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# RED REGISTRY

**Subject:**

File No. 5 0 2 0 9 - 4 0

Volume TWO (2)

From Oct. First, 1952

To Oct. Fifteenth, 1953

ACCESS TO INFORMATION  
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*W. C. Hughes*  
DATE / DATE:  
*7 Jan 1991*

c.c. Mr. Léger

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

50209-40  
nw

TO: COMMONWEALTH CONSULAR DEFENCE LIAISON (1)  
ECONOMIC EUROPEAN DEFENCE LIAISON (2)  
FAR EASTERN INFORMATION LEGAL  
UNITED NATIONS POLITICAL COORDINATION SECTION

Security ..... S E C R E T

Date ..... August 24, 1953

FROM: ..... American Division/R.A. Côté/JMB

File No.

4900-B-7-40

REFERENCE: .....  
Original on 4900-B-7-40  
"X" 50209-40  
59

SUBJECT: ..... Letter of Instruction for Mr. A.D.P. Heeney

1. For the purpose of preparing a Letter of Instruction for Mr. Heeney, it seemed useful to prepare an annotated list of recent questions in the relations between Canada and the United States. Such a list would be helpful in the preparation of the Letter itself which might take the form of a short 'Survey of Relations between Canada and the United States' similar to the one which was done in 1951. The proposed list would, of course, be appended to the Letter

2. Attached is the first draft of an enlarged edition of the list that was made in 1951 but it does not contain annotations except those now drafted by the American Division. The order of the items follows fairly closely the order of the 1951 list but this is to be revised.

3. I would be grateful if you would examine the appendix to this memorandum and let me have, at your early convenience, and up-to-date annotated list of the problems handled by your Division which were active during the past twelve months or which may be active in the future. The annotations should be brief and -- in matters affecting foreign policy more than bilaterally -- should underline the Canada-U.S. aspect of the problem.

AMERICAN DIVISION



August 24, 1953

DRAFT

SECRET

RECENT AND CURRENT PROBLEMS IN THE RELATIONS BETWEEN  
CANADA AND THE UNITED STATES

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(This is an annotated list of the more important  
problems dealt with during the past year.)

PART I - DEFENCE

1. Strategic Air Operations
2. Radar Screen
3. Continental Defence
4. Air Defence Command
5. Command in the Newfoundland Area  
and Newfoundland Bases

6. Pressure for Increased Defence Efforts7. Military ProcurementPART II - BOUNDARY QUESTIONSConfidential8. The St. Lawrence Project

On October 29, 1952, the International Joint Commission approved the application by Canada to develop the power potential of the St. Lawrence jointly with an entity designated by the United States. On July 15, 1953, the U.S. Federal Power Commission approved the State of New York Power Authority's application to develop the U.S. portion of the power project. Though the Canadian and U.S. governments (including the present administration), the International Joint Commission and the Permanent Joint Board of Defence favour the power and seaway developments, sectional U.S. interests (railway, coal, labour and port interests) are fighting a rear-guard action to upset the Federal Power Commission's decision. The prospective legal delays will, unfortunately for Canada, delay the construction of the power and seaway projects at least until mid-1954. The Ontario Hydro has disclosed it was prepared to get on with the power project the moment it is finally approved; the construction of the dependent seaway project would follow immediately. This is one of the government's major projects.



Restricted

9. Niagara Falls

By virtue of the Niagara Treaty of 1950, both Canada and the United States may each use for power purposes half of the water of the Niagara River not specifically reserved for scenic purposes and for the operation of navigation around the Falls. Remedial works recommended by the International Joint Commission, approved by both governments and costing about \$18 millions (\$17 millions on the Canadian side), are to be built within four years of July 21, 1953, by Ontario Hydro and the U.S. Corps of Engineers. Ontario Hydro wishes to divert water for power purposes early next summer; before it can do so, part of the remedial works must be in place. These are indications that individuals in the lower echelons of the U.S. Administration may seek to delay the power diversions by Ontario.

Unclassified

10. Waterton and Belly Rivers Reference

This reference now before the International Joint Commission is probably the most contentious in its history. Counsel for Canada (Mr. . . . Pope) has been authorized to discuss and draft a treaty with the U.S. Section of the I.J.C. because the engineering board (appointed to conduct the investigation) split on national lines and submitted separate reports to the Commission.

Unclassified

11. Pollution of boundary waters and of the air  
in the Detroit River area

The International Joint Commission, following the Government's approval, established an Advisory Board in each country to develop methods for controlling the quality of the boundary waters of the St. Clair River, Lake St. Clair, the Detroit River, the St. Mary's River and the Niagara River. Similarly, the Commission, at the request of both Governments, commenced a study of air pollution due to navigation in the Detroit River; it has found that air pollution is much greater from industrial causes and has recommended that its terms of reference be broadened.



Confidential

12. Libby Dam

In 1951, the United States applied to the International Joint Commission for permission to construct and operate a dam on the Kootenay River near Libby, Montana, which would flood part of the Kootenay River Valley in British Columbia. Canada agreed provided compensation was paid for the flood damage and loss of natural resources in the form of a right to hydro power at cost. On April 10, 1953, the U.S. Government withdrew the application allegedly for further study but really in the hope that Canada's conditions may be more reasonable after British Columbia will have considered the matter.

Unclassified

13. Passamaquoddy Tidal Power Project

After the International Joint Commission had reported that an investigation of this huge project (dear to the hearts of the inhabitants of New Brunswick and Maine) would cost almost \$4 millions, the Canadian Government lost interest for the time being though Senator Margaret Chase Smith and other U.S. Congressmen from the area still pursue their advocacy of the project.

14. St. John River

The International Joint Commission, seized of this matter by both governments, set up an engineering board which has now reported to the Commission on the conservation and regulation of this river system. The Commission will consider this report in October, 1953. The Province of New Brunswick is anxious to build a \$25 million project (capacity of 102,000 kw) at Beechwood.

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Restricted15. Gut Dam

U.S. citizens have started court actions against Canada (with claims potentially above \$100 millions) claiming damage caused by Gut Dam. They base their claims on an alleged agreement made in 1903 by Canada to compensate any U.S. citizen damaged by Gut Dam. In fact, the 'agreement' related to one U.S. citizen who was bought off and no damage is, in the Canadian view, attributable to the Dam. However, as a condition to obtaining the I.J.C. approval for the St. Lawrence Project, Canada agreed to a reference being made to the I.J.C. on the levels of Lake Ontario (including Gut Dam) and to the removal of the Dam. Claimants are actively opposing New York State Authority's permit from the EP.C. to develop the St. Lawrence Power Project and are being used by the St. Lawrence 'opposition' lobbies.

Unclassified16. Yukon-Lewis-Taiya Project

Aluminum Company of America (ALCOA) asked Canada in 1952 for authority to build a dam across the Yukon River and to build a tunnel through to Taiya, Alaska to use the waterpower for aluminum smelting. Though the matter was first raised in 1947, permission was refused by Canada in December 1952 while Frobisher-Ventures are exploring another all-Canadian project.

Confidential17. International Joint Commission

The Canadian Section is working effectively under General McNaughton but the same is not true of the U.S. Section. Senator Stanley (in his 80's) is not very effective and relations -- at the official level both in the I.J.C. and diplomatically -- are often strained by Vallance, the U.S. Section's counsel. The Commission's



overall work is less effective because of political pressures in the U.S.A. and, conversely, because the U.S. authorities fear the effectiveness of General McNaughton's strong personality as opposed to their weak team. The U.S. Section is expected to be strengthened and minor issues such as the Lake-of-the-Woods reference and the possible Long-Lac and Ogoki references may be cleared away. The Commission is doing much good work. It has before it items such as the Lake Superior Levels (a permanent responsibility), the Richelieu River - Lake Champlain Waterway and the other items mentioned above.

### PART III - FISHERIES

#### Confidential

#### 18. Northwest Pacific Fisheries

In 1952, Canada joined the United States in negotiating a treaty with Japan for the conservation of these fisheries. The object was that the Asians should restrict themselves to fisheries whose origin are in Asia and that North Americans should limit themselves to fisheries originating in America. This treaty was ratified by all parties in 1953.

#### Unclassified

#### 19. International Pacific Fisheries (Halibut) Convention

(NEW) The third revision of the first Treaty signed by Canadian representatives alone on March 2, 1923 was signed on the thirtieth anniversary of this event and is (?) now in force. More flexibility of conservation action and increased regulatory powers resulted from it.

#### Restricted

#### (NEW) 20. Great Lakes Fisheries

For years Canada has sought to have the conservation and management of all the Great Lakes fisheries regulated jointly with the U.S.A. A regulatory treaty was signed on April 2, 1946 but was never ratified largely because

of Ohio's opposition in Congress. A less 'regulatory' treaty was negotiated and on the point of being agreed when basic differences of interpretation were revealed. In Canadian eyes, the treaty would have merely controlled lamprey on the Great Lakes (including Lake Ontario) and would not have allowed basic research and conservation studies and recommendations to have been made fully on the five lakes. As a result, Canada broke off negotiations. These are likely to resume late in 1953.

PART IV - ECONOMIC

21. The International Monetary Fund

22. Tariffs and Trade

23. The offer of aluminum to the U.S. Government

24. Price of Newsprint

25. Agricultural Products Legislation

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26. Raw Materials

27. The sale of Canadian securities

(NEW) 28. Trucking in Bond

PART V - CONSULAR DIVISION

(NEW) 29. The McCarran-Walter Act

(NEW) 30. The U.S. Draft Laws



PART VI - LEGAL

(NEW) 31. Extradition Treaty

PART VII - FOREIGN POLICY

(NEW) 32. Canada and the Organization of American States

33. Far Eastern Policy - General

34. Recognition of China

(NEW) 35. Korea

CONFIDENTIAL

*This copy for 50209-40*  
*Original on 50209-A-40*

Ottawa, August 13, 1953.

Dear Air Vice Marshal Miller, D-2097

50209-40	
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Canadian Observers at United States Survey  
and Construction Projects in Canada

Further to our telephone conversation this morning, I should like to say that we have not been able to put our hands on any document that sets forth the reasons for attaching Canadian observers to United States parties operating in the Canadian Arctic. If we were briefing an observer, however, we would give him the history of the project in question and tell him that his duties would be as follows:

- (a) To serve as evidence to the United States party that they are operating on Canadian soil with the permission of the Canadian Government and that Canada is interested in what is being done and how it is being done;
- (b) To provide liaison between United States and any Canadian local officials or residents and to show to such local officials and residents that the Canadian Government is involved;

2 . .

Air Vice Marshal F.R. Miller, CBE, CD,  
Vice Chief of the Air Staff,  
Department of National Defence,  
O t t a w a.

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- (c) To attempt to prevent the members of the United States party from doing anything contrary to Canadian interests and to report to Headquarters if any incidents occur;
- (d) To provide a report on the conduct of the operation and the results.

2. In the particular cases that we discussed -- those of the United States survey parties at River Clyde, etc. -- we agreed with you that it would be useful to send as observers officers familiar with the problems of airfield construction. If such officers are not available, the next best in our opinion would be officers who, though not engineers, would have a good appreciation of the purpose of, and need for, the proposed airstrips, and who could be trusted to exercise tact and good judgement in carrying out the duties that I have suggested above.

