



CANADA

CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION • DEPARTMENT OF EXTERNAL AFFAIRS • OTTAWA, CANADA

Vol. 15 No. 30

July 27, 1960

CONTENTS

Stretching World Refugee Year	1
Nickel Production	2
Laurier House Dedicated	3
Canada-U.S. Defence Committee	3
Visit of Dr. Balke	4

Columbia River Negotiations	4
Wheat Committee	4
New Canada Council Members	5
Cadieux to New Post	5
Iron Ore Production	6

STRETCHING WORLD REFUGEE YEAR

On July 15, the following letter, from Prime Minister Diefenbaker, replying to a Canadian Welfare Council brief recommending the extension of the World Refugee Year Programmes, was tabled in the House of Commons:

"My colleagues and I have had an opportunity to complete our consideration of the brief on the subject of refugees which your Council submitted to us on March 17, last.

"The results of our study and the decisions which have been reached with respect to the five recommendations contained in your presentation are enumerated below.

"Your Council recommended that the Government should extend beyond the end of World Refugee Year the programme allowing for private sponsorship of refugee families. You will recall that I announced in the House of Commons on March 17 last that the sponsorship arrangements relating to refugee families would be extended beyond the end of June 1960, the month in which World Refugee Year comes to an official end.

TO TAKE MORE REFUGEES

"Your Council recommended that the Government, in consultation with the provinces, should increase the number of refugee families admitted to Canada with one or more members suffering from tuberculosis, and that the programme connected with TB families should be extended beyond the end of World Refugee Year, if necessary, in order to carry out such arrangements. At the time your recommendation

was presented to the Government, it had already been announced that Canada was ready to admit one hundred TB cases from the refugee camps, together with any dependents they might have. Announcement has since been made of the decision to admit a further one hundred TB cases with dependents, including in this second group some families which may have more than one member suffering from the disease. Arrangements have now been completed which will permit the first group of families under this extended arrangement to come forward to Canada on or about July 18, with a second group scheduled to come forward on July 25, and the remaining group in the first few days of August.

"Your Committee suggested that the special programme developed in connection with World Refugee Year should be enlarged to include not only private sponsorship of refugee families in camps in Europe, but also private sponsorship of European refugee families not in camps, as well as refugee families in other parts of the world. European refugee families not in refugee camps are already covered under existing provisions for private sponsorship.

"Financial assistance is already being given through a special contribution to the United Nations High Commissioner for Refugees to assist refugee families in other parts of the world but, since the main objective of the High Commissioner during World Refugee Year has been to clear the camps in Europe, it is considered that, apart from the special

financial contribution already referred to, the Canadian offer to assist the High Commissioner should be directed principally to the primary objective which he has set for his programme.

REFUGEE CHILDREN

"I should like to comment now on the suggestion contained in your brief that the Federal Government should permit the admission to Canada in connection with World Refugee Year of numbers of refugee children, regardless of their origin, under a plan which would contemplate their legal adoption by families in Canada. This is, as you will readily appreciate, a complicated problem, primarily because the exclusive jurisdiction with respect to legal adoption rests with the provincial governments. The child-welfare departments of the provinces and the child-welfare agencies throughout Canada have at the present time large numbers of children in their care and, while not all of them by any means can be considered eligible for adoption under the standards set by the provincial authorities and adoption agencies in Canada, there are, none the less, substantial numbers of Canadian-born children who might be considered for adoption in Canadian homes if standards comparable to those which would have to be considered for refugee children were to be applied in connection with our own Canadian children.

"The department concerned has been in touch with the various provincial child-welfare authorities in this matter and has sought their reaction to your proposal. While yet to hear from a number of the provincial governments as to their views, the conclusion has been arrived at that, in individual cases, prospective adoptive parents in Canada may apply for the admission of an individual orphan refugee child, to be brought to Canada for purposes of legal adoption subject to two provisos, namely: (a) in such cases the provincial child-welfare authority concerned shall have approved the application and confirmed that suitable Canadian children are not available, and (b) shall have undertaken to give continuing supervision to the proposed adoption during the probationary period required by provincial laws -- when these provisos have been complied with, arrangements will be made by the federal authorities which will permit the admission of such a child to Canada.

"I come finally to your recommendation that the Federal Government, in consultation with the provinces, should accept responsibility for providing established public-health and welfare services for privately-sponsored refugee families admitted to Canada under the special programme which has been in effect during World Refugee Year. You will have noted in this connection the results of recent negotiations with the Province of Ontario, which have resulted in an announcement by the

government of that province that, while they are not in a position to assist in the provision of transportation costs or the maintenance and care of privately-sponsored refugee families during the first six months of their stay in Ontario, the Ontario government, at the expiration of six months, will provide necessary welfare assistance to these privately-sponsored refugee families, if they should find themselves in need of it.

