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## MID-YEAR REVIEW OF CAPITAL EXPENDITURE

The Department of Trade and Commerce has released a mid-year review of public and private investment in Canada-outlook 1959. The introduction follows:

The June survey of capital expenditure intentions of Canadian business, institutions, governments and housebuilders reveals that, in total, 1959 spending intentions now involve outlays of more than \$8.5 billion. This represents a significant increase from the \$8.3 billion planned at the beginning of the year. The accomplishment of these intentions would mean that investment spending in 1959 will surpass the \$8.4 billion of last year.

Spending plans for both non-residential construction and the acquisition of machinery and equipment have been revised upwards from those formulated previously. Outlays for both these purposes are now expected to exceed those similar expenditures made last year. The non-residential construction programme is two per cent above the 1958 level and that for machinery acquisition four per cent greater. House-building activity is still expected to be moderately below the levels of 1958 and the decline here partly offsets the expected increase in other types of construction. Nevertheless, it is now anticipated that new construction outlays, in total, will approximate \$6 billion. This would be the largest construction programme on record, slightly surpassing the previous peak achieved in 1958.

The major upward revision from the January intentions occurs in business investment where

plans now call for capital spending to about equal the levels of 1958. This represents a significant expansion from the programme previously planned. Plans for social capital spending have been little changed from those outlined at the beginning of the year and still involve outlays about four per cent above those of last year.

All major categories of business investment have revised their capital programmes upwards from those stated last January. In the forest and mineral products group greater strength than previously is being shown by the wood, paper products and primary iron and steel industries. The upward revision in this group, as a whole, however, was insufficient to bring its spending back to the 1958 levels. Similarly in the fuel and power group the 1959 programme is still expected to be significantly below that of last year but an expansion of the investment plans of electric and gas utilities and pipe line companies has modified the extent of the decline. In all other areas of business investment present spending intentions involve increases over the 1958 levels and these increases offset the declines still anticipated in the resource oriented industries. The greatest additional strength is expected in commercial building, particularly for office buildings and shopping centres, in agriculture and in the communications industry.

In the area of housing and social capital, only the spending intentions of institutions

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have been revised. Here expanded plans for university and hospital buildings have resulted in a somewhat larger programme. As previously, the housing estimate assumes that starts will be considerably below the 165,000 of 1958, and that completions will moderately exceed last year's 147,000. Developments, to date, suggest that a decline of 3 per cent in housing outlays continues to be a realistic estimate. Capital spending by all levels of government is still expected to be about nine per cent above the 1958 levels.

On the whole, the results of the mid-year survey of investment intentions reflect increasing business confidence. More new projects are being initiated than was the case in 1958. Where business establishments have revised their investment plans these revisions have been preponderantly in an upward direction. Respondents in the mid-year survey were asked to outline the reasons for any changes in investment plans. The most frequent reason given for expanding a capital programme was that the longer run sales outlook had improved. The principal area of difficulty reported was in the cost and availability of external financing. However, relatively few firms had reduced or postponed their programmes for this reason.

In summary, the accomplishment of present investment plans will mean that construction activity will reach record heights in 1959 and that spending for machinery and equipment will reverse the downward trend evident last year. While the year-over-year increase planned in capital spending is fairly modest the realization of the programme outlined will involve a substantial increase over the rate of activity in the first quarter. It may be expected that capital expenditures will exert a strong expansive influence on the economy in the latter part of the year.

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## SUMMER FESTIVALS

Summer festivals have become an institution in Canada with three firmly established and now in progress.

The most national of these is the Stratford Shakespearean Festival, which opened on June 29 for its seventh season. From a modest beginning in a tent in 1953, it has developed into what the New York Times calls "the most cheerful and original playhouse in North America."

The Stratford Festival has not only stimulated Canadian theatre but has also aroused interest in the other arts. Music, films, sculpture, painting and handicrafts are all represented. The story of Stratford is being perpetuated in a theatre display of all the properties used since the Festival began.

