative sources of power.

#### THE RICHELIEU-CHAMPLAIN WATERWAY

The Committee took up the question of the Richelieu River - Lake Champlain waterway. Such a waterway would cover a route of about 400 miles. It would reduce the water distance between Montreal and New York City by 1,200 miles, and between New York City and Great Lakes ports by a comparable distance.

The United States delegation outlined the history of this proposal, observing that this has been a water route since the earliest days of North America. The United States delegation also noted significant increases in cargo in past years on Lake Champlain, and pointed out that development of the waterway would provide considerably greater access to the St. Lawrence Seaway.

It was noted that both governments have proposed a joint submission of the question to the International Joint Commission.

The Committee welcomed the report that this matter will be referred to the International Joint Commission and expressed the view that the International Joint Commission should begin a study and submit its recommendations as quickly as possible.

#### LUMBER TRADE

The United States delegation noted that recent United States housing legislation has had the effect of increasing the market for lumber in the United States and resulted in the increasing importation of Canadian lumber. As a result the domestic market for United States lumber has been affected. United States shipping legislation (the Jones Act) also has had the effect of raising the cost of shipping United States lumber from the Pacific Northwest to the Eastern seaboard.

There was a frank discussion of the problem outlined by the United States delegation and of the measures which might be taken to alleviate them.

It was apparent that the Canadian lumber industry was not free from problems of competition as well. POINT ROBERTS

The Canadian delegation outlined the situation that exists at Point Roberts, Whatcom County, Washington, a peninsula crossed by the International Boundary (the 49th Parallel) isolating the point from the State of Washington. The region is accessible only through Canadian territory or by sea and both countries maintain border crossing points. The area comprises some 5 or 6 square miles and has a permanent population of some 200 people. Point Roberts is a popular residence for Canadians but difficulties are experienced because of the United States immigration regulations.

United States residents of Whatcom County recently urged the relaxation of United States immigration regulations so as to allow of easier entry by Canadian citizens, particularly those seeking to make the area their permanent residence, by obviating the necessity of their becoming United States citizens.

The United States delegation pointed out that the highway between Haines and Whitehorse passes through a section of the Yukon Territory making it necessary for people using the road to pass through two separate customs and immigration points.

The Committee expressed sympathy for any arrangements which would provide for a satisfactory solution of such problems on the border.

#### CANADA - UNITED STATES

##### BILATERAL AIR AGREEMENT

The Canadian delegation drew the Committee's attention to delays experienced in continuing discussions with the United States on Canadian-United States air-transport relations and pointed out that, as a result, the Canadian authorities were unable to proceed with current studies of regional air-traffic requirements in Canada.

The Committee agreed that it would welcome an early resumption of negotiations on the Bilateral Air Agreement.

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#### COMMONWEALTH MILITARY VISITORS

Naval, military and air attaches and Commonwealth service advisers from 18 countries are on a tour of Western Canada that will last until March 22. They come from Australia, Britain, Denmark, Finland, France, Germany, Greece, India, Iran, Israel, Netherlands, New Zealand, Pakistan, Spain, Sweden, Turkey, United States and Yugoslavia.

Their ten-day itinerary will take the visitors to service and industrial establishments including the following: HMCS "Naden", RCN training establishment, and HMCS "Venture", junior officer training establishment, at Esquimalt, British Columbia; the Second Battalion, the Queen's Own Rifles of Canada, and the Lord Strathcona's Horse (Royal Canadian), Calgary; and the RCAF station, Whitehorse, Northwest Territories. Air transport is being provided by the RCAF.