ONTARIO AID

"The assistance being provided by the Ontario government in accordance with this announcement will be that normally provided to persons in need throughout the province under the provincial general welfare assistance act, or other appropriate legislative enactments. In most of these arrangements the Federal Government, under existing legislation, shares the cost of assistance provided.

"I am sure you will agree that the announcement made by the Ontario government in this matter will do much to facilitate the working out of arrangements for the private sponsorship of refugee families and, if other provincial governments agree to similar arrangements, it will do much to meet the objectives which your Council had in mind in presenting the recommendation concerning the acceptance of public responsibility in this matter.

"In most provinces it would appear that, even without any special arrangements such as those which have not been developed in Ontario, the extent of the responsibility of the private sponsors of refugee families, once they have been landed in Canada, does not normally go beyond a year or two at the most. The Federal Government will continue to work with the provincial governments to the end that refugee families entering Canada will be enabled to come under the protection of existing health and welfare legislation as soon as they are eligible to benefit therefrom, and in this way, with the active interest and support of voluntary organizations, together with the joint efforts of governments at all levels, my colleagues and I are satisfied that we shall continue, even after the end of World Refugee Year, to contribute in an important measure to the solution of this compelling human problem."

NICKEL PRODUCTION

At an estimated total of 185,123 tons, nickel production in Canada was 33 per cent greater in 1959 than in the preceding year and only 2,835 tons below the all-time high of 1957. All companies operated at peak capacity except the International Nickel Company of Canada, Limited, whose January production, affected by the three-month strike that occurred at the end of 1958, was partially curtailed.

Market conditions were generally favorable, supply and demand being in close balance. This condition resulted from the depletion of International Nickel's inventories during the strike and from an increase in industrial demand in the United States and Europe. The United States General Services Administration (GSA) and International Nickel agreed to cancel the contracts between them for delivery of nickel to the United States Government; and GSA undertook to make up the difference between the contract and the market price by supplying the company with nickel-oxide sinter from Nicaro, Cuba. This arrangement was later amended to include 16 million pounds of nickel cathodes. Thus International Nickel had additional stocks for the general market and GSA was able to dispose of surplus nickel and conserve funds. In January 1960 GSA also announced the release of 19 million pounds of cathode nickel from inventory at market price for United States consumption.

U.S. STRIKE

The strike in the United States steel industry during the summer and fall of 1959 curtailed the production of stainless and other nickel steels, but the decline in the consumption of nickel in that field was partially offset by an increase in the European demand. In the United States, demand increased in anticipation of the strike. The lifting of the embargo, during the fall of 1958, on the sale of nickel to the Union of Soviet Socialist Republics has resulted in a demand for Canadian nickel in Russia.

The closure of Freeport Nickel Company's subsidiary, Moa Bay Mining Company, at Moa Bay, Cuba, because of restrictions, will reduce the expected Cuban production. Cuban Nickel Company, at Nicaro, is still in production.

Laurier House Dedicated

Laurier House in Ottawa has become a national historic sites. On July 19, Prime Minister Diefenbaker unveiled a pair of bronze tablets narrating, in English and French, the history of the 82-year old house and marking it officially as a national historic site. Both tablets were prepared by the National Historic Sites Division of the Department of Northern Affairs and National Resources, on the recommendation of the Historic Sites and Monuments Board of Canada.

Erected in 1878, Laurier House was bought in 1897 by Sir Wilfrid Laurier, who occupied it until his death in 1919. Later, Lady Laurier bequeathed it to Prime Minister Mackenzie King, who lived in it from 1923 to 1950. He in turn bequeathed it to the nation.

Mrs. Ellen Fairclough, Minister of Citizenship and Immigration, presided at the ceremony. All Senators and Members of Parliament, as well as a number of Mr. King's personal

friends and former colleagues, had been invited to attend. Mr. Lester B. Pearson, Leader of the Opposition, was a special guest. Prayers were said by Father Louis Guilbault, OMI, curé of Sacré Coeur Parish, where Sir Wilfrid Laurier worshipped, and by Dr. Ian Burnett of St. Andrew's Presbyterian Church, which Mr. King attended.

CANADA-U.S. DEFENCE COMMITTEE

The third meeting of the Canada--United States Ministerial Committee on Joint Defence was held at Montebello, Quebec, on July 12 and 13, 1960.