The plays presented this year are "As You Like It" with Irene Worth as the guest artist, and "Othello" which is almost entirely a Cana-

dian production. Acted by Canadians, with Douglas Campbell, a Scotsman who has lived for some years in Canada, in the title role, and directed by Jean Gascon of the French theatre in Montreal and George McCowan of the Festival staff, it has been termed a memorable theatrical experience.

The Festival's fifth annual music season opened on July 10 with a production of the comic opera, "Orpheus in the Underworld" at the Avon Theatre.

The townspeople of Stratford offer their hospitality to visitors to the Festival. The community spirit of this pleasant, small Ontario city adds considerably to the enjoyment of the Festival.

## MONTREAL

There have been summer concerts on the mountain in Montreal for many years. These are now included in Le Festival de Montréal which opens on August 4. A variety of entertainment is provided for the many tourists who visit this cosmopolitan city each summer. There are plays in English and in French, in a playhouse on the slopes of Mount Royal, the mountain in the centre of the city, at La Poudrière, a theatre in an old powder house on St. Helen's Island in Montreal Harbour, or at the new Théâtre de la Comédie Canadienne, in the French section of the city.

Special features of the Festival this year will be performances of works of Matherland and Molière by La Comédie Française of Paris, and a presentation of Haydn's "Lord Nelson's Mass" in Notre Dame Church. This church, one of the largest in North America, was built in 1824 after the model of Notre Dame in Paris.

Music attractions will be concerts by the distinguished Italian Quintetto Chigiano from Rome and by the German pianist Wilhelm Kempff. Other events will include the Canadian premiere of Pizzetti's sacred opera based on T.S. Eliot's "Murder in the Cathedral" and a concert on the mountain by the celebrated United States Air Force Band.

## VANCOUVER

The third and newest festival is on the other side of the continent in the city of Vancouver, situated on a fiord in the Pacific Ocean amongst some of the finest sea and mountain scenery in the world.

The Vancouver International Festival opened for its second annual season on July 11 in the city's new \$6 million auditorium, with an all-Beethoven concert conducted by Herbert Karajan of the Berlin Philharmonic Orchestra.

The five weeks' programme will include performances of Gluck's opera, "Orpheus and Eurydice", and of Schiller's drama, "Mary Stuart". Two groups of dancers, the Ballet Espanol and the Takarazuka Dancers of Japan, will present the traditional and folk dances of their countries, as well as contemporary numbers.

Music is an important part of the Festival with some 30 concerts in all. An impressive list of guest artists includes the conductors Herbert von Karajan, Walter Susskind and Bruno Walter, and soloists Elisabeth Schwarzkopf, Kerstin Meyer, Ernst Haefliger, and Betty-Jean Hagen.

A special feature of the Festival this year is an exhibition of the art of French Canada in the Vancouver Art Gallery. Assembled and opened by Gerard Morissett, Curator of the Quebec Museum, the exhibition will give the West Coast its first comprehensive view of the artistic achievements of the Province of Quebec over a period of three centuries. The exhibition includes painting, sculpture, silver, furniture, handicrafts and photographs of buildings dating from the early eighteenth century.

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### TEAM TO WEST INDIES

At the request of The West Indies Government and under arrangements made by the Economic and Technical Assistance Branch of the Department of Trade and Commerce, a Canadian development survey team is to make a study of West Indies harbours as a preliminary to an engineering survey. The leader of the team, Mr. H.J. Darling, and Mr. R. Yuill, left for The West Indies on July 11.

The team will assist in establishing which ports should be developed and will give an assessment of the improvement required in each unit territory with particular emphasis on present and potential trade patterns and traffic of goods between the islands. It will be followed by a larger team that will make a study and report on the technical and engineering aspects of harbour development and make recommendations on the improvement of specific facilities in the territories. Mr. Darling and Mr. Yuill will make a preliminary report on these subjects, giving special attention to (a) the overall traffic pattern and statistics which exist on the various territories and the gaps where no information exists and (b) which ports might probably be developed in the future in view of the findings above.