Yours sincerely,

BENJAMIN ROGERS

Benjamin Rogers,  
Defence Liaison (1) Division.

70  
AMERICAN DIVISION

SECRET

From  
DEFENCE LIAISON (1) DIVISION

50209-40

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Your memorandum of June 15 -

Reference: Notes on Current Relations with the U.S.

Subject: Notes on Current Canadian - U.S. Relations for use of H.E.  
the Governor-General on the occasion of presentation of  
credentials of the new U.S. Ambassador

### Defence

The Minister of National Defence stated early in 1953 that the objectives of Canada's defence policy are:

- "(1) The immediate defence of Canada and North America from direct attack;
- "(2) Implementation of any undertakings by Canada under the Charter of the United Nations, or under the North Atlantic Treaty Organization or any other agreement for collective security;
- "(3) The organization to build up strength in a total war."

2. In the first objective, with which this statement is concerned, the phrase "defence of Canada and North America" recognizes fully the well-established principle that the defence of Canada and the U.S. can never be considered separately, but must be planned and prepared jointly. During the Second World War and in the period since 1945, Canada and the United States have been steadily moving towards the close collaboration which the defence of this Continent requires. In addition to the exchange of diplomatic and military representatives, and innumerable joint meetings convened to study special problems, the

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Permanent Joint Board on Defence has provided an excellent means of consultation on all subjects of mutual defence interest. So far, none of the Board's recommendations has been rejected by either Government.

3. During the past few years, there have been many examples of success in defence projects which required close co-operation and sympathetic understanding. The Alaska Highway, the maintenance and operation of joint weather stations in the Arctic, the operation of an experimental station at Fort Churchill, and of a series of airfields; combined military, air, and civil defence exercises; attendance of U.S. students at the National Defence College; construction of an integrated radar system: these are but a few of the more important examples of Canada - U.S. collaboration.

4. At the same time, of course, there are a number of problems on which there is still no satisfactory solution. The most obvious examples are the St. Lawrence Seaway and Power Development, and the standardization of military equipment.

5. Within the broader objective of the North Atlantic Treaty Organization, Canada and the United States are also engaged in planning the development of balanced collective forces for the defence of the North Atlantic area, and, in the Canada - United States Regional Planning Group of NATO, for the defence of North America.

M. H. WEAVER

Defence Liaison (1) Division.

DEPARTMENT OF EXTERNAL AFFAIRS  
MEMORANDUM

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TO: Defence Liaison (1)

Security .....

Date June 15, 1953

FROM: American Division: J. D. Foote: et

File No.

50209-40

REFERENCE: .....

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SUBJECT: Notes on Current Relations with the United States

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JUN 16 1953

It is expected that the United States Ambassador designate, Mr. R. Douglas Stuart, will be presenting his credentials to the Governor General during the first week in July. As is customary, the Department is expected to prepare brief notes on current relations with the United States for the use of the Governor General during his audience with the new Ambassador. I should be grateful therefore if your Division would contribute notes on questions of defence.

Attached for your guidance is a copy of the memorandum used at the time Mr. Stanley Woodward, the former United States Ambassador, presented his credentials.

*Carleton*

American Division

S E C R E T

Ottawa, June 19, 1950

Notes on Current Relations with the United States

Trade. Canada is by far the best customer of the United States, and the United States has lately become Canada's best customer, supplanting the United Kingdom in that role. Canadian purchases from the United States in 1949 amounted to \$2 billion (Canadian). Canadian sales in the United States in 1949 were valued at \$1.5 billion (Canadian). Canada has continued to suffer from a shortage of United States dollars, largely because the United Kingdom and other Western European countries have been unable to balance their accounts with the United States and permit Canadian earnings of their currencies to be converted into United States funds. The level of the United States tariff and the administrative methods which the United States Customs authorities are required by law to follow have contributed to the difficulties faced by countries wishing to export to the United States. Attempts are being made to alleviate these difficulties. The United States will participate again this year with Canada and other countries in a conference under the aegis of the General Agreement on Tariffs and Trade to negotiate another set of tariff reductions. In addition, the Administration has introduced a bill in Congress designed to simplify United States Customs procedures.

Economic Cooperation with Europe. Canada and the United States have both made heavy financial contributions since the war to the recovery of Europe, Canada through loans to the United Kingdom, France and other countries, and the United States through the European Recovery Programme. Although the Canadian and United States contributions have taken the form of separate programmes, there has been continuous informal cooperation between the two countries with regard to European recovery. In addition to making direct assistance to Europe, Canada has produced for shipment to Europe many million tons of the commodities necessary for European recovery. As a result of a decision taken at the recent meeting of the North Atlantic Council, Canada and the United States have been invited to participate informally in the work of the Organization for European Economic Cooperation, and have expressed their willingness to do so.

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Defence. As a result of the intimate defence collaboration between Canada and the United States during the war, of which the Hyde Park Agreement and the Ogdensburg Declaration were the formal symbols, the two countries have been moving steadily since the war in the direction of much closer cooperation in defence matters, including joint planning, than has ever before existed in peacetime. The Permanent Joint Board on Defence has provided an admirable means of consultation and, so far, none of its recommendations have been rejected by either Government. In the broader framework of the North Atlantic Treaty, Canada and the United States are engaged in planning the development of balanced collective forces for the defence of the North Atlantic area and, in the Canada-U.S. Regional Planning Group, for the defence of North America. During the past few years, many examples might be cited of the success with which Canada and the United States are together meeting their common problems of continental defence. Among these are: (a) the maintenance by Canada of the Alaska Highway and the Northwest Air Staging Route - very largely for U.S. use; (b) the maintenance of a network of joint weather stations in the Arctic; (c) the operation of an experimental and training station at Fort Churchill; (d) exercises in Arctic warfare, such as "Sweetbriar" in the Yukon and Alaska in February, 1950, and "Noramex I" on the coast of Labrador in October, 1949. There are, of course, outstanding problems requiring a solution. Among these may be listed: (a) the St. Lawrence Seaway project; (b) the modification of certain of the U.S. rights at the bases in Newfoundland leased from the U.K. Government before Newfoundland entered Confederation; (c) industrial mobilization planning for the most effective use of the industrial plant of both countries in time of war; (d) standardization of military equipment, if possible on a North Atlantic basis, as a condition of successful industrial mobilization; (e) arrangements to facilitate the flow of military equipment and supplies between the two countries in peacetime.

Boundary Waters. Canada and the United States have a long record of cooperation in the use of boundary waters. A recent example was the conclusion of the Niagara Diversion Treaty, designed to regulate the use of the waters of the Niagara River for hydro-electric power without detriment to the beauty of Niagara Falls. This Treaty was recently approved by the Canadian Parliament and is awaiting the approval of the United States Senate. An Agreement for the development of the Great Lakes - St. Lawrence Basin for power and deep water navigation was signed by our two countries in 1941, but has so far failed to obtain the approval of the United States Congress. The power that could be developed in the St. Lawrence system is urgently needed in both countries, while the deep waterway is expected to be of great value to the economy and defence potential of the North American continent. If, however, the United States Congress does not give early approval to the combined power and

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and navigation scheme, the Canadian Government has indicated that it must give serious consideration to the development of the power alone. A great variety of boundary waters questions are continually being dealt with by the International Joint Commission. This body was established under the terms of the Boundary Waters Treaty of 1909, and issues decisions or recommendations according to the terms of reference submitted to it by the two Governments. It has played a useful role in bringing about settlement of disputes arising along the border and preventing these from becoming matters of serious controversy between the two countries.

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April 28, 1953

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Dear Mr. Claxton,

Status of Canada - U.S. Military Planning

As you may have noted in your study of the Journal of the April 1953 meeting of the Permanent Joint Board on Defence, the Chairman of the U.S. Section of the Board presented a paper on the status of Canada - U.S. military planning with particular reference to the preparation by the Military Cooperation Committee of a Future Defence Analysis. A copy of the U.S. Chairman's paper is attached for convenient reference. This paper was discussed in the Journal as Item 16.

2. As I understand the situation, Canadian Military planners have not, since 1950, been permitted to include in any combined Canada - U.S. papers, force requirements which have not already been provided for in approved defence programmes. The reason for this restriction has been, of course, that while the requirements indicated in the plans could not be considered commitments from a legal point of view, in actual practice they might be held to be an affirmation of a military necessity and so to constitute a very real commitment.

3. It seems to me, however, that although this position was a valid one in 1950, the events of 1953 have overtaken it. As the matter now stands the Canadian Government with its peacetime military resources largely committed in Korea and Europe, is in effect presented by the United States with a long list of North American defence requirements and the statement that "these requirements must be met for our mutual security, and if you cannot do it, we will be glad to." Under such circumstances, it seems to me to be of cardinal importance that the Canadian Government should be able to satisfy itself that the U.S. demands are in fact based on sound military and technical considerations and that the plans put forward by the United States are appropriate to the needs of the situation.

4. In the discussion at the PJBD meeting, the Chairman of the U.S. Section made it clear that the U.S. Government neither could nor would concede that plans for the defence of North America in future years should be based on present capabilities rather than on estimated military requirements. He said:

"to produce a productive programme for the future defence of Canada and the United States, the military planners must be given the authority to develop plans which are produced in accordance with sound military planning principles. It is recognized that the fulfillment of requirements in any plans so drawn would of course be subject to review by the respective Chiefs of Staff and further review on the basis of political and economic considerations prior to their approval by the United States and Canada at the governmental level. Such reviews should be conducted at levels above the MCC and the military plans in that Committee should not be circumscribed by these factors."

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5. In the light of the above presentation of U.S. views, I can but conclude that if Canadian military planners are not permitted to work with their U.S. counterparts, then plans in which we are vitally concerned will be developed by U.S. officers and firmed up without regard to Canadian interests. As a consequence, the Canadian Government will continue to be confronted piecemeal with a series of U.S. military operating requirements on Canadian territory which it will be difficult if not impossible to deny.

6. I am aware that in requiring as a condition of Canadian approval of Project COUNTERCHANGE the establishment of a joint military study group to consider air defence requirements with particular reference to early warning, we have in this one important aspect of our joint defence interests met the views which the United States Staffs hold generally. I may say that in this particular matter where the real requirements of the situation had been obscured by the way in which the U.S. Chiefs of Staff had been by-passed I felt that it was imperative that by a proper objective investigation to be carried out by responsible technical personnel, we should be safeguarded from being stampeded into a vast undertaking, the costs of which we would have had to share in. However, I should like to suggest that we consider making it a general practice to require similar safeguards in future, and having first stated clearly our understanding of the circumstances of any such plans, insist on full participation by Canadian planners in joint planning activities. We would then be in a position to require that before any U.S. proposals involving defence installations on Canadian territory could be considered they would have to be examined by the appropriate Canada-U.S. military planning group (e.g., the Military Cooperation Committee) prior to formal consideration by the Canadian Chiefs of Staff and the Canadian Government. This would give the Canadian military authorities and the Canadian Government the opportunity to insist on exacting criteria of necessity and soundness of concept, and upon the provision of adequate information at an early stage in the development of such projects while they are still malleable.