The United States was represented at the meeting by Mr. Robert W. Anderson, Secretary of the Treasury, Mr. Thomas S. Gates, Jr., Secretary of Defense, and Mr. Livingston T. Merchant, Under-Secretary of State for Political Affairs. Secretary of State Christian A. Herter regretted that developments requiring his personal attention obliged him to cancel his plans to come to the meeting.

Canada was represented by Mr. Howard C. Green, Secretary of State for External Affairs, Mr. Donald M. Fleming, Minister of Finance, Mr. George R. Pearkes, Minister of National Defence, and Mr. Raymond J. O'Hurley, Minister of Defence Production.

Ambassador Wigglesworth and Ambassador Heeny, with other senior officials of the two governments, were also in attendance.

PURPOSE OF CREATION

The Committee was established, as a result of discussions in July, 1958, in Ottawa between Prime Minister Diefenbaker and President Eisenhower, to consult periodically on all matters affecting the joint defence of Canada and the United States. It reviews not only military questions but also the political and economic aspects of joint-defence problems.

The members of the Committee welcomed the opportunity that this meeting afforded them to have a timely discussion on a broad range of recent international developments of interest and concern to the two governments. They agreed that situations that arise should always be dealt with in a manner which will promote the objectives of the United Nations and contribute to international peace and stability.

By its nature, the Committee's discussions are largely concerned with matters involving the vital security interest of the two countries.

The Committee reviewed the current position concerning negotiations aiming at complete and general disarmament under an effective system of control. They deplored the recent action of the Soviet Union in withdrawing from the tenation meetings, thus frustrating its work. The Committee agreed that efforts for the resumption of meaningful negotiations must

be continued. They were further agreed that pending the achievement of general and controlled disarmament there could be no relaxation of defensive measures.

NORTH AMERICAN DEFENCE

Particular attention was given to a review of the progress achieved on co-operative measures designed to improve the defences of North America and the Committee re-affirmed its conviction that these contribute importantly to the greater strength of collective security within the broader framework of NATO.

The Committee re-affirmed the common desire and intention of both governments further to strengthen the North Atlantic alliance and to improve consultation between members within the North Atlantic Council, and considered ways and means whereby the alliance's objectives might be achieved in the years ahead.

The Committee also reviewed the field of defence production sharing between the two countries. They recognized that this is a long-range programme. They re-affirmed the conception as one in the best interest of each country and discussed further steps that might be taken to assure a greater measure of co-operation.

PJBD

The Committee noted with satisfaction that the existing machinery for consultation on defence matters between the two countries was operating effectively. It was noted, in this respect, that the Permanent Joint Board on Defence, created by the Ogdensburg Declaration of 1940, would this year be completing the twentieth year of its existence and the Committee expressed its confidence that the Board would continue to play a significant role within the area of its responsibilities.

VISIT OF DR. BALKE

On July 14, the Department of External Affairs announced that Dr. Siegfried Balke, the Minister for Atomic Affairs and Water Economy of the Federal German Republic, would arrive in Montreal on July 18 to begin a two-week visit to Canada during which he would tour uranium mines, oilfields and refineries, nuclear research laboratories and nuclear plants, hydro-electric power installations and laboratories and plants dealing with problems of water pollution and treatment of sewage.

Beginning with a visit to the Beaconsfield sewage treatment plant operated by the Pulp and Paper Research Institute of Canada (outside Montreal), Dr. and Mrs. Balke and their party toured a number of nuclear laboratories in Ottawa; visited Atomic Energy of Canada Limited's Chalk River establishment from July 21 - 24; visited the Canadian General Electric plant in Peterborough July 24 - 25; the establishments of Eldorado Mining and Refining

Limited in Port Hope July 25 - 26 and then went on to Toronto. From the Toronto area, the Government of Ontario, with the co-operation of the Ontario Hydro Commission, the Canadian Metal Mining Association and McMaster University, has arranged for visits to the hydro-electric power installations at Niagara Falls, the swimming-pool reactor at McMaster University, and the Rio Tinto uranium mine at Elliott Lake. On July 30, the party will fly to Calgary to visit the headquarters of the Canadian Petroleum Association and will proceed on August 1 to Edmonton, where the Canadian Petroleum Association will take them on a tour of oilfields and refineries. On August 2 they will be flown in to the Eldorado Mining and Refining Limited mine at Beaverlodge, Saskatchewan, returning to Edmonton on August 3 and leaving for Montreal and their return home on August 4.

Dr. Balke, while in Ottawa, called on the Secretary of State for External Affairs, the Minister of Trade and Commerce, and the Minister of Mines and Technical Surveys and was guest of honour at a Government dinner. On July 20 he visited the Parliamentary Press Gallery.