Mr. Howard Jackson Darling, is Chief of the Economics Division, Department of Transport, Ottawa. He studied at the University of Toronto, taking the degrees of Bachelor of Commerce and M.A. (Economics). From 1947-1950 he was retained by the Alberta Government to make investigations of freight rate problems, and assisted the provincial council in rate cases before the Board of Transport Commissioners, appearing also before the Turgeon Royal Commission on Transport. From 1950-1959 he has been engaged in economic investigations in the fields of air, rail, marine and general economics. These assignments have included traffic studies and forecasts for the St. Lawrence

Seaway and a recommended toll system to be adopted, a study of Newfoundland ferry services and a regional study of transport needs of the Atlantic Provinces. In 1958 he was head of the Canadian Delegation to the Statistics Conference of the International Civil Aviation Organization.

Mr. Russel Yuill studied at Mount Allison University and McGill University, taking the degrees of B.Sc.E. (Civil Engineering and Hydraulics). From 1917-1918 he served overseas with the Canadian Army Engineers and subsequently was engaged in engineering and investigations for the National Harbours Board, the Department of Transport and the Department of Railways and Canals. This included the supervision of the building of Churchill Harbour and service with the Department of Munitions and Supplies as Director of Shipbuilding from 1940-1945. From 1946-1957 he was Port Manager, St. John, N.B. Since his retirement from government service in 1958 he has been active as a consulting engineer.

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### THE ROYAL TOUR CONTINUED

After a rest of several days at a fishing lodge at Pennask Lake, B.C., the Queen and Prince Philip made a leisurely journey through the Fraser Valley, arriving on the morning of July 15 at New Westminster.

This city, 20 miles from the mouth of the Fraser River, was the capital of the old Crown Colony of British Columbia and was named by Queen Victoria after Westminster in London. The Queen and Prince Philip drove through the city and Her Majesty opened the Deas Island tunnel, linking the Fraser Valley with Vancouver. Soon afterwards the Royal party drove through the tunnel on their way to Vancouver.

Vancouver, with a population of over 665,000 - more than half of the Province's people - is now Canada's third largest city and the most important Canadian seaport on the Pacific Coast. Her Majesty and His Royal Highness were entertained at a luncheon by the city, after which they visited Shaughnessy Military Hospital and then drove to Empire Stadium where school children were assembled.

That evening they were the guests of the University of British Columbia at a dinner at the Faculty Club. This university is beautifully situated on Point Gray on the Strait of Georgia. The Queen and Prince Philip then visited the Theatre under the Stars in Stanley Park, going on to a Festival concert at the Civic Auditorium. From there they drove to the C.P.R. docks and embarked on H.M.C.S. Assiniboine.

### VANCOUVER ISLAND

The Assiniboine with four destroyer escorts, arrived at Nanaimo on Vancouver Island on Thursday morning, July 16. The Royal party drove to Exhibition Park where they saw ex-

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hibitions of Indian dancing and handicrafts. The journey to Victoria was continued via the Trans-Canada Highway with stops at Duncan and the Chemainus sawmill. The route included the beautiful Malahat drive.

The Royal party arrived in the middle of the afternoon at Victoria, where the Queen and Prince Philip were the guests of the Lieutenant-Governor and Mrs. Frank Ross at Government House.

Later that afternoon there was a ceremony at the Legislative Buildings, at which Her Majesty inspected a Guard of Honour of the RCN. The Premier of the Province read an address of welcome to which the Queen replied. The rest of the day was free from engagements.