7. I presume that this important matter will come up for discussion when the Journal of the April 1953 meeting of the PJBD is considered at the next meeting of Cabinet Defence Committee. In the meantime, I would very much appreciate the opportunity of discussing the question with you and Mr. Pearson at your convenience and in order to facilitate this I propose to send copies of this letter both to Mr. Pearson and to General Foulkes so that they may be fully informed of the anxieties which have developed in my mind as a result of the experience I have had in the PJBD discussions.

Yours sincerely,

(s) A.G.L. McNaughton.



TOP SECRET SECURITY INFORMATION

TOP SECRET  
SECURITY INFORMATION

ITEM NO. 16  
April 1953

PERMANENT JOINT BOARD ON DEFENSE

CANADA-UNITED STATES

File PJB 135-11

3 April 1953

MEMORANDUM FOR THE MEMBERS:

SUBJECT: Status of Canada-U.S. Military Planning

1. At the January 1953 meeting, it was pointed out to the Board that there was no Canada-U.S. plan on which to base future security requirements. The Board was further advised that the Canada-U.S. Military Cooperation Committee was about to proceed with the preparation of a Future Defense Analysis.

2. In May of 1951, the Canada-United States Basic Security Plan (MCC 100/9) was revised. This plan is composed of two parts, the Canada-United States Emergency Defense Plan, and the Canada-United States Future Defense Analysis. In this revision of the Basic Security Plan, the previously included part "Security Requirements-1957" was omitted and the "Canada-United States Future Defense Analysis" was substituted in lieu thereof. The reasons for this change are obscure because the Minutes of the MCC meeting include no discussion as to the reasons for the change but only record the decision.

3. The Canada-United States Emergency Defense Plan is current. However, the Future Defense Analysis is still in the initial stage of preparation even though the subject has been on the agenda of all regular meetings of the MCC since May 1951. The MCC has experienced considerable difficulty in arriving at a suitable format for the Analysis and agreeing to its scope. The following extract from the Minutes of MCC Meeting No. 1/53, held in February 1953, reveals the difference in the Canadian and U.S. attitude toward the Future Defense Analysis:

"- - - The Canadian Chairman stated that the Canadian Section felt the format should be elastic and the Working Team should have as much latitude as they needed as long as the following Canadian position is understood: The Canadian members of the Working Team may only indicate in the conclusion of the paper in what spheres presently planned defense systems should be adjusted or given more emphasis to meet the threat. It is anticipated that any ensuing requirements planning will be advanced on a national basis.



"The U.S. Section noted the Canadian proposal, but expressed the feeling that the Canadian position would restrict the objective development of the problem and thereby detract from the value of the Future Defense Analysis. - - -"

It appears that inherently the Analysis must develop military requirements if it is to be of any value. The difficulty in arriving at an agreement within the MCC as to the scope and format of the Future Defence Analysis lies almost entirely in the Canadian planners' lack of authority to develop requirements.

4. To produce a productive program for the future defense of Canada and the United States, the military planners must be given the Authority to develop plans which are produced in accordance with sound military planning principles. It is recognized that the fulfillment of requirements in any plans so drawn would, of course, be subject to review by the respective Chiefs of Staff and further review on the basis of political and economic considerations prior to their approval by the United States and Canada at the governmental level. Such reviews should be conducted at levels above the MCC and the military plans in that Committee should not be circumscribed by these factors.

GUY V. HENRY  
Major General, U.S. Army (Ret'd)  
Chairman, U.S. Section

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TOP SECRET SECURITY INFORMATION

R.A. MacKay/PS

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April 25, 1953.

50209-40  
921 ✓MEMORANDUM FOR FILEDefence Relations with the United States

In conversations with Mr. Ritchie and Mr. MacKay on April 23, Mr. Bliss, the United States Minister, referred to conversations he had had with General Myers, Commanding General, North East Command, and the C.A.S., A/V/M. Slemon jointly.

2. With respect to "Project Lincoln" he said that both officers had expressed grave doubts about the desirability of distant EW stations as envisaged in "Project Lincoln". He said that both officers expressed a strong preference for closer-in radar defences and agreed that distant stations might be simply an invitation to Russian planes to make forays nearer EW stations in order to keep North American air defence under a constant state of turmoil and excitement.

3. With respect to airfields in the Arctic, Mr. Bliss said both officers agreed that they would be invitations to an aggressor rather than additions to our defences. Apparently, however, the alternate landing strips for Thule were regarded as of a somewhat different character.

4. With regard to radar defence for Thule, Mr. Bliss said General Myers had indicated that there was at present only one gap, namely that around the top end of Elsmere Island.

#### 5. Air Defence Coordination

Mr. Bliss said that General Myers told him that he had just come from a conference with A./V./M. James at Canadian Air Defence Command and that they had "signed" an agreement covering air defence arrangements for the North East whereby command of U.S. North East Air Defence Forces would be vested in C.A.D.C. which in turn would delegate to local Commanders. Mr. Bliss regarded this as a very great step forward in defence relations. When it was hinted to him that

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the U.S. Joint Chiefs had agreed in principle to this arrangement some months ago, Mr. Bliss appeared a bit chagrined that he had not been informed.

6. U.S. Defence Construction in the North East

Mr. Bliss said that General Myers was "putting the heat on" Army Engineers to get all possible construction done under present appropriations and unexpended funds since he anticipated very little for construction in the next appropriations.

*R.A.M.*

R.A.M.

Defence Liaison (1)/M.H. Wershof/elb

Ottawa, April 16, 1953

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MEMORANDUM FOR FILES: 50209-40 ✓  
50216-40 (Goose)  
50216-B-40 (Gander)

} file  
NW

Subject: Air Base requirements in Canada to  
support U.S. Strategic Air Offensive

CUSRPG-EDP/53 dated October 29, 1952  
was approved by the CUSRPG Chiefs of Staff Committee  
on March 13, 1953. It is the current Emergency Defence  
Plan of CUSRPG and is filed with 50030-G-40.

Appendix "G" is entitled "Preparation  
for and support of the Strategic Air Offensive". It  
says that the conduct of the strategic air offensive  
is primarily a U.S. responsibility and that the following  
are the bases in Canada which will be required for the  
conduct and support of the strategic air offensive and  
which will require some action prior to D-day to bring  
them to a suitable state of readiness:

Goose Bay

Harmon

Gander (alternate)

*MW*  
Defence Liaison Division (1).

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: Under-Secretary of State *✓ IX / no ✓*  
*(through D.L.)* *RU*

FROM: Economic Division/J.H. Warren/IL *ASR*

REFERENCE: *Copy on 50030-L-40*

SUBJECT: Mutual Aid to the U.S. and Composition of Future Mutual Aid Programmes.

Security **SECRET**

Date April 15, 1953

File No.	
50209-40	
5252	

In the attached memorandum of March 23, Dr. Mackay has suggested that Canadian participation in the financing of the construction, maintenance and operational costs of future U.S. defence installations in Canada might be charged against our mutual aid programme. Dr. Mackay's arguments for Canadian financial participation are weighty and, in general, I would not dissent from them. However, I am inclined to be rather less worried than he about letting the U.S. finance the whole or most of these costs if, in fact, the proposed installations are not of direct benefit to Canada, or in the ordinary way would not be undertaken as part of Canadian domestic defence. My feeling is that the possibility of our withholding permission for the U.S. to go ahead with the installations would probably give us whatever bargaining power we need with respect to length of tenure.

On the assumption that some financial participation would be desirable, I am not too happy about the suggestion that our share should be chalked up against NATO mutual aid. My own reaction is that such a use of limited mutual aid funds might be even less acceptable to our European allies than direct expenditure on Canadian domestic defence. Wouldn't it be pretty hard for them to understand why their very real needs for our mutual aid should be sacrificed to the United States, which by any standards is well able to pay the full cost of installations they require in Canada? I would have thought that the sensitivities of the Canadian public were related most directly to the level of taxation and that the heading under which Canadian financial participation in U.S. projects on Canadian soil might be carried would not be a matter of great concern. But it may be that Canadians would find it

difficult to understand why we should be giving mutual aid to the U.S.. As for the argument that the mutual aid would tend to remind the people of the U.S. that Canada is making some contribution to their defence, it might be worthwhile to recall the psychological reaction to the offer of the late Eva Peron to send relief to allegedly "starving people in the Mid West".

*This is a very good idea W*

If it were considered necessary, perhaps Dr. Mackay's point could be met by establishing a special vote which would resemble Mutual Aid but would not merge aid to countries needing assistance and aid to a country which financially could well foot the bill itself. The vote might be called "Defence Aid" (since the "mutual" element disappeared when we decided not to seek any offsets from the recipients). Such a vote might be divided into three categories:

- (a) contributions towards the common costs of NATO e.g. military and civilian budgets, commonly financed infrastructure programmes, etc.
- (b) aid to the defence services *of* any of the North Atlantic Treaty countries outside North America.
- (c) contributions towards defence projects required for the joint defence of the United States and Canada.

In the best possible of possible worlds, funds for (c) would be in addition to those normally provided for (a) and (b). This, of course, might not entirely work out in practice.

One advantage of the above proposal is that it might yield a fairly substantial figure for our defence aid which could be used in the NATO negotiations and also in public discussions in Canada. It might, of course, be difficult to seek appropriation on the basis suggested

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above, especially since the term of the 1950 Act might have to be altered. An immediate practical difficulty is the improbability of more funds being appropriated for mutual aid at the present session of parliament. This possibility might, however, be borne in mind for next year.

So far as next year is concerned, my guess is that the pressure from other government departments is going to be increasingly on spending mutual aid funds to maintain Canadian production lines. You will be aware of the proposal discussed by D.D.P. with General Foulkes and D.N.D. for the production in Canada of components, the production of which it is desirable to maintain, incorporated eventually in military end-items being produced in Europe under U.S. off-shore procurement. This idea is now being studied by the Departments concerned.

General Foulkes is also reported to be thinking of using mutual aid funds to finance a new form of ammunition reserve for the first year of war. The idea is that instead of trying to build up one year's ammunition stock pile present production facilities for ammunition might be expanded and kept in being to produce four months supply of ammunition, three months stockpiled, and one months supply in the pipe line. With such facilities in being it would only take three months to reach full production during an emergency, which period would be covered by the stockpile. The General has apparently suggested that the expense involved in expanding production facilities might be paid for from mutual aid and that when three months stockpile was available the additional production be used for mutual aid and the production line thus maintained. In view of the ammunition shortage in Europe, this looks like a very promising proposal.

*I agree*  
It will be necessary within the next few months to come, at least at the official level, to some meeting of minds about the composition of any future mutual aid programmes. Perhaps Dr. Mackay's suggestion for using mutual aid funds (we would suggest under some new name) to finance Canadian participation in the cost of U.S. installations on Canadian soil should be injected into these discussions.

*A.P. Ritchie*  
Economic Division.