COLUMBIA RIVER NEGOTIATIONS

The United States and Canadian delegations appointed to negotiate an agreement for the co-operative development of the water resources of the Columbia River System held their fifth session in Ottawa, July 14 and 15.

The chairmen of the delegations, Mr. E.P. Bennett, United States Under-Secretary of the Interior, and Mr. E.D. Fulton, Canadian Minister of Justice, stated that a substantial measure of agreement had been reached on important issues. It is expected that the negotiators will shortly be able to submit a progress report to their governments. They will hold their next meeting in Washington on July 23 and 24.

WHEAT COMMITTEE

The Wheat Utilization Committee, consisting of representatives of the governments of the major wheat-exporting countries - Argentina, Australia, Canada, France and the United States, - together with a representative from the United Nations' Food and Agriculture Organization, in an adviser-observer capacity, concluded its third meeting in Ottawa on July 14. The head of the Canadian delegation presided.

This Committee, which was set up at the Food For Peace Conference in Washington in May 1959, has as its chief objectives the increased utilization of wheat to raise levels of consumption and improve standards of nutrition, particularly in food-deficit areas.

and to assist in both economic and market development while safeguarding the commercial interests of traditional exporting countries.

The Committee reviewed a report from the technical fact-finding mission which visited Japan, India and Indonesia earlier this year. This mission was sent out to explore ways and means whereby the Committee's objective of increased wheat utilization might be furthered.

REPORT OF MISSION

In its report, the mission outlined the background information it had gained in Japan on wheat-market promotion, on programmes for improved nutrition and on economic-development projects which had been assisted through the provision of wheat. The Committee agreed that wheat-market promotion and nutritional activities in Japan should be kept under review in relation to their possible application to other areas.

The report of the mission outlined the need for substantial imports of food grains by India in order to maintain and to achieve some gradual improvement in present consumption levels. The report also emphasized India's need for external assistance in helping to meet its food requirements. The Committee reviewed the findings of the Mission concerning the ways in which wheat supplied on concessional terms might assist India to improve nutritional levels and carry forward economic development programmes in its third Five-Year Plan. The committee recognized India's need to increase production of food grains and to build up reasonable reserves. The Committee agreed that the physical and economic problems involved in increasing the utilization of wheat in India would require continued careful consideration by member governments.

The Mission's report indicated some potential for increased utilization of wheat in Indonesia in addition to commercial imports. The Committee decided that Indonesia should be kept informed of programmes of member countries in which wheat might be supplied on concessional terms to promote economic development and to improve nutritional standards.

The Committee agreed to continue its consideration of the Mission's report at its next meeting with a view to determining what further action to recommend.

NATIONAL RESERVES

The Committee also considered a report submitted by the working party appointed at its last meeting to examine issues involved in the setting up of national wheat reserves in food deficit areas. This report outlined the main factors to be considered in the establishment, maintenance, usage, and replenishment of these reserves. The Committee requested the working party to formulate criteria which it considers should be taken into account, in the establishment on concessional terms of such

wheat reserves. These criteria are to be submitted to the Committee for consideration at its next meeting.

In the light of "guidelines" established at its first meeting in June 1959, the Committee reviewed concessional wheat transactions entered into since its last meeting, including gift wheat shipments by Australia and Canada to Colombo Plan countries and the recent United States P.L. 480 agreement with India for the provision of wheat over a four-year period. The Committee also took note of legislative changes in member countries with respect to wheat disposals and examined various new proposals relating to programmes of this type including sales of wheat on credit. The Committee emphasized the continued value of effective consultations between interested countries when entering into concessional arrangements. The Committee agreed to keep new developments with respect to disposal programmes under review.

* * * *

NEW CANADA COUNCIL MEMBERS

Prime Minister Diefenbaker, recently announced five more appointments to the Canada Council. The vacancies were created by the expiry of the terms of four members of the Council and by the recent death of the former Chairman of the Council, the late Brooke Claxton.

Dr. Claude T. Bissell, President of the University of Toronto, has been appointed Chairman.

Dr. G. Edward Hall of London, Ontario, President of the University of Western Ontario, and Dr. J.W.T. Spinks of Saskatoon, President of the University of Saskatchewan, are new members.

Dr. Norman A.M. Mackenzie of Vancouver, President of the University of British Columbia, and Sir Ernest MacMillan of Toronto have been reappointed.

The next meetings of the Council are scheduled for the week of August 22 in Montreal and Quebec City.

