



CANADA

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## TOWARD A NEW KIND OF ATLANTIC COMMUNITY

As guest speaker at the Atlantic Union Award Dinner in Springfield, Illinois, on June 11, Prime Minister Pearson declared that he could not visualize "the Atlantic nations going forward together to a secure and hopeful future without France" and that it was imperative that they find a way out of current NATO difficulties "so that France can fully participate in the march to greater, not less, Atlantic unity". He said he was convinced, however, "that we cannot insist on retaining NATO in its present form as the only foundation for building a more genuinely international structure more appropriate for the future", and exhorted the United States "to give the effective lead for Atlantic unity" under the changed conditions.

The following are extracts from Mr. Pearson's address:

...As I look back on the years through which we have passed since the second great war of this century, I am struck by the fact that our destinies have depended so very much on the vision and leadership of a few men — on their understanding of what, at a particular moment, was the right way out of danger, and the right way to move ahead. These rare individuals had always before them an ideal of human brotherhood, of a world at peace and with freedom. They also had a firm and confident sense of direction in trying to achieve their ideal. Chris Herter and Adlai Stevenson are such men.

Clarence Streit is another who for many long years now has accepted the challenge of a great idea — the idea of a federal union of the peoples lying on both sides of the North Atlantic as a step to an even wider union of all men. That idea has not yet been realized. Indeed, in some of the Atlantic

countries, it seems at the moment to be of little interest. But it is acting upon the societies of our two countries and I believe is doing the same, although perhaps less noticeably, in Europe. It has life and dynamism. Its impact on politics in North America has increased and this is bound to convey a reflection on the other side of the Atlantic.

NATO — the Atlantic alliance — is an encouraging, if imperfect, reflection of this ideal. It has served us well for the past 16 years. NATO could hardly have achieved its political and its military expression, however, if the east of the Atlantic unity idea had not been at work before the Treaty of 1949 was signed. When Clarence Streit published *Union Now*, he was called a visionary, a dreamer. How could governments and peoples, long imbued with their own proud traditions of history, of nationalism, and of sovereignty — how could they give up some of their very substance, of their state freedom, to form a union with other nations — even for those national purposes which, the history of our century has shown, could no longer be achieved except by collective action? But they did.

### LESSONS OF THE PAST

If the lessons of history are depressing, it is because they seem never to be learned — at least until it is too late. Yet, we can also take some comfort from this historical record, as we look at the scene around us and the road ahead.

If we tend to become too depressed over the troubles that face the world today, we should recall how things seemed in the Atlantic world in the 'Forties.

In 1948, it was our hope that Western Europe and

North America, working through co-operating national governments, could provide a nucleus of military strength, economic prosperity and political stability, round which a global balance could be re-established and the extension by force of aggressive Communist imperialism be stopped. We did not know at that time whether this would be possible at all. We did not know, whether, if it were possible, it would take, five, ten, 20 or 50 years to accomplish. We certainly cannot even say today that it has been accomplished. But we have reached a kind of provisional framework – an equilibrium – in which we can live together, both we and the Communist states in Europe, with a hope for progress to something better than mere co-existence.

Indeed, some of our troubles today are the results of our successes in these recent years. In 1948 we were anxious and frightened – with cause – at the threatened extension westward of totalitarian Communism, into those European countries which, while still free, were badly shaken in their political confidence and almost completely disrupted in their economic life. After the war, our problems were of immediate, not ultimate survival. But today we are concerned with longer-range problems of peace, of prosperity, of development. This is a measure of our progress.

Once the course of history has been changed, even a little, we are prone to look back and regard that change as inevitable. But in 1945, as we looked ahead, there seemed nothing inevitable or certain about the reconstruction of a democratic, prosperous, independent Western Europe that was to take place. There seemed nothing inevitable about a change in the old American habit of peacetime isolation, which had been dominant for 150 years. It was far from inevitable that countries, who had never in peacetime pooled any part of their sovereignty, would do so now and together organize a collective defence that, in the conditions of the modern world, might prove effective enough to deter another war. We were up against physical destruction, economic stagnation and political defeatism. Vast human and material resources had been blown away and destroyed in war. Out of this waste and weariness could we really construct something new that might help to meet and solve our problems?