INCOMING MESSAGE

COPY

FROM:

THE CANADIAN AMBASSADOR TO THE UNITED STATES

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Security Classification

SECRET

File No.

50209-40

59

Priority

System

CYPHER-AUTO

No. WA-856

Date April 8, 1953.

Departmental  
Circulation

MINISTER  
UNDER/SEC  
D/UNDER/SEC  
A/UNDER/SEC'S  
POL/CO-ORD' N  
SECTION

Reference: My WA-827 of April 3rd.

Subject: Prime Minister's Visit to Washington.

Following for the Under-Secretary, Begins:

1. We have been giving some further consideration to what the agenda for the Prime Minister's discussions might be, especially in view of the memorandum enclosed with your letter of March 30th on the revision of the 1947 statement of principles of defence co-operation.

2. On this subject I have not a clear idea of what new matter we would wish to introduce if the statement were revised. The principal changes since 1947 arise from, first, the union of Newfoundland with Canada, with the consequence that the three leased bases there are now in Canadian territory; secondly, the creation of the North Atlantic Alliance, with the consequences that both countries are now in the North Atlantic area as defined in the Treaty and that the United States has been allotted special responsibility for strategic air operations; and thirdly, the increased risk of air attack on North America due mainly to the Soviet development of an atomic weapon. I think it would be very difficult to work out a joint statement which would suitably take account of these very important changes. I would prefer to rest on the statement of 1947 and to regard that statement as being still valid, except in such cases of later occurrence in which both governments have agreed on modifications in particular circumstances.

3. From the Canadian point of view, I take it that the purpose of any revision would be to produce a new and strong public affirmation of Canadian control over defence activities within Canadian territory. This seems to me not to be a propitious time politically to attempt this, in view of the increasing concern, as the memorandum points out, over the risk of atomic attack on this continent.

4. In place of an attempt to produce a new joint document, I suggest that the Prime Minister in his discussion with the President and Mr. Dulles should draw attention to the statement of 1947 and should orally make some or all of the following points, which are not explicitly covered in it:

References

(See file  
re P.M.'s  
visit for  
other  
correspondence  
re U.S.  
defence  
activities)  
Hv

- 2 -

1. The Canadian Government does not contemplate any further long-term leases of Canadian territory to the United States for defence purposes, but user rights will be granted so long as their necessity is agreed on by both sides.

2. The influx of United States personnel to man radar stations and other facilities in Canadian Arctic territories, whether joint or operated only by the United States, does not affect in any way Canadian sovereignty over these territories.

3. As far as possible, the Canadian Government wishes to avoid the stationing of United States personnel in built-up areas in Canada.

4. The Canadian Government desires consultation at as early a stage as possible before new defence projects involving the use of Canadian territory are launched, and, of course, consultation before any action in or over Canadian territory is taken by United States forces which might involve Canada in war.

5. The purpose of taking the line suggested in the previous paragraph would not be to propose new arrangements, but to impress on the leaders of the new administration the Canadian position as it has already been accepted and applied in numerous cases in detail. The background, of course, is the likelihood that the United States will continue to propose increased defence facilities in Canada for their own use or joint use or for Canadian operation, unless the new themes coming from Moscow prove to be more sincere and far-reaching than we have as yet any right to expect.

6. We have also been considering how the suggested item for the agenda "international economic policies" might be more fully defined. Nothing definite can be expected to emerge from such a discussion, but it might help to hasten the formulation of policy here. Furthermore, if we can soon put in a fuller proposal, the process of briefing the President and Mr. Dulles for their meeting with the Prime Minister ought to advance matters somewhat. You might consider inserting the following sub-heads under the main item:

(A) The joint interest of the United States and Canada in promoting expansive solutions to world economic difficulties in view of

(I) The continuing needs of defence,

(II) The new problems raised by the recent shift in Soviet policy, and

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- 3 -

(III) The realization in many deficit countries that restrictive measures are sapping their economic strength.

(B) The proposals of the Commonwealth Economic Conference and Canada's attitude towards them.

(C) The need for liberal trade and tariff policies on the part of surplus countries, particularly in North America, and the attendant political problems which this necessity raises, both in Canada and in the United States.

7. In your letter of March 24th you mentioned that a paper on economic questions was being prepared. Do you think it would be a good idea to frame this paper so that it might be left with United States officials for further study after the Prime Minister leaves Washington?

8. I assume that the report for public consumption on the talks between the Prime Minister and the President will take the form of a rather full joint communique, to be issued on the day of his departure. It seems to me that it would be well for a start to be made on our side at drafting what we would consider to be a suitable communique. It is unlikely that the visit will result in new agreements; but it may, and I hope will, give an impulsion to negotiations leading to later agreements, on which the language of the communique might have an important bearing.

9. The State Department has been asking us for some indication of the size and composition of the Prime Minister's party. We have told them that the minimum will consist of Mr. Pickersgill and a private secretary, but that one or more Cabinet Ministers might accompany him. I mentioned this to Mr. Pearson when in New York last night and he said that he hoped that he would be able to be present.

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O t t a w a,  
March 30, 1953.

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Dear Hume,

Attached is a departmental memorandum prepared for Mr. Pearson on the proposed revision of the United States-Canada joint defence statement of 1947. I should greatly appreciate your comments.

Yours sincerely,

*L. D. Wilgress*

L. D. Wilgress.

H.H. Wrong, Esquire,  
Canadian Ambassador,  
WASHINGTON, D.C.

30.3.41 (us)

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**DOWNGRADED TO SECRET**  
**REDUIT A SECRET** March 30, 1953.

MEMORANDUM FOR MR. CLAXTON

Attached is a copy of a memorandum on the proposed revision of the United States-Canada joint defence statement of 1947 which was prepared for Mr. Pearson last week. I thought you might wish to have a copy.

I am sending a copy to General Foulkes and Mr. Pickersgill.

(SGD) L. D. WILGESS

L.D.W.



DEPARTMENT OF EXTERNAL AFFAIRS

Memorandum

File B  
JTB

Mr. Bridges/W.

The memo on joint statement  
U.S. - Canada Defense  
Co operation.

I have not made any distribution  
pending your approval.

Suggest.

Mr. Clayton

Mr. Pickeringill

Gen. Foulkes

Mr. Wong.

I am leaving on the afternoon train.  
Back Monday.

yes  
W

RAH  
000401

1. Mr. Mac Kay  
2. Defence Liaison  
TOP SECRET  
March 26, 1953.  
see Minister's comments  
u: Minister's comments  
File CMB

MEMORANDUM FOR THE MINISTER

Revision of Joint Defence Statement of 1947

The Department has under preparation a background paper on defence arrangements with the United States in general and is working on a draft text which might be a starting point for a revised statement of principles of joint defence arrangements.

2. As you will recall, there were two statements in 1947: the public statement made by the Prime Minister in Parliament and released in Washington; and (2) the recommendation of the Permanent Joint Board on Defence which is still classified as Top Secret. The public statement is based on the PJBD recommendation but is less detailed and specific. You may wish to look at the texts of these statements which are annexed.

3. It is suggested that in substance these statements, and particularly the PJBD recommendation, are still sound. A revised statement might be in the form of a reaffirmation of the statement or statements of 1947. Alternatively we might try for a new text. It is suggested, however, that before an approach is made to the United States Administration for a revision of the statement of 1947 or a new statement the possible advantages and disadvantages should be carefully weighed.

4. Possible advantages would appear to be:

- 1) that if a satisfactory joint statement could be achieved it might tend to allay possible apprehensions of the Canadian public about increased United States defence activities in Canada which are impending; and
- 2) that the new Administration would be made aware at the top level of the difficulties raised for the Canadian Government by the proposed

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26/3-21/55)  
26.3.23/59

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United States installations in Canada and especially the stationing of United States personnel in Canada. However, it can scarcely be expected that the Administration will be prepared to drop its new proposals since the United States public are becoming jittery about defence against atomic attack.

5. 1) Possible disadvantages would appear to be:

In view of political changes and the increased apprehension of atomic attack by the American people, we might not be able to get as satisfactory a statement now as we got in 1947. The accession of Newfoundland to Canada and the North Atlantic Treaty have profoundly altered the situation in Northeastern Canada and, to some degree, have rendered obsolete parts of the 1947 statement, to our disadvantage. Paragraph (f) (1) of the PJBD recommendation reads:

"Military projects or joint tests or exercises undertaken within the territory of one country or the territory leased by one country should be under supervision of that country."

We have clearly no control over United States activities in the leased bases in Newfoundland. Further, since 1947 we have agreed to the establishment of the United States Northeast Command which has control over all United States forces in the bases, outside the bases in the area and over which we have virtually no supervision. Moreover, under the North Atlantic Treaty strategic bombing is expressly the responsibility of the United States, assisted as practicable by other members. Overflight of Canadian territory and use of Goose are essential to SAC operations. Although the United States has agreed to certain limitations with respect

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to overflight by SAC or SAC operations from bases in Canada, such restrictions scarcely amount to "supervision".

There is also a profound change since 1947 in American opinion with respect to the danger of atomic attack. In 1947 the USSR had not yet exploded an atomic bomb; the USSR had not yet produced aircraft capable of long-range bombing; and the United States itself had not achieved technical improvements in atomic weapons which have greatly increased their destructive power. In 1947, moreover, the cold war had scarcely begun. To-day United States opinion is quite jittery about the possibility of atomic attack and tends to regard the northern part of the continent as an open frontier for attackers.

*But - on the other hand - the pressure that we are not carrying out all the principles of joint defence that were agreed on in 1947; there are even suggestions in at least two respects B.M.*

In sum, although the United States might accept the public statement of 1947, it would seem unlikely it would now accept in full a statement as explicit as the PJBD recommendation of 1947. Indeed, it might feel impelled to indicate in a joint statement that it had assurance from Canada of more freedom of action in or over Canada than is indicated by either of the 1947 statements.

If the Prime Minister were to take the initiative in proposing defence as a subject of discussion during his visit with the President, it might open the door to direct pressure for increased defence activities elsewhere. We have had fairly authentic rumours that the United States is likely "to needle us" for further contributions to NATO (possibly in the form of mutual or economic aid) since Canada is the only NATO country which has been able to fulfil existing commitments (except certain shortfalls in production for mutual aid) and at the same time to make substantial reductions in taxation, and since Canadian defence expenditures in terms of national income are substantially

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lower than those of the United States. It is quite possible, of course, that the President may wish to raise the subject of contributions to NATO, or even Canadian defence policies in general, and if he were to raise such issues the Prime Minister could not probably avoid discussing them. But we should likely know in advance if the President wishes to discuss this subject.