* * * *

CADIEUX TO NEW POST

The Secretary of State for External Affairs, Mr. Howard Green, announced on July 14 the appointment of Mr. Marcel Cadieux as Deputy Under-Secretary of State for External Affairs in succession to Mr. R. M. Macdonnell, who became Secretary-General of the International Civil Aviation Organization in 1959.

Prior to this appointment, Mr. Cadieux was Assistant Under-Secretary of State for External Affairs and Legal Adviser to the Department; he was responsible for legal, European, consular, and information affairs.

Since entering the Department, Mr. Cadieux has had a distinguished career in the Foreign

(over)

Service, having held a wide variety of posts both in Ottawa and abroad. Assigned to London in 1944, he was transferred to Brussels a year later and was thus given an opportunity to study problems of reconstruction in post-war Europe and to familiarize himself with the operation of Canadian missions abroad. After his return to Ottawa, in 1948, he became, at the age of 33, head of the Department's Personnel Division. In this position, Mr. Cadieux was associated with the development of the Department's recruiting, promotions, posting, and establishment policies at a time when it was undergoing a period of rapid expansion.

IRON ORE PRODUCTION

Canadian producers' shipments of iron ore reached an all-time high of 21,854,468 tons in 1959. This was 9.5 per cent above the 1956 record of 19,953,820 tons and 55 per cent above the total for the recession year 1958. Shipments from all producing provinces increased.

Owing to the steel strike in the United States, which lasted from July 15 to November 7 and closed that country's iron-ore mines, the traditional imports into Ontario from the Lake Superior area of the United States were lower than normal. To make up this deficiency in the iron-ore supply, Canadian producers greatly increased the proportion of their shipments to Canadian plants - to such an extent that Ontario blast furnaces operated at a record rate.

U.S. STILL MAIN BUYER

The United States, despite the strike, was again the main market for Canadian iron ore. Prior to the strike, shipments were high because United States blast furnaces were operating close to their rated capacity. During the strike, although most of the country's iron-ore and steel-producing facilities were idle, about 15 per cent of its steel-making capacity continued to operate, thus providing a market for some Canadian ore. Of more importance to Canadian producers was the expansion of stockpile facilities at United States ports for fear of an ore shortage expected for the winter of 1959-60. This expansion permitted Canadian and other foreign producers to ship large tonnages even during the strike.

EUROPE AND JAPAN

Exports to Japan and Western Europe increased slowly in the first part of the year, but an increase in industrial activity,

particularly in Western Europe, resulted in a strong demand toward the latter part of 1959. The demand for Canadian iron ore in relation to that for iron ore from other exporting countries was good. Several other countries, however, are in a strong competitive position for acquiring new iron-ore markets. Venezuelan exports to the United States, for example, remained large during the recession of 1958 while Canadian exports decreased sharply. The same situation exists in several of the Western European market areas. Among the advantages Venezuelan producers have over their Canadian counterparts are higher grade direct-shipping ores that are more easily mined the year round, all-year shipping, and lower production costs.

During 1959, three new mines were brought into production - two in British Columbia and one in Ontario. Direct-shipping ores accounted for 68.6 per cent of Canada's iron-ore shipments; concentrates and agglomerates for 18.6 and 12.8 per cent respectively. About 83 per cent of the ore shipped was of the hematite-goethite variety, and magnetite and sintered siderite accounted for 8.5 per cent each. About 80 per cent of the ore shipped came from open-pit mines.

In addition, three companies produced iron by-products that are not included in the normal iron-ore production statistics. One produced iron-oxide pellets as a co-product, with nickel carbonates and sulphuric acid, from the treatment of nickeliferous pyrrhotite concentrate. Another produced iron-oxide sinter and calcine as co-products, with sulphuric acid, from the treatment of pyrrhotite-pyrite concentrate. A third firm smelted ilmenite ore to produce titania slag for the manufacture of pigments and 'remelt iron', a type of pig iron.

In previous years iron ore from the port of Seven Islands, Quebec, was shipped to the United States by one of three routes: to the east coast, then inland by rail; to Contrecoeur, Quebec, for transshipment to small canal boats that could pass through the old St. Lawrence canals to Lake Erie ports; or to Contrecoeur, then inland by rail. During 1959, shipments of iron ore through the newly-opened Seaway totalled 5.3 million tons; in 1958 and 1957, shipments through the old St. Lawrence canal system amounted respectively to 1.3 million and 2.2 million tons. In 1959, shipments by water from Seven Islands to the United States east coast totalled 4.8 million tons; in 1958 and 1957 they amounted respectively to 4.4 million and 7.0 million tons. It is expected that by 1970 from 20 million to 25 million tons of iron ore will be shipped through the Seaway annually.