#### DISCONTENT WITH NATO

Well – it was done. Gradually, hesitantly, painfully, but steadily, things were done. An alliance that was designed to be more than military was welded together in peacetime. Its members began to believe in the possibility of a secure peace – of a good life. Indeed, as the years went by, many even began to forget or ignore the continuing dangers of a yet more horrible war. So they became impatient with the structures and the processes that had made their own comfortable conclusions possible. They – some people and some governments – began to fall back into those historic nationalist grooves which had been the source of so much of the bloodshed and conflict and chaos they had recently endured. With recovery came also impatience and doubt and some distrust.

We should have seen this happening in the Atlantic alliance and countered it. In December 1964, Canada proposed in NATO a reassessment of the nature of the alliance in the light of these changing conditions. Little was done....

We should have acted earlier and not under the compulsion of events. We should have tried to move forward together to a closer international association in order to remove the risk of sliding backwards. In these matters, there is no standing still....

If there is anything that has been made crystal clear by the grim experience of half a century, it is that neither peace nor security nor prosperity can be achieved or maintained by national action alone – or by national policy alone.

So this is no time to weaken in our support for the NATO alliance, because it is having difficulties. We must solve these difficulties. But we must not stop there. We must move forward with new resolve toward an international community with common political institutions, which covers more than a single continent and spans the Atlantic.

#### MILITARY BOND INSUFFICIENT

It must also be more than a military alliance. Try as we might, we have never been able to make NATO much more than that. An alliance for defence only, however, is an anachronism in the world of 1966, especially when nuclear power is not shared, by possession or by control, among its members.... A guarantee of nuclear support against aggression simply does not have the credibility that would make it a fully effective deterrent and therefore a guarantee of security.

I repeat, we must develop common, unifying political institutions which would provide for collective foreign and economic policies, as well as genuinely collective defence. Nothing less will be adequate to meet today's challenge of jets and rockets and hydrogen bombs....

#### DANGER OF DISCOURAGEMENT

In 1940, Britain – only a few years before cool and confident behind its channel – proposed full union with France. It was the moment when continental Europe was about to fall victim to the Nazi aggressor. The offer was too late. Offers made under the imminence of defeat and collapse, for radical and immediate action to implement ideas which the day before yesterday were considered as visionary and unrealistic – such offers always are too late. Do we have to have panic before we can make progress?

At this moment, moreover, a feeling of discouragement is more likely to work in the wrong way – not in the transformation of NATO into something better but in its reduction into something less. This is a very real danger. French policy has underlined it.

General de Gaulle has rejected Atlantic defence integration. He has ordered France's withdrawal from the North Atlantic defence organization. In doing so, his procedures have been brusque and his ideas understandably disturbing to France's friends and allies.

It would be foolish, however, to push the panic-button over this. By doing so, we might merely push

## ONTARIO'S NEW FARM PROGRAMME

At a recent press conference, Forestry Minister Maurice Sauvé announced approval of a farm enlargement and consolidation programme for the Province of Ontario. The programme is the largest approved so far under the Agricultural Rehabilitation and Development Act agreements and is designed "to make possible the enlargement of uneconomic farm units to a size that will give a satisfactory income to the operator". The following is a partial text of Mr. Sauvé's statement:

...This is the largest consolidation programme so far approved under the ARDA agreements. The programme is designed to make possible the enlargement of uneconomic farm units to a size that will give a satisfactory income to the operator. The feasibility of this programme was established following an ARDA economic study in Eastern Ontario carried out by the Farm Economics Branch of the Ontario Department of Agriculture in 1964 and 1965. This study provided information on the minimum requirements for a viable farm unit for general agricultural purposes in that part of the province.

The study showed that three out of four of those farms with sales of produce of \$10,000 a year or more had added land during the tenure of the present farm-operator. In contrast, only one out of three of all farms with gross incomes less than \$10,000 a year had added extra land during the tenure of the operator.