6. Whether we attempt a revised joint statement at the present time I am inclined to think that a review of policy by the Canadian Government in the matter of joint defence is imperative. We are now faced with a new situation in that the United States is virtually certain to press for greatly increased installations in the older part of Canada, as well as in Newfoundland, (e.g., new radar chains, anti-aircraft defences for border cities, and alternate landing strips for Thule). In the present temper of United States opinion, I do not think that we can refuse these installations although we might delay them for a time. If we are to retain effective control of United States defence activities in Canada, we may have to be prepared to put more into joint defence activities both in the way of capital investment and personnel. Logically we might meet this situation without increased costs by reducing our NATO or United Nations commitments but this may not be possible politically. From the standpoint of personnel, we should perhaps review our military personnel policy to see whether we could not employ, for home defence purposes, more personnel who are not suitable for active service abroad (e.g., more women for radar and anti-aircraft and male personnel below physical fitness for active service). I suggest we should also consider making contributions to capital investment on new facilities and to operational costs even if these facilities are primarily for the defence of the United States. Mutual aid might be a useful formula for such contributions. It might, of course, not be practicable for the Government to review policy fully in these respects before the Prime Minister's visit.

*Summary: This depends on the nature of the request*

*This should be done for all possible*

APR 2 1962

*L.D.W.*

L.D.W.

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PERMANENT JOINT BOARD ON DEFENCE

36th Recommendation of November 20, 1946.

Approved - U.S. Feb. 4, 1947  
Canada Jan. 16, 1947

Discussions which have taken place in the Permanent Joint Board on Defence, established on August 17th, 1940, have reaffirmed the importance of continuing to maintain in peacetime a close relationship between the armed forces of Canada and the United States. It is submitted that the obligations of the Governments of Canada and the United States under the Charter of the United Nations for the maintenance of international peace and security would be fulfilled more effectively through such a relationship. The Board, accordingly, makes the following Recommendation:

In order to make more effective provision for the security of the northern part of the western hemisphere, Canada and the United States should provide for close cooperation between their armed forces in all matters relating thereto, and in particular, through the following measures:

- (a) Interchange of personnel between the armed forces of both countries in such numbers and upon such terms as may be agreed upon from time to time by the respective military, naval and air authorities.
- (b) Adoption, as far as practicable, of common designs and standards in arms, equipment, organization, methods of training and new developments to be encouraged, due recognition being given by each country to the special circumstances prevailing therein.
- (c) Cooperation and exchange of observers in connection with exercises and with the development and tests of material of common interest to the armed services to be encouraged.

- 2 -

- (d) Reciprocal provision by mutual arrangement between the Governments of its military, naval and air facilities by each country to the armed forces of the other country. Each country shall continue to provide reciprocally for transit through its territory and territorial waters of military aircraft and public vessels of the other country.
- (e) Subject to any special arrangement which may be entered into, each country will be primarily responsible for the mapping of its own territory and for the provision of maps in accordance with agreed needs.
- (f) In time of peace certain principles should govern the joint construction or maintenance of military projects, the carrying out of joint tests or exercises and the use by one country of military facilities in the other country, when such activities have been approved by the appropriate authorities of both governments, and these principles should be applied on a reciprocal basis as follows:
  - (i) Military projects or joint tests or exercises undertaken within the territory of one country, or the territory leased by one country, should be under the supervision of that country.
  - (ii) Military projects, tests or exercises, agreed to by both countries, whether jointly conducted or not, are without prejudice to the sovereignty of either country, confer no permanent rights or status upon either country, and give only such temporary rights or status as are agreed upon by the appropriate authorities of the two countries in authorizing the projects, tests or exercises.

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- (iii) Public information in regard to military projects, tests or exercises, jointly conducted or conducted by one country in the other country, or in the territory leased by it, should be the primary responsibility of the country whose territory is utilized. All public statements on these subjects shall be made only after mutual agreement between the appropriate authorities of the two countries.



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*Original on 50209-A-40*  
*Copy on 9061-A-40*  
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March 26, 1953

MEMORANDUM FOR: Mr. Wershof  
Mr. Barton

U.S. Military Operating Requirements in Canada

50209-40  
52-52

-- Alert - Eureka - River Clyde

Air Commodore Rutledge informed General Foulkes at this morning's briefing meeting that the United States want to improve the air strips at Alert, Eureka and River Clyde as weather alternates, fighter recovery, and emergency alternates in connection with air operations at Thule. I believe this is to come before the PJBD shortly.

I was not able to obtain any more information about this item as Rutledge left immediately after the briefing for another meeting.

K.W.M.

K.W. MacLellan

*CDAB  
Mr. B. Antin  
& return*

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American Division/E.A. Côté/md

March 26, 1953.

MEMORANDUM FOR DEFENCE LIAISON (1).

(through Mr. MacKay)

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Current Problems in the Development of Canada-  
United States Defence Policy.

There is much that commends itself to me in the redraft of your memorandum dated March 20. There is one point with regard to Canada-United States policy over which I would venture to express some doubts.

2. The statement is made in paragraph 19 that

"If it is correct to assume that it is politically unrealistic to reject any major proposals which the United States presents with conviction as essential for North American defence..."

I, for one, have doubts concerning the validity of this assumption. I would not feel so unhappy if it were worded somewhat as follows:

"If it is correct to assume that it is not politically feasible to reject any major proposal which the United States affirms is essential for North American defence (provided Canada and NATO are also satisfied it is essential to the NATO strategy)..."

On the basis of this second assumption, I would not disagree with the general conclusions reached in sub-paragraphs 19(a), (b) or (c). There might be some changes or amendments to this and other paragraphs but they relate to an emphasis or shading of thought and do not appear to involve a fundamental principle (v.g., Canada being "after all" in the NATO area).

3. Your paper left with me the following impressions:

- (a) The United States has not told Canada (at our request) what are its plans for continental defence;
- (b) The United States having been given certain powers in NATO, Canada shall inevitably do what the United States says, though it may obtain delay by seeking further information.

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- (c) the United States has within NATO or elsewhere one strategy and Canada has another.

4. Canada seems to have taken the line that it can manage its defence problems by direct negotiation with the United States. Canada and the United States have continued P.J.B.D. activities and carried out specific military planning through the Military Cooperation Committee. This compartmentalization, with a resultant mutism in NATO concerning North American affairs, may have met United States' and Canada's needs to date. Let us assume, however, that the United States public opinion or the United States Administration propose that Canada participate in the full Lincoln Project involving say \$15 billions. Shall it be accepted by Canada, after a delaying action, as being inevitable? Surely, as you suggest, it calls for a complete military and political appraisal in Canada. Apart from the Chiefs of Staff learning the facts, Cabinet presumably ought to have a thorough appreciation of what is likely to be involved and to take a decision. As you imply, Cabinet ought not to drift about while the civil and military advisers allow events to lead to then "inevitable" decisions.

5. I appreciate that your conclusions and recommendations are consonant, on the whole, with what has been written above. I was concerned mainly with the wording of the first part of paragraph 19 and from the more general viewpoint of Canado-American relations. For, to say, in defence matters, that we must "inevitably" comply with the United States views without first having thoroughly studied and appraised them seems to be an invitation to "satelliteism" in the other fields of Canado-American relations which I do not regard with equanimity!

*Mr. Coté reads too much  
into U.S. memo. R.A.*

*Carbott*  
American Division.

Defence Liaison 1/WHBarton/prc

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March 20, 1953.

CURRENT PROBLEMS IN THE DEVELOPMENT OF CANADA - UNITED STATES DEFENCE POLICY

HISTORICAL BACKGROUND

At the end of the Second World War the Canadian Government adopted a policy aimed at the removal from Canadian territory of United States military personnel and defence installations. The Canadian Army took over the Canadian section of the Alaska Highway, and the RCAF and the Department of Transport took over a number of air fields, weather stations and communications facilities. This was followed in 1946 by the development in the Permanent Joint Board on Defence of a statement of principles to govern the nature and extent of the cooperation and collaboration between the two countries, and at the same time preserve the control of each country over all activities in its territory. The successful conclusion of these discussions was evidenced by the Thirty-fourth and Thirty-sixth Recommendations of the PJBD, and by the Joint Statements by the Governments of Canada and the United States regarding defence cooperation between the two countries, made on February 12, 1947.

(copies attached)

2. Even while the arrangements for the take-over of U.S. defence installations in Canada were still being carried out, the worsening international situation resulted in U.S. representations that a number of joint defence measures involving the establishment of large defence installations in Canada were necessary for the security of the two countries. The most important of these measures

- 2 -

were the building of the radar chain known as Project Pinetree, the establishment of a U.S. strategic air base at Goose Bay, and the setting up of the Joint Arctic Weather Stations. It was pointed out by the United States at the time, that four or five years would be required before these installations could be brought to a state of full effectiveness, and this has proved to be the case.

3. Canada met the U.S. proposals by arranging to participate in the establishment and operation of the arctic weather stations, by integrating its own plans for radar installations with the larger U.S. plan, and by agreeing to lease to the United States an area of land at Goose Bay. Subsequently, in the negotiations for the Goose Bay lease, the term of tenure provided was 20 years, subject to renegotiation by mutual consent. Although the Goose Bay Lease Agreement does not mention the North Atlantic Treaty, it is not without significance that the term of tenure is to all intents and purposes the same as that for the North Atlantic Treaty.

4. In 1949 the confederation of Canada and Newfoundland was carried out, and this led to a new series of problems arising out of the existence of the 99-year leased bases, in which the U.S. armed forces enjoyed a number of privileges not accorded to them elsewhere in Canada. These bases occupied an important place in U.S. defence planning both by reason of their location on the North-Eastern approaches to the United States and because of their value in connection with the operations of the Strategic Air Command.

5. During the past three years both Canada and the United States have been largely pre-occupied with the build-up of adequate NATO forces in Europe, and with UN operations

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- 3 -

in Korea. In following this policy, however, there has been an important difference in the position of the two countries. These NATO and UN commitments, together with the back-up forces to maintain them, have absorbed the whole of the Canadian military manpower resources available in peacetime under the existing manpower policy. Moreover, it is the view of the Canadian Government that under existing circumstances the defence budget cannot be increased. In the early stages of the cold war, the United States was also disposed to give priority to Europe and Korea in the deployment of effective forces and equipment. More and more military resources are now becoming available in the United States, and more attention is being paid, largely under civilian pressure, to North American defence requirements. The Canadian Government is therefore likely to be faced by a new series of U.S. proposals for defence projects, most of which are slated for the Canadian North.

#### U.S. VIEWS ON THE NORTH AMERICAN DEFENCE PROBLEM

6. Before considering the U.S. projects in specific terms it would be well to look briefly at the situation in the United States which leads to their conception. Since 1945 the belief that any future war would be one of atomic devastation has been accepted widely in the United States, especially in the Congress. This belief has been reflected in the adoption of restrictive atomic legislation, and in the attempts of the Congress to increase the size of the air force beyond that desired by the executive branch of the government, in order to ensure ability to deliver atomic bombs on the one hand, and to protect the country on the other. Although support for this atomic policy is quite



- 4 -

general and has come from both parties, it is significant that the element of the Republican party which has been most critical of the foreign and defence policies of the Truman administration, and which now appears to be in command in Congress, has been its most enthusiastic proponent.

7. When this situation is coupled with the U.S. system of carrying out military planning in a political vacuum, it is easy to see how the U.S. Government becomes the sponsor of military projects which it is convinced are essential, and which it is easier to press on with in the face of Canadian objections than to attempt to resist the domestic political pressures which will surely develop if they are not carried out.