On Friday morning July 17 the Queen and Prince Philip first visited Veterans' Hospital. Her Majesty then presented new Colours to the Princess Patricia's Canadian Light Infantry, and to a Colour Party of the King's Own Calgary Regiment. The Province of British Columbia entertained at a luncheon in her honour at the Empress Hotel, famous for its rose gardens.

In the afternoon the Royal party visited Clover Point where a youth rally was in progress, after which the Lieutenant-Governor and Mrs. Ross gave a garden party at Government House. In the evening the Queen and His Royal Highness viewed the RCN's illuminated ship and fireworks display from Government House. The Royal party left Victoria by air on Saturday morning July 18 for the North.

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### PROGRAMME IN THE FAR NORTH

Mr. Alvin Hamilton, Minister of Northern Affairs and National Resources, recently announced details of the programme of construction being carried on in the Northwest and Yukon Territories by the Northern Canada Power Commission this summer.

Work was started in February on the 9,700 horsepower plant on the Snare River about 90 miles north-east of Yellowknife and ten miles downstream from the Commission's existing 8,350 h.p. Snare Rapids hydro-electric plant. The new plant, which is expected to be completed by the autumn of 1960, will help meet the continued demand for power in the Yellowknife area of the Northwest Territories.

The combined power, central heating, water and sewage service project that the Commission is providing for the new settlement of Inuvik at the mouth of the Mackenzie River is nearing completion. The power plant and central heating unit are functioning and this summer the water supply and sewage disposal systems will be placed in operation. The utilidor lines to

supply the majority of the Federal Government buildings, now planned and under construction, will be completed this year. Some work which has to be co-ordinated with the actual building construction, will be carried over until next year.

The new 15,000 horsepower Whitehorse Rapids hydro-electric plant in Yukon Territory, with its associated fishways, will be completed in every detail this summer. The plant went into operation late in 1958. No new projects are planned for this year.

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### PREHISTORIC FIND

All material of scientific and historic interest will be recovered before the South Saskatchewan Dam, now under construction, floods a large area of Saskatchewan.

Two parties - one archaeological, the other palaeontological - have been in the area since early June. The archaeological party, headed by Prof. W.J. Mayer-Oakes, University of Toronto archaeologist on contract to the National Museum, is seeking evidence of early human habitation along the river while the other party, headed jointly by Dr. Wann Langston Jr., National Museum of Canada palaeontologist, and Mr. Bruce McCorquodale, Saskatchewan Museum palaeontologist, is seeking prehistoric remains in a promising geological formation.

Working in the Bearpaw Shale, a Cretaceous formation never before systematically explored for vertebrate fossils, the scientists have already uncovered incomplete remains of such giant marine lizards as the mosasaur and the plesiosaur. The bones are estimated to be about 70 million years old. There are encouraging indications that other significant discoveries will be made.

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### RECORD FLIGHT

A Trans-Canada Airlines Vickers Vanguard flew the Atlantic on July 4 in less than five and one half hours, establishing a new record for propeller-driven commercial aircraft.

The 96-passenger aircraft covered the 2,500 miles between Wisley, near London, England, and Gander, Newfoundland, at an average speed of 450 miles an hour. While in Canada it made the 315 mile flight between Montreal and Toronto in one hour, from take-off to touch down.

Trans-Canada Air Lines has ordered 20 of the big aircraft, with the first scheduled for delivery in 1960, when they go into service on the airline's medium stage length routes. TCA expects to be the world's first all-turbine-powered international line flying Douglas DC-88, Vanguards and Viscounts.

## COMMEMORATIVE STAMP

A new commemorative stamp to mark 200 years of united effort by Canada's two great language groups in building a modern nation was announced recently by the Postmaster General. The stamp, which will go on sale on September 10, marks the anniversary of the battle of the Plains of Abraham which took place on September 13, 1759, outside the walls of the City of Quebec. The settlement reached after the battle resulted in the creation of a nation where both the English and French languages and traditions were honoured and protected.