We recognize the need for a long-range land rationalization programme particularly in eastern, south-central and northern Ontario. Studies have shown that significant increases in gross income will depend greatly on farm enlargement. Trends in size of farms indicate that the normal rate of increase in Ontario is extremely slow. Thus, reliance on normal changes will not lead to a basic solution for the problem of the uneconomic farm size in Ontario.

### NO EXPROPRIATION

Under this programme, uneconomic farm units will be acquired by ARDA as they come on the market for sale and will be consolidated with another farm unit where there is an operator who needs this additional land to improve his farm income. We propose that the land be leased to the farm operator on a long-term basis, with a first option to purchase the land. The terms of the Federal-Provincial Rural Development Agreement restrict this programme to land costing less than \$100 an acre, with development costs not exceeding \$50 an acre.

I must emphasize that farms will be bought by ARDA only when these are on the market for sale and only if they are located within operating range of a small farm unit that requires this additional land to make an improved economic unit. Farms will not be acquired by ARDA by expropriation proceedings.

In order to ensure that resident owners of farms that are offered for sale to ARDA are not put to any disadvantage, this programme provides that, where the owner wishes to continue to reside in the farmhouse, he will be given a life lease for the residence at a nominal rental.

### FREE RETRAINING PLAN

One very important aspect of this agreement is that it makes provision for the re-establishment and retraining of people. Some rural families directly affected by the ARDA Farm Enlargement Programme, who would benefit from further training and become better qualified for employment, will be eligible for Programme Five of the Federal-Provincial Technical and Vocational Training Programme. They would thus qualify for free tuition and training allowances. Under this manpower programme, the Federal Government will pay 100 per cent of the training allowances up to \$35 a week, and 90 per cent of the allowances above that amount up to a maximum of \$90 a week. The Federal Government will also reimburse the province for 75 per cent of the cost of the training provided.

Rural families who have sold their land and who wish to move to confirmed employment beyond commuting distance of their present home will qualify for the federal manpower mobility grant. This grant is entirely paid by the Federal Government. It will meet all family moving costs and provide in addition a re-establishment grant up to a maximum of \$1,000 a family, depending on the number of dependents. Rural families already can qualify for loans under the Manpower Mobility Programme.

In the case of purchase of farms from owner-residents between the ages of 55 and 65 who do not wish to take advantage of the above options, the purchase will be governed by the following principles:

1. If the rural development officer (or equivalent agent of provincial ARDA) is satisfied that the vendor will have an adequate income until age 65 from employment, or from the proceeds of the sale, or other income sources, then the purchase and sale of the property can take place.

2. If, in the opinion of the provincial officer, the vendor will not have an adequate source of income after the disposal of his property to the Government, then no purchase and sale will take place.

3. When the proceeds from the sale to vendor who is unable to work (certified by a medical doctor) are insufficient to provide an annual income of \$1,200 a year, then special assistance of an annual amount necessary to make up this figure will be provided until age 65. The costs involved in providing this assistance will be shared equally by the province and Canada as per Section 22(4) of the Rural Development Agreement.

### ESTIMATED EXPENDITURES

The estimated cost of this programme until 1970 is \$7,200,000, with the Provincial and Federal Governments contributing \$3,600,000 each. It is anticipated that \$1,200,000 will be required for this programme for the current fiscal year and \$2 million for each of the succeeding three years.

### MODEL FOR ALL PROVINCES

I am sure that everyone will appreciate the magnitude of this programme and the effect it will have on the rural economy of Ontario. It may also be a model for

the consolidation of farms elsewhere throughout Canada. I feel that the implementation of this plan through the close co-operation of the Government of Ontario and the Government of Canada will do much to enable farmers to form economically viable farm units, and will strengthen the competitive position of our agricultural industry....

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## REACTOR COMMEMORATED

A plaque commemorating the "start-up" of Canada's first nuclear reactor 21 years ago was unveiled at the Chalk River Nuclear Laboratories of Atomic Energy of Canada Limited on June 18. A chain reaction was initiated in the ZEEP reactor on September 5, 1945. ZEEP was the first reactor in the world to be designed and put into operation outside the United States.