8. There are three areas of defence activity from which most U.S. projects involving Canada will arise. The first of these stems from the situation in the U.S. North East Command, particularly in relation to Thule. The second results from the U.S. conviction that the early warning element of the continental air defence system must be greatly improved. The third arises from the need for improved air defence measures along the Canada - U.S. border, particularly in areas of industrial development. These measures include the granting of a greater freedom of action for U.S. fighter aircraft over Canadian territory and arrangements for the anti-aircraft defence of vital points situated at or near the border.

#### NORTH EAST COMMAND

9. The complex of bases on Newfoundland and Labrador, and at Thule, straddling as they do a likely invasion route, either to or from Russia, has created a special defence

- 5 -

problem which has already given trouble to the Canadian Government. More difficulties lie ahead, particularly in connection with the base at Thule. This base is intended to play an important part in the fulfilment by the United States of the strategic air role allocated to it by NATO.

Canada is thus under some moral obligation not to hinder its development by restrictions on ancillary activities on adjacent Canadian territory.

10. Effective operation of Thule requires a number of alternate landing strips, and the only possible sites are in Canada. In addition, it will require protective radar installations and a chain of navigation aids, both for air and surface craft, stretching north from Goose Bay. Unless these requirements are met, Thule's value as a forward base will be severely restricted, and the lives of U.S. servicemen using the base imperilled.

#### EARLY WARNING SYSTEMS

11. There are many indications that Project COUNTERCHANGE was just "early warning" of proposals for a much more elaborate air defence system than has heretofore been given consideration in Canada. The air defence study carried out last summer by the Lincoln Laboratories, and which led to the initiation of Project COUNTERCHANGE, indicated that U.S. military scientists anticipate attacks on a scale of effectiveness beyond what has been envisaged by Canadian planners. The U.S. scientific experts seem convinced that the latest types of atomic bombs are so powerful that just one would be capable of knocking out any but the largest cities. From this it follows that the enemy can afford to expend a considerable effort to ensure delivery of such decisive weapons. If any one of several bombers allotted

. . . 6

- 6 -

to a given target should get through, then the defence has failed. Consequently, the defence must strengthen itself to the point where it can exact almost complete attrition against a very heavy attack.

12. This concept appears to be in the process of being embodied in U.S. continental defence policy, not only for military reasons, but also because it is politically popular and in accord with a deep conviction rooted in the memory of Pearl Harbour. As a corollary, Canada can expect that the United States will insist on a very large increase in the scale of air defence measures and particularly of early warning facilities in this country.

13. Although Project COUNTERCHANGE purports to be no more than an experiment, the U.S. Air Force has stated openly that it has been instructed to carry out planning on the basis that the experiment will be successful and that it will be decided to construct a complete distant early warning chain across the Arctic, to be operational by the end of 1955.

14. At the same time the U.S. Air Defence Command is known to be developing a plan for the phased construction of a series of early warning lines starting at the northern perimeter of the existing radar chain, with an arctic link assigned a low priority (i.e. it would be deferred for four or five years). The Air Defence Command plan appeals to Canadian experts who have seen it as being more logical than COUNTERCHANGE, but it offers even more problems to the Canadian Government since it would involve many more radar installations on Canadian territory.

#### INTERCEPTION ARRANGEMENTS

15. The Canadian Government has, to date, restricted U.S.A.F. interceptor operations during peacetime over

- 7 -

Canadian territory, to areas adjacent to the Canada - U.S. border against unidentified aircraft apparently intending to cross the boundary. Moreover, U.S.A.F. aircraft are not permitted, under any circumstances, to engage an aircraft over Canadian territory.

16. The United States Air Force has objected to this policy on a number of grounds, including the following:

- (a) it does not meet the needs of the situation in North East Command, particularly at Goose Bay;
- (b) it would be possible for a hostile aircraft in some areas to fly a course parallel to, rather than toward the border, and to bomb U.S. targets from Canadian territory;
- (c) there are large areas of Canada (e.g. the prairie provinces and the western half of Ontario) where U.S. aircraft operating from bases in the United States provide the only available fighter force. The restriction against engagement of hostile aircraft in these areas imposes a serious limitation on the effectiveness of the interceptors.

17. Discussions are now being carried on by the PJBD with a view to evolving arrangements whereby USAF aircraft might intercept unidentified aircraft and engage hostile aircraft, in accordance with Canadian rules of interception and engagement, anywhere in Canada where RCAF aircraft are not available. The problem here will be to evolve procedures which will make possible the exercise of effective Canadian control over such operations.

18. A related question is the anti-aircraft defence of such points as Detroit and Niagara Falls, where proper

X  
Where are our  
forces?  
in Europe  
& Korea

siting of U.S. anti-aircraft batteries would require that some be located in Canada. The U.S. Government considers that it is necessary for these positions to be manned now, on a 24-hour basis, and for the guns to be under U.S. control. The Canadian Government, on the other hand, does not wish to have U.S. troops stationed in Canada for this purpose in peacetime, and in any case would not be prepared to have fire control exercised by the U.S. authorities. The Canadian Army has no anti-aircraft troops available for assignment to these sites. It can be expected that if a solution to this impasse is not found soon, the U.S. Government will make vigorous representations through diplomatic channels.

#### COURSES OPEN TO THE CANADIAN GOVERNMENT

19. If it is correct to assume that it is politically unrealistic to reject any major proposals which the United States presents with conviction as essential for North American defence, then it would seem wise to acknowledge this unpalatable fact at the outset and bend our efforts to measures which will reduce their undesirable features to a minimum. The following measures are suggested:

##### (a) Participation in Planning

For the past two years Canadian planners have not been permitted to participate in planning which implied a potential requirement for Canadian forces if the plans were adopted. This interdiction was defined in the minutes of a meeting of the Chiefs of Staff Committee held in September, 1950, in the following words:

"From now on, military planning must be considered as an indication of what would actually be done by the individual countries. While

the requirements indicated in plans could not be considered commitments from a legal point of view, these planning requirements would constitute a very real commitment. Accordingly, no indication of forces should henceforth be included in plans unless the provision of these forces were within the service programs approved by Cabinet Defence Committee. If forces were included in plans without having prior approval of Cabinet Defence Committee, it might be necessary later to make changes to conform to Government policy. This would result in a repudiation of Canadian representatives on international teams."

Valid though this position may have been in 1950, it would seem that the events of 1953 have overtaken it. With its peacetime military resources fully committed in Korea and Europe the Canadian Government, in effect, is presented by the United States with a list of North American defence requirements and the statement that "if you can't do it, we'll be glad to." Under such circumstances it is of cardinal importance that the Canadian Government be able to satisfy itself that the United States demands have some basis in fact and that the United States plans are appropriate to the needs of the situation. It would seem that the best way of doing this would be to insist that before any U.S. proposals involving defence installations on Canadian soil can be considered, they would have to be examined by a Canada - U.S. military planning group (e.g. the Military Cooperation Committee) prior to

*Within the context  
of the North American  
region and of NATO.*



- 10 -

and NATO

reference to the Canadian Chiefs of Staff and the Canadian Government. This would give the Canadian military authorities and the Canadian Government the opportunity to insist on exacting criteria of necessity and soundness of concept, and upon the provision of adequate information at an early stage in the development of such projects.

(b) Participation in Implementation of Defence Projects

It would seem self-evident that the more Canada contributes, whether it be personnel, construction of facilities, supply of equipment, or otherwise, the stronger will be its bargaining position in negotiations with the United States, not only with regard to the character of joint defence projects, but also with respect to the measure of de facto control exercisable over U.S.-occupied installations on Canadian territory. During the past six years many schemes to accomplish this purpose have been considered but have foundered on the rock of an already fully-committed defence budget. However, it has been suggested recently that Canada can expect to be subjected to considerable pressure by her NATO allies to increase the level of defence expenditures. If there is any likelihood that this demand will be met, consideration might be given to doing so by constructing facilities and supplying equipment for joint defence projects in Canada, which, after all, is within the NATO territory to be defended. Mutual aid funds might be used for this purpose.

which  
allies

naturally

One further device which has been rejected in the past but might be given further consideration

would be for Canada to construct installations and supply equipment for rental to the United States during the period of occupation of the installations by members of the U.S. armed forces. This procedure would be particularly appropriate in the case of the provision of aids to navigation in the Arctic.

(c) Assertion of Canadian Sovereignty

*Here, here!*

The likelihood that the United States would ever question the Canadian claim to even the most northerly Arctic Islands is very small. But the true exercise of sovereignty means more than the uncontested assertion of administrative control over an area of land, - it is a manifestation of a unity of national purpose. This will most certainly be adversely affected by the presence of numbers of American troops and large, or numerous small, U.S. military installations unless the Canadian people are thoroughly imbued with the idea that their presence in Canada is a part of a jointly agreed plan in which both countries are participating on an equitable basis. It is suggested that in order to accomplish this purpose, the Canadian Government should as a matter of policy follow two main courses of action:

- 1) Make some material contribution to every U.S. project in Canada.

In some cases it will be possible to do this by arranging that a project be treated as an addition to an existing scheme in which Canada is already a partner. For example, the nine radar stations which the United States wishes

to construct in Ontario and British Columbia can be treated as an addition to Pinetree. Canada is already contributing more than her agreed share to this project.

- ✓ ii) Take every opportunity to stress in public statements that U.S. forces are in Canada as a part of a joint defence scheme to which both countries are contributing and which is to their mutual benefit.

It has been suggested that this process might be facilitated if Canada - U.S. defence arrangements, either as a whole or at least in the Northeastern region, were ostensibly dealt with within a NATO framework or command structure rather than bilaterally as at present, and possibly this idea merits consideration as a matter of policy.

Regardless of the manner of presentation, it would seem desirable that a much more vigorous effort than heretofore should be made to develop the sentiment among Canadian people that our joint defence arrangements are a real contribution to the strength of the free world, and therefore something to be proud of.

*If this is the agreed strategic plan*

#### CONCLUSIONS AND RECOMMENDATIONS

20. The basic principles of defence cooperation, as expressed in the joint statement of February 12, 1947, are as sound today as they were when formulated, although the language in which the statement was couched reflects the fact that it was prepared at the end of the war, when presumably both countries could look forward to a long period under peacetime conditions. It may thus be concluded that if

-13-

Canada proposed any revision or rephrasing of the principles, the United States would expect that they should take account of the worsening international situation which has developed in the meantime. The result would therefore almost certainly be in the direction of greater defence cooperation by means of increasing informality in arrangements. This, in turn, would be bound to lead to an impairment of Canada's control over its own territory.

What about  
NATO?

21. It would seem desirable that before taking up with the United States the broader implications of future joint defence measures, the Canadian Government should re-assess its own policies in the light of the developing situation. In doing so, consideration might be given to the following:

- ✓ (a) participation in joint defence planning;
- ✓ (b) participation in a material way whenever possible in implementation of joint defence projects in Canadian territory;
- ~ (c) conscious development of public opinion in favour of joint defence measures;
- ✓ (d) frequent emphasis, when engaged in joint defence discussions with U.S. authorities, on the difficulties raised by ambitious U.S. defence projects in Canadian territory.