The new stamp is to be printed in deep red and black. The centrepiece is a group of three maple leaves flanked by the British lion and the Fleur de Lis of France with the word "Canada" centered under the maple leaves. The dates 1759 - 1959 and the words "Plains of Abraham" and "Plaines d'Abraham" in caslon type complete the design. The maple leaves, the 5-cent denomination, the dates and the words "Postage" and "Postes" appear in black. The stamp is the horizontal type and is approximately 1" x 1.5".

This is the second occasion on which the Canada Post Office has paid tribute to the achievements of General James Wolfe and the Marquis de Montcalm. In 1908 a 7 cent olive green stamp bearing the likenesses of the two generals was issued as part of the Quebec Tercentenary Series.

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## BUFFALO HUNTING

For the first time since 1893 buffalo may be hunted in Canada this autumn. The Department of Northern Affairs has announced that sport hunting of buffalo will be permitted from September 15 to November 30 (both days inclusive) in a limited area in the Northwest Territories -- probably the only place on earth where bison may be hunted. The bag limit is one buffalo per season.

The area designated is a strip just north and east of Wood Buffalo National Park between it and Great Slave Lake to the north and the Slave River to the East. The buffalo in this area are the overflow from the Park, a 17,000 square mile reserve straddling the Alberta - N.W.T. border where some 16,000 bison -- the world's largest known wild buffalo herd -- are kept.

Licence fees range from \$25 for a Canadian or British subject resident in the Northwest Territories to \$200 for an alien non-resident of Canada. Not all hunters may want to keep the whole animal, and for them arrangements have been made to distribute any surplus among the local Indians. Licences will be available from J.E. Bryant, Superintendent of Game at Fort Smith, N.W.T. Outfitters and guides are expected to be available by the time the influx of hunters starts.

## MORE TELEPHONES IN 1958

The number of telephones operated by the fifteen largest telephone systems in Canada increased 6.5 per cent in 1958 to 4,809,568 from 4,515,002 in 1957, according to the Dominion Bureau of Statistics' preliminary annual report. Telephones on individual lines rose 13.4 per cent to 1,847,606 and private branch exchange and extension telephones about 8 per cent to 1,217,103. Conversations increased 6 per cent to 8,420,595,000 from 7,967,243,000, while average calls per telephone eased to 1,751 from 1,766. Included in the 1958 estimate was a total of 194,185,543 completed long distance calls, 9 per cent above the year-earlier count of 178,607,776. These 15 companies operated 94 per cent of all telephones in Canada in 1958.

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## CIVIL AVIATION 1958

Operating revenues of Canadian air carriers rose 5.3 per cent in 1958 to \$200,147,000 from \$190,082,000 in 1957 and operating expenses 5.2 per cent to \$199,241,000 from \$189,453,000, resulting in an operating surplus of \$906,000 versus \$629,000, according to the Dominion Bureau of Statistics' preliminary annual report on civil aviation.

Revenue from unit toll passenger fares rose to \$131,212,000 from \$112,295,000 in 1957, mail revenue to \$12,979,000 from \$12,662,000, revenue from freight carried in unit toll service to \$7,771,000 from \$7,236,000, express revenue to \$3,142,000 from \$2,930,000, and excess baggage to \$1,536,000 from \$1,429,000. Bulk transportation revenue dropped to \$30,232,000 from \$40,754,000.

All individual expense accounts showed increases in 1958 over 1957. Aircraft operation and maintenance costs advanced to \$118,313,000 from \$115,033,000, ground operation and maintenance charges to \$43,402,000 from \$41,351,000, traffic expenses to \$22,273,000 from \$19,714,000, general administration costs to \$14,373,000 from \$12,495,000, and general taxes to \$881,000 from \$860,000.