The ceremony at Chalk River was sponsored by the Ottawa Valley Historical Society, with the co-operation of Atomic Energy of Canada Limited, during the annual convention of the Ontario Historical Society in Pembroke, June 16 to 18. The plaque is one of a series being erected throughout Ontario by the Department of Tourism and Information, acting on the advice of the Archeological and Historic Sites Board of Ontario.

As the result of an agreement between the Governments of Britain and Canada, a team of Canadian, British and French scientists was assembled in Montreal and Ottawa during 1942-43, under the administration of the National Research Council, to design a large heavy-water type of reactor to produce plutonium for possible use in nuclear weapons. This reactor, known as NRX, did not go into operation until July 22, 1947, two years after the Second World War came to an end. When the war ended, the objectives of the Canadian nuclear programme were re-directed to the peaceful uses of nuclear energy, and by mid-1946 the Anglo-Canadian project had become essentially a Canadian enterprise.

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## BIGGEST STRATFORD BOX-OFFICE

Three months after the opening of the Stratford Festival box-office on February 28, returns are running some \$5,400 ahead of the same period in 1965 - a record year. Sales for the 1966 season, due to open June 6, were \$491,355 to the close of business on May 28. For the comparable period last year, returns totalled \$485,941.

Of the three Shakespearean plays, *Twelfth Night* is leading in advance sales, closely followed by *Henry V*, and *Henry VI*.

## AVON THEATRE

All productions scheduled for the Avon Theatre are well patronized, and it looks as if a record season is likely for this theatre also. At the Avon are the

two contemporary plays, *The Last of the Czars* by Michael Bawtree and Strindberg's *The Dance of Death*, the opera *Don Giovanni* and the première of a new full-length ballet, *Rose Latulippe*, presented by the Royal Winnipeg Ballet.

As usual, performances for students are heavily booked, and an estimated 60,000 students are expected to attend capacity presentations.

The fourteenth annual season extends from June 6 to October 8.

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## NAVY SALUTES CENTENNIAL

As part of Canada's centennial celebrations, the Department of National Defence is arranging naval assemblies and visits by Commonwealth and foreign naval vessels during the summer of 1967. Forty-six Commonwealth and foreign countries have been invited to participate.

The principal events will be a Canadian Centennial Naval Assembly, Atlantic, at Halifax from June 21 to 26, a Canadian Centennial Naval Assembly, Pacific, in the Vancouver-Victoria area from July 14 to 25, and a summer-long series of ships' visits to Expo '67 in Montreal. The two assemblies, the largest ever held in Canadian waters, will feature, among other events, international naval parades, concerts, fireworks and illuminations.

On behalf of the Canadian Government, the RCN will be host to the 22 navies invited to the Atlantic assembly and the 14 navies invited to the Pacific assembly, the culminating event for each being the inspection by a distinguished personage, a traditional naval ceremony. All countries participating in Expo '67 that possess naval forces have been invited to send ships to the exhibition, which will be host on behalf of the Canadian Government. RCN ships will visit 85 Canadian communities during centennial year.

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## RADIATION UNITS FOR INDIA

Two nuclear-radiation units, for experiments on the preservation of food and the disinfection of grain, are being designed and manufactured for India by the Commercial Products group of Atomic Energy of Canada Limited. They will be shipped to India's Atomic Energy Establishment at Trombay.

The irradiators are being financed through Canada's programme of external assistance, which is administered by the External Aid Office. The Indian Department of Atomic Energy will provide the buildings to house the units and will operate them.

## FOOD EXPERIMENTS

The larger of the irradiators, which will convey packages of material through a beam of gamma rays given off by *cobalt-60*, will be used for experimental studies of irradiated foods - particularly fish, fruits

and vegetables - to determine the acceptability of irradiated food and the quantity of gamma rays required to increase its shelf life. Other experiments will determine the gamma-ray dose needed to kill insects that destroy grain in certain parts of India. If used on a production scale, the irradiation processing could save millions of pounds of food each year.

This unit will also be used for the sterilization of surgical materials. The initial cobalt-60 source will be 100,000 curies.