22. Finally, it is submitted that there might be much wisdom in avoiding bilateral discussions at a high level on general questions of joint defence. <sup>In addition</sup> Instead, all Canadian agencies which as a part of their regular functions, will be the recipients of U.S. proposals for defence projects in Canada, should be instructed to make use of every opportunity to give informal expression to Canadian policy along the following lines:

Why?

- (a) The Canadian Government is always fully prepared to collaborate on measures for the joint defence



- 14 -

*and within the framework of  
agreed strategy*

of the two countries which are mutually agreed to be necessary, and which are without impairment of the control of either country over all activities in its territory.

- 7
- (b) The Canadian Government, in developing its defence policy and programme, considers that for the present its armed forces can most effectively be employed in the defence of Canada and the free world by utilizing the bulk of its combatant formations in an active role in Korea and Northwest Europe. It also considers that under the circumstances which now exist, it is not possible for Canada substantially to increase either the forces or resources it has allocated for the defence of North America.

*Mr. - negotiator  
why? surely this  
is an agreed strategy  
of Canadian policy  
since 1913*

- NO
- yes
- (c) The Canadian Government recognizes that the United States Government may deem it necessary for the defence of North America, and in particular for the defence of possible targets in the United States, that defence forces and installations be placed in Canada additional to those already mutually agreed upon. However, it desires to impress upon the United States Government that the basing in Canada of U.S. forces and installations gives rise to serious problems for the Canadian Government, both political and administrative.

- (d) The Canadian Government considers that because of these problems, and because of its responsibility to ensure that any arrangements are without impairment of its control over all activities in Canada, it must require that:

- (i) the United States Government should keep the Canadian Government fully informed.

- 15 -

of the scope and general nature of continental defence plans, and of the factors which form the basis of the conclusion of the U.S. Government that implementation of the plans is necessary;

- (ii) all proposals for establishing U.S. forces or defence installations in Canada shall, before consideration by the Canadian Government, be referred to a joint military planning group (e.g. the Military Cooperation Committee); the Canadian and U.S. Sections of which shall report to their Governments through their respective Chiefs of Staff. In its deliberations, the joint military planning group shall be guided by agreed intelligence estimates;
- (iii) arrangements for the control of forces shall continue as at present agreed;
- (iv) the Canadian Government shall have the right at any time to have its forces take over from U.S. forces the responsibility for manning defence installations in Canada;
- (v) the arrangements for tenure by the United States of any new defence installations in Canada shall provide for termination when required by the Canadian Government, after review by the Permanent Joint Board on Defence.

DEPARTMENT OF EXTERNAL AFFAIRS

(3)

Memorandum

That presentation would avoid the disadvantages of merely adding something on to the present Mutual Aid note (e.g. the irritation of the U.S. and the possible impression in Europe that the U.K. and Canada were helping each other at the expense of the European recipients of aid). It would be equally advantageous since it would yield a figure that could be used in the NATO negotiations and also in public discussions in Canada.

It might, of course, be difficult to appropriate on this basis at the present session (especially since the language of the 1950 Act might have to be tampered with), but then is there any hope any way of getting more funds even for Mutual Aid at this parliamentary session? I doubt it in view of the efforts either on the funds left for use by DND for its own purposes or on tax rates.

You might discuss with D.L. and P000427

A.S.R. March 23.

DEPARTMENT OF EXTERNAL AFFAIRS

(2)

Memorandum

"storming people" in the Midwest.  
Nevertheless Burt's arguments are  
weighty. Perhaps his point could be  
met by establishing a special ~~not~~  
which would resemble Mutual Aid but which  
would not merge aid & countries needing  
financial assistance and aid to a  
country which financially could well  
pay the bill itself. What about  
calling it all "Defense Aid" (since  
the "mutual" element disappeared when we  
decided not to seek any offsets from the  
recipients) and dividing it into three  
categories:

- (a) Contributions towards the military costs  
of NATO, <sup>including financially</sup> infrastructure
- (b) Aid to the Defense Services of any  
Party to the North Atlantic Treaty outside  
North America
- (c) Contributions towards defence projects  
required for the joint defense of the 000428  
States and Canada.

SECRET

DEPARTMENT OF EXTERNAL AFFAIRS

50209-40  
5758

Mr. [unclear]  
[unclear]  
[unclear]  
[unclear]

Memorandum

for Mr. [unclear]

I am not too worried about Wyne's talk with Otto Clarke. The latter mentioned to several of us here that we would be under pressure (which was not particularly surprising) but he added when talking to me that he thought our budget was a sensible one. Despite tax decreases, we are planning to balance our budget at a high rate of expenditure — and with a defence programme which has held up much better than that of many countries (including the UK which is down to the old programme, some \$3600m compared with the one-time target of \$4700m).

On Bart's suggestion, I should not like to see Mutual Aid devoted to the financing of joint installations with the U.S. if it can be avoided — psychologically it would have about the same effect on the U.S. as Eva Peron's gesture when she read relief from the Argentine to us

000429



March 23, 1953.

with copy on  
50030 L 40  
NW

## MEMORANDUM FOR THE UNDER SECRETARY

Mutual Aid to the United States

The attached telegram No. 232 of March 21 from our NATO Mission indicating that we are likely to be under pressure from the United States for increased contributions to NATO, confirms the apprehension that some of us have had about the external repercussions of the recent budget.

2. You will recall that at a recent Inter-departmental meeting on radar, etc., it was suggested that if we had to increase our defence expenditures the increase should be for defence at home rather than abroad.

3. As you know, we are likely to be under great pressure over the next few months to accept a substantial increase in United States defence installations and establishments in Canada, e.g., new radar stations or chains, alternate airstrips for Thule, construction of A.A. sites for the Detroit-Windsor and the Buffalo-Niagara Falls regions. While the defence of Canada might be enhanced to some extent by these installations, for the most part they are for the direct benefit of the United States and are not regarded as defence requirements of Canada by Canadian defence authorities. The United States is, of course, willing to pay for construction and operation and to man such installations but will probably insist on some arrangements for long-term tenure. Certainly we are not in a position to man many of these installations at the present time although this should be a long-range objective. Participation by Canada in the cost of construction should, however, strengthen our bargaining position with respect to tenure.

4. It occurs to me that, assuming we are under pressure to increase defence expenditures, and in particular mutual aid, it would be desirable for us to take on some responsibility for financing United States defence requirements in Canada and that the formula might be mutual aid. The formula might be applied to maintenance and operational costs as well as construction costs. That

- 2 -

is, if Canada were maintaining or operating a station required by the United States but not by Canada, maintenance and operational costs should be charged against mutual aid. If we use this formula, it would tend to meet possible criticism from our European allies that increased expenditures were for home defence rather than NATO. Such a formula should also be more acceptable to the Canadian public rather than one which would provide for direct contribution to installations in Canada which we could not seriously justify as military requirements of Canada. Perhaps the formula of mutual aid might also tend to remind the American people that Canada is making some contribution to the defence of the United States - the assumption that the United States is defending Canada is liable to become prevalent in the United States.

Copy to

D L (V)

Economic

R.B. Bryce (on personal basis?)

R.A.M.

# INCOMING MESSAGE

# COPY

FROM: THE PERMANENT REPRESENTATIVE OF CANADA TO  
THE NORTH ATLANTIC COUNCIL, PARIS.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Security Classification

CONFIDENTIAL

File No.

Priority

System

CYPHER-AUTO

No. 232

Date March 21, 1953.

Departmental  
Circulation

MINISTER  
UNDER/SEC  
D/UNDER/SEC  
A/UNDER/SEC'S  
POL/CO-ORD'N  
SECTION

Reference:

Subject: NATO Annual Review; Canadian Position.

1. You may be interested in the following piece of gossip.

2. Yesterday in London Otto Clarke, who had recently returned from Washington, warned Plumptre that the Americans, during the current annual review, were planning to bring great pressure on Canada to increase its contribution. Questions were being asked in Washington why Canada should reduce its taxes while the proportion of its national income devoted to defence was so much less than the American.

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References

Done

Date

Done

Date

Defence Liaison 1/W.H. Barton/lm

S E C R E T

*File WMB*  
March 12, 1953.  
↓

50209-40
59   ✓

NOTE FOR FILES 50209 and 50216

Use of U.S. Bases in the United Kingdom

(1) Extract from Telegram WA-598 dated March 9, 1953 which described the conversations held between Mr. Eden and Mr. Dulles in March 1953.

"8. Mr. Eden remarked that the statement in the communique of March 7 (copy attached) that the use by the United States of bases in the United Kingdom would be a matter of joint decision, was a renewal of the undertaking given by the previous administration and no more than this."

(2) Text of Telegram No. WA-602 dated March 9, 1953.

1. In paragraph 8 of my message under reference I reported Mr. Eden as saying that the communique of March 7th reaffirmed that the use of the United States bases in England in an emergency would be a matter for joint decision. This was a repetition of the undertaking given to Mr. Churchill by the previous administration; the language used in the communique is, indeed,

...2

- 2 -

identical with that employed in the communiqué issued by President Truman and Mr. Churchill on January 9th, 1952.

2. Arneson of the State Department has informed us that Mr. Eden introduced this subject at the insistence of Mr. Churchill. In the State Department this caused some concern, on the ground that there were many similar undertakings given by the previous administration which remained in force without any reaffirmation, and that there was therefore no need to cover this particular point. Mr. Dulles, however, agreed to meet Mr. Churchill's wishes.

3. A similar undertaking was given by the Truman administration to the Canadian Government about the use of Goose Bay and Canadian air space. I think we should not seek to have this undertaking renewed, since its continued validity is not in doubt.

Defence Liaison (1) Division



ARTICLE FROM THE NEW YORK TIMES OF MARCH 8, 1953

WASHINGTON, March 7 - Following is the text of the communique on United States-British political talks:

In addition to the discussions on economic and financial problems, the Foreign Secretary, Mr. Eden, and Secretary of State Dulles discussed the international political developments that have taken place since their conversations in London early in February.

(1)

They exchanged views regarding developments in the Soviet Union.

(2)

With respect to Europe, particular attention was given to the subject of the proposed treaty for a European Defense Community. Both the United States and United Kingdom Governments are concerned that the treaty be ratified as speedily as possible so as to provide further continental unity which is essential to the most effective operation of the North Atlantic Treaty Organization.

(3)

They also considered the situation in the Middle East with particular reference to the major problems in the area, and were in agreement on the urgency of furthering constructive solutions in the interest of all concerned.

(4)

With respect to Iran, Mr. Eden said that Her Majesty's Government were decided to stand on the proposals presented to Prime Minister Mossadegh on Feb. 20, 1953. These proposals were the result of many conversations and careful study of all the factors involved. In the opinion of the United States Government these proposals are reasonable and fair. It agreed to:

(A) Iran would retain control of its own oil industry and of its own oil policies.

(B) The problem of compensation would be disposed of in such a way that there would be no sacrifice of the principles which form the very basis of international intercourse among free nations and the payment of compensation would be fully compatible with the rehabilitation of Iran's economy.