Canadian air carriers transported a total of 4,021,721 revenue passengers in 1958, an increase of 295,118 or 7.9 per cent over the 3,726,603 carried in 1957. Unit toll services carried 3,599,175 passengers in the year compared to 3,217,266 in the previous year, and bulk or chartered services carried 422,546 versus 509,337. Passenger miles flown in revenue unit toll service rose 17 per cent to 2,036,147,130 from 1,737,582,244, the increase indicating a slightly longer average trip in addition to increased passenger volume.

Foreign air carriers operating into and out of Canada carried 532,314 passengers in 1958 compared to 593,317 in 1957, 9,169,922 pounds of freight versus 9,399,322 and 2,240,172 pounds of mail against 2,149,829.

### PETROLEUM & NATURAL GAS

Production of crude petroleum in March rose to 15,866,195 barrels from 14,457,598 a year earlier, placing the January-March total almost 10 per cent above last year at 48,553,943 barrels versus 44,256,614. The month's output of natural gas increased to 38,017,872 M cubic feet from 31,428,897 M a year earlier, making the three-month total one-third larger than a year ago at 121,644,007 M cubic feet versus 91,253,261 M.

The quarter's production of crude petroleum was larger this year than last in all producing areas except New Brunswick and Manitoba. Totals were: New Brunswick, 3,807 barrels (3,973 in last year's first quarter); Ontario, 246,581 (148,137); Manitoba, 1,252,778 (1,512,372); Saskatchewan, 11,671,460 (11,243,497); Alberta, 35,056,502 (31,150,548); British Columbia, 227,995 (123,574); and the Northwest Territories, 94,820 (74,513).

First-quarter output of natural gas by region was: Alberta, 87,699,743 M cubic feet; British Columbia, 18,267,094 M; Saskatchewan, 8,951,768 M; Ontario, 6,664,880 M; New Brunswick, 40,980 M; and the Northwest Territories, 19,542 M.

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### INTERNATIONAL FISHERIES

An American with a long experience in fisheries has been named chairman of the International Commission for the Northwest Atlantic Fisheries. He is Mr. A.J. Suomela, Commissioner, Fish and Wildlife Service, Department of the Interior, Washington, D.C. He succeeds Mr. Klaus Sunnana, Bergen, Norway, who held the post for two years. Mr. George R. Clark, Deputy Minister of Fisheries, Ottawa, was named vice-chairman of the Commission.

The election of the Commission's officers brought to a close the week-long meeting from June 1 to 6, which was devoted to seeking answers to the problems in preserving the vast

fish resources of the Northwest Atlantic in which all of the 12 member countries fish.

### NEW REDFISH GROUNDS

New redfish grounds, discovered by the St. John's, Newfoundland, Biological Station of the Fisheries Research Board of Canada, are strung along an extensive area in deep waters well off Canada's Atlantic seaboard. The total catch of redfish in the entire ICNAF Convention Area last year was 315 thousand tons, of which these newly-exploited grounds contributed over 200 thousand tons.

Major exploiters of the new grounds last year were the U.S.S.R. with landings of 109 thousand tons and Iceland with 81 thousand tons. Canadian landings of redfish in 1958 were 30,500 tons - less than one-tenth of the total landings in the Convention area.

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### T. B. DECLINES

Continuing the steady improvement since the end of the Second World War, the incidence of tuberculosis in Canada showed a further drop in 1958, according to a special report on the subject released by the Dominion Bureau of Statistics. Record low rates were recorded in 1958 in the number of tuberculous deaths, in the notifications of new active cases and in tuberculous first admissions to sanatoria.

Canada's death rate from tuberculosis dropped to 6.0 per 100,000 population in 1958 from 7.1 in the preceding year and was less than half the 1953 rate of 12.5. All provinces except New Brunswick recorded lower death rates from this cause in 1958 than in 1957.

The national notification rate of active cases stood at 44.1 per 100,000 population in 1958, a decrease of 8.5 per cent from the preceding year's 48.2. In 1953 the rate was 65.7. The reduction from 1957 was shared by all provinces except Prince Edward Island and New Brunswick.