**PORTABLE UNIT**

The other unit is a portable irradiator that will be used to test various radiation conditions required to disinfect grains. Such studies could lead to the building of production-scale irradiators. The cobalt-60 source in this unit will be 27,800 curies.

The first supply of cobalt-60 for Indian irradiators will come from the Chalk River Nuclear Laboratories. When additional cobalt-60 is needed for the units, it will be supplied from the CIR reactor in India.

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**ATOMIC ENERGY STAMP**

Postmaster General Jean-Pierre Côté announced recently that the Post Office would issue a 5-cent commemorative stamp on July 27 in recognition of the work of the Canadian scientists who developed the peaceful uses of atomic energy.

The stamp, which will mark the year in which the country's first commercial large-scale production of nuclear-electric power becomes a reality, is intended to emphasize concentration on peaceful uses of atomic power, Mr. Côté said.

The issue is blue, horizontal in format and illustrates parts of the new Douglas Point Nuclear Power Station located in Ontario on the shores of Lake Huron. A microscope, at the lower left, above which is a dove of peace, respectively symbolize research and peaceful uses of great power; superimposed on the whole is the symbol for a heavy-water atom.

The Postmaster General indicated that a total of 24 million stamps of this issue would be printed by the Canadian Bank Note Company in Ottawa.

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**STEEL TO MEXICO**

A financing agreement authorizing the Export Credits Insurance Corporation to finance the sale of steel rails and track accessories to the value of \$9.8 million to the Mexican National Railways was announced recently by the Minister of Trade and Commerce, Mr. R.H. Winters. Dominion Steel and Coal Corporation Limited, Montreal, will supply the materials from its plant at Sydney, Nova Scotia. Shipments are expected to start in June and be completed by the end of the year.

The order is part of the continuing rehabilitation of Mexico's railway system. Over the past five years, with the support of the Canadian Government, DOSCO has supplied \$65-million worth of steel rails and accessories to Mexico.

Mr. Winters said that the latest transaction showed further evidence of the close trading relations between Canada and Mexico. ECIC has provided financing for sales to that country valued at \$71 million over the past five years.

With the signing of this agreement, the total value of contracts signed under ECIC's long-term export financing facilities reached \$279 million.

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**HARNESSING THE NELSON**

The Nelson River, one of the largest in North America, is being developed by the Province of Manitoba into a massive \$1-billion power-development programme.

The combined watersheds of the Nelson and the Churchill extend half a million square miles and cover most of the Prairie Provinces and portions of Ontario, Minnesota and North Dakota. Flowing from Lake Winnipeg, one of the world's largest lakes and natural water-storage areas, the Nelson drops 712 feet during its 400-mile run into Hudson Bay. Its flow is greater than that of the Columbia or Missouri.

**FIRST STAGE**

The first phase of the programme will cost \$325 million, and will involve building a 1 million-kilowatt generating station at Kettle Rapids, to be commissioned in 1971, the diversion of substantial amounts of Churchill water through the Burntwood diversion into the Nelson, and the Warren Landing regulating structure, enabling Lake Winnipeg to be used as a great storage reservoir. It also includes building twin transmission lines from the Kettle Rapids station to Winnipeg, 580 miles away, making phase one a complete operation in itself.

Potential power capacity of the mighty Nelson exceeds 5 million kilowatts, sufficient to meet Manitoba's rapidly expanding power needs at least for the remainder of the century.

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**TOWARD A NEW KIND OF ATLANTIC COMMUNITY**

*(Continued from page 2)*

France not only from the NATO military organization but out of the Atlantic alliance itself. And France does not want to leave the alliance.

It would be short-sighted, also, not to realize that the attitude of Western Europe to American commitments in Europe is changing, just as the attitude of Eastern Europe toward Moscow is changing.

We should not try to throw all the blame on France and General de Gaulle for recent NATO developments. Some of General de Gaulle's decisions, I know, have been disconcerting and seem to indicate a return to a kind of nationalism from which France has suffered as much in the last 50 years as any country in the world. Before we condemn, however, we should try to understand what is behind France's recent actions. France is not, has not been, and will not be, satisfied with an Atlantic organization, or an Atlantic alliance of independent states, dominated by America. France (and not only France) feels that continental Europe is now strong enough (in large part because of the generous assistance of the U.S.A.) to be given its rightful share in the control of the policies of the alliance.

While France is not alone in this feeling, only de Gaulle has translated it into policy and action. If he has gone too far in that action (as I think he has), if he is on the wrong course, we should not drive him farther in the wrong direction but try to bring him back to the right course by seriously re-examining the purposes and the organization of NATO in the light of 1966, not 1948. As I have said, we should have done it years ago. If the reason for General de Gaulle's action is his belief that the other allies will not consider any change to NATO to meet new conditions, let's take positive action about the necessary reforms. Surely it doesn't make sense any longer to take the position that NATO is sacrosanct and mustn't be altered. Our reaction should be just the opposite.

In short, to rail at General de Gaulle, because he is demanding, for France, a position in the Atlantic alliance equal to that of Britain and somewhat closer to that of the U.S.A. is to show a dangerous misunderstanding of the situation.

May I refer on this point to some observations in Max Frankel's penetrating article "Our Friends the French" in the April number of *Freedom and Union*? Mr. Frankel is somewhat critical of his own country's share in the responsibility for NATO, as he puts it, "becoming an anachronism whose defensive or military purposes were long ago overtaken by technological change and whose diplomatic purposes we have never managed to define or construct". He believes that not de Gaulle's stubbornness but a long chain of events and conflicting governmental policies - including those of the United States - have caused the disarray.

I do not see the Atlantic nations going forward together to a secure and hopeful future without France. Therefore, we must find a way out of our present NATO difficulties so that France can fully participate in the march to greater, not less, Atlantic unity. We must not give up the ultimate vision of closer Atlantic unity just because some clouds are obscuring the immediate future of NATO.

Indeed, a new move forward to realize the greater vision may help remove some of the nearer clouds.

#### VISION OF THE FUTURE

We must now look at the picture ahead of us with the courage and imagination we showed 17 years ago,

when the NATO pact was signed. Taking this same cradle area of the Atlantic nations, we must ask ourselves what sort of "Atlantica" we should like our children to inherit from us in five years, ten years, 20 years? What sort of vision of the future can we hold up as a rallying-point, as an objective of policy - without pretending that it must turn out the way we wish but convinced in our own minds that, given goodwill, dedicated hard work, and a certain amount of good luck, it could be that way?

This forward march must be Atlantic, and not merely European or North American. But it must provide for more control by Europe of its direction and its character - a Europe, moreover, that would include Britain....

There are those who worry about the "separateness" of such a European development and who would, therefore, prefer to concentrate now on the federal union of all the Atlantic people, even at the expense of earlier European union. If we are realistic, however, we may have to accept at this time the more practical immediate objective of a united Europe, not as an obstacle to, but as a stage on the way to Atlantic union.

If we cannot at present achieve a pattern of Atlantic federalism, it may be necessary to acknowledge the realities of the situation and, as North Americans, work with Europeans in the hope that, in the longer sweep of history, both European and North America will come to realize that their respective affairs can best be harmonized in a wider union. If an intervening European stage is necessary, however, it must be taken not in continental isolation but in close Atlantic co-operation and understanding.

As I try to grope my own way towards a conception that would make sense for North America, and for both Western and even Eastern Europe, I am convinced that we cannot insist on retaining NATO in its present form as the only foundation for building a more genuinely international structure more appropriate for the future. I am equally sure that continentalism either of the European or North American variety is not the answer.

#### U.S. MUST LEAD

Finally, I believe that only the United States can give the effective lead required for Atlantic unity. Without its active participation and support, nothing can be done, at least on the broad front which is essential. Without its leadership we shall be driven back to a national or continental solution for the organization of security and for progress.

So we in other countries should be heartened by the fact that 111 Senators and Congressmen, from 34 states and from both parties, have co-sponsored or supported the resolution on Atlantic unity, along with ex-Presidents, former Presidential candidates and Governors. The list includes two names that mean much to all free citizens throughout the world - President Truman and President Eisenhower.

With this kind of backing, with this kind of understanding and vision, who dares not take this initiative seriously?....