(C) Iran would have full opportunity to enter into arrangements whereby it could sell its oil in substantial quantities at competitive commercial prices in world markets.

(D) There would be placed at Iran's disposal sufficient funds, to be repaid in oil, to meet its immediate financial problems pending resumption of the flow of revenue from its oil industry.

(5)

The two secretaries of State also considered the Far Eastern situation. They reaffirmed the importance of preventing the shipment of strategic materials to the mainland of China. Mr. Eden stated that Her Majesty's Government in the United Kingdom, in addition to the system of controls already in force, had decided:

(A) To introduce a new system of licensing vessels registered in the United Kingdom and colonies to that strategic materials from non-British sources could not be carried to China in British ships;

(B) To take additional steps designed to ensure that no ships of the Soviet bloc or other nationality carrying strategic cargoes to China should be bunkered in a British port.

(6)

Under arrangements made for the common defense, the United States has the use of certain bases in the United Kingdom. The prior understanding was confirmed that the use of these bases in an emergency would be a matter for joint decision by Her Majesty's Government and the United States Government in the light of the circumstances prevailing at the time.

Defence Liaison (1) K.W.MacLellan/ams

TOP SECRET

50209-40	
59	✓

March 6, 1953.

MEMORANDUM FOR FILE: 50212-40 (with attachments)  
50030-6-40 (with " )  
50209-40 ( " " )

Restrictions on Canadian Planners

3

Attached are the following papers dealing with the restrictions placed on Canadian planners when undertaking joint requirements planning with the United States:

- (1) CC 1788-2(JPC) -- A paper prepared by the Joint Planning Staff (JPS) for the information of the Joint Planning Committee containing the directives issued by the Minister and the Deputy Minister of National Defence in this regard;
- (2) Minutes of the 7/53 meeting of the JPC held on February 19, 1953 at which the above JPS paper was discussed;
- (3) Minutes of the 535th meeting of the Chiefs of Staff Committee, February 19 and 20, 1953 at which the question of restrictions was discussed.

2. Mr. Glazebrook suggested at the 7/53 JPC meeting that the Canadian representatives at the MCC meeting should enquire informally whether the United States planners were under similar restrictions. Major J. P. Brennan today informed me that the United States planners at the MCC meeting told him that they were not restricted in any way when planning requirements. However, that did not mean that the requirements recommended would necessarily be accepted by the United States Joint Chiefs of Staff or at the political level.

K. W. MacLellan.

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RECEIVED 1 SECRET

000436

Mr. Wexscoff

Defence Liaison (1)/M.H. Wershol/elb

Ottawa, March 2, 1953

S E C R E T

File: 50209-40

MEMORANDUM FOR MR. MACKAY

Subject: Proposed Revision of U.S. - Canada 1947  
Joint Statement on Defence Cooperation

I asked Mr. MacLellan to review the files  
leading up to the 1947 Joint Statement.

Annexed is the result -- two memoranda  
dated February 27 and 28, 1953, summarizing Parts 2 and 3  
of File 52-C(s).

M. Wershol  
Defence Liaison Division (1)

These memos you  
will find interesting but not  
definitive. D.L. (1) is working  
up the background for a possible  
high level meeting  
R.M.

Seen by  
Mr. Rogers  
Mr. Bantam  
Mr. Plackley

000437

**TOP SECRET**

Defence Liaison 1/WHBarton/prc

50209-40  
5258

Ottawa, February 28, 1953.

The Deputy Minister,  
Department of National Defence; 101577  
The Chairman,  
Chiefs of Staff; 101578  
The Secretary to the Cabinet; 101579

Pending U.S. - Canadian Joint Defence  
Questions

You will recall that on February 25, 1953, I sent to you a copy of telegram No. 485 of February 24, 1953, from the Canadian Ambassador in Washington which dealt with a proposed U.S. - Canada conference at the ministerial level to consider the revision of the statement of principles of defence co-operation which was made public in February 1947. Attached to the telegram was a copy of a memorandum for the Acting Minister giving my views on the matter. The text of both the telegram and the memorandum was also referred to Mr. Pearson in New York.

Attached for your information is a copy of telegram No. 135 from the Permanent Representative of Canada to the United Nations in New York giving Mr. Pearson's comments on the telegram and my memorandum.

M. H. WERSHOF

10 Under-Secretary of State  
for External Affairs

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REDUIT A SECRET

Defence Liaison (1) K.W. MacLellan/ams

S E C R E T

February 28, 1953.

MEMORANDUM FOR MR. WERSHOF (through Mr. Barton)

Canada-United States Defence Co-operation  
Resume of File 52-C(s)--Part 3  
dated December 1, 1946 to August 1, 1947.

In preparation for the talks with United States officials on Defence Co-operation, a series of working papers were prepared on the following subjects:

- (1) Background and Purposes,
- (2) Political appreciation,
- (3) Civilian Operations in Support of Defence Projects,
- (4) Publication and Registration,
- (5) Sharing of Defence Costs,
- (6) Position of the U.K. in Relation to Canada-U.S. Defence Planning,
- (7) Goose Bay.

2. The discussions took place in the Chateau Laurier, Ottawa, on December 16 and 17, 1946. Minutes were prepared by E.A. Dow of the United States Embassy, and also by E.W.T. Gill of the Cabinet Secretariat. Mr. R.M. Macdonnell wrote a memorandum, dated December 23, 1946 for the Prime Minister summarizing the discussions.

3. On January 16, 1947 the Cabinet approved the PJBD 35th Recommendation (Principles of Defence Co-operation) and various amendments to the draft announcement were proposed by External, Washington and the Cabinet Secretariat.

4. On February 5th, the Cabinet agreed that a joint public statement should be made by the two Governments and that a supplementary statement be made in Parliament by the Prime Minister.

*Ms. Wershof*  
1. I have made a pretty thorough study of these files using Mr. MacLellan's useful survey as a guide. I suggest that a copy should be put on top of each <sup>part</sup> of the vols. surveyed.

2. I suggest that the next thing I would be useful to have some of working papers were prepared on the following subjects:  
research done on subjects:  
is the question of whether Canada + the US should deal with joint defence under a NATO umbrella. At various times I have read and heard a lot of arguments pro + con. I think it would be useful to have them pulled together. Do you think MacLellan could be given this task next?

3. I would like to have another look at these files when you are finished with them.  
CWB  
28/2/53.



- 2 -

5. The U.K. High Commissioner was kept informed of progress in drafting the statements.

6. At the same time as the Prime Minister rose to speak in the House of Commons, on February 12, 1947, to announce the principles of Defence Co-operation, a copy of the Joint Statement and ~~an~~ an explanatory letter were handed to the Secretary General of the United Nations in New York. A copy was also given to the U.K. High Commissioner, Mr. Garner. The full text was sent to Canadian missions in London, Paris and Moscow and a summary was telegraphed to all other Canadian missions.

7. An exchange of letters took place between Stone of the Washington Embassy and Hickerson of the State Department on February 14, 1947 qualifying Principle No. 4 of the Joint Statement. Stone's letter stated, in part:

"Reciprocally each country will continue to provide, with a minimum of formality, for the transit through its territory and its territorial waters of military aircraft and public vessels of the other country.

"In the view of the Canadian Government, this principle in no way infringes on the complete jurisdiction which each country maintains over its territorial and boundary waters. The Canadian Government would be glad to learn whether the United States agrees with this interpretation".

Hickerson's reply accepted this reservation.

8. The U.K. referred a draft statement which they proposed to make defining the U.K. Government attitude on the Joint Statement to Mr. Pearson.

9. An interesting problem arose over <sup>legal</sup> the question of publishing the Joint Statement. The Adviser held, in a memorandum dated June 18, 1946, that the statement

- 3 -

was not a legally binding treaty in form or intention, and as it was not thought that it should be registered with the United Nations, it could not very well be published in the Treaty Series. On the other hand, the Exchange of Notes qualifying the 4th principle could so be published. The problem was not solved in this volume of the file, although an interesting solution was proposed by Mr. R.G. Riddell on July 15, 1947.



K. W. MacLellan.

TOP SECRET

*File WMB*  
February 28, 1953.

MEMORANDUM FOR THE ACTING MINISTER

50209-40  
921 ✓

Pending U.S. - Canadian Joint Defence  
Questions

You will recall that when I referred to you telegram No. WA-485 of February 24, 1953, from Mr. Wrong in Washington, giving some of his thoughts about current joint defence problems, I stated in my covering Memorandum that I was sending to Mr. Pearson in New York the text of both the telegram and my Memorandum.

Attached for your information is a copy of telegram No. 135 from the Permanent Representative of Canada to the United Nations in New York giving Mr. Pearson's comments on the telegram and my Memorandum.

(SGD) L. D. WILGESS

L. D. W.

Defence Liaison (1) K.W. MacLellan/ams

S E C R E T

February 28, 1953.

50209-40
92-1 ✓

MEMORANDUM FOR MR. WERSHOF (through Mr. Barton)

Canada-United States Defence Co-operation  
Resume of File 703-40C--Part 3,  
dated January 1, 1944 to February 28, 1947.

I do not think that you will find this file to be of much interest or use for the project you had in mind. It is primarily concerned with administrative arrangements for PJBD meetings, but for some reason contains, in its later sections, editorials and press comments on the PJBD and on the Joint Statement on Defence Co-operation.

This subject seems to have been included on the file following an exchange of correspondence requesting the Canadian Ambassador to Mexico, Dr. Keenleyside, to write an article on the wartime role of the PJBD for publication by the CIIA. Dr. Keenleyside had served, as you are aware, as Acting Canadian Chairman of the PJBD prior to his "translation" to Ambassador.

*K.W.M.*  
K. W. MacLellan.

Defence Liaison (1) K.W. MacLellan/ams

S E C R E T

February 27, 1953.

MEMORANDUM FOR MR. WERSHOF (through Mr. Barton)

Canada-U.S. Defence Co-operation

I have looked through file No. 52-C(s), Part Two, -- "Canadian Post-war Defence Relationship with the United States" -- as you suggested and have made the following notes for your information.

2. This, I think, is one of the most fascinating files I have ever seen. It traces the gradual development of Canadian thought about the necessity of post-war co-operation with the United States for the defence of North America. This policy gradually developed in spite of the strong opposing pulls of the relations of Canada with the Commonwealth, the obligations to the United Nations Charter, concern over Canadian sovereignty and reluctance to abandon the attempts to continue in the post-war period the international co-operation which had existed during the war.

3. The sequence of events which I have flagged on this file are as follows:

(a) On December 19, 1945 the Canadian Cabinet decided that a Canadian planning team should meet with a United States planning team to form a joint Canada-U.S. Military Co-operation Committee for the purpose of revising defence plan ABC-22.

(b) The MCC prepared on May 23, 1946, an "appreciation of the requirements for Canada-U.S. security, No. 1" and on June 18, 1946, submitted a "joint Canada-U.S. basic security plan", based on this appreciation, which provided for:

- 2 -

- (i) Preparatory measures (such as provision of facilities and forces required in time of peace in order that defence tasks may be carried out in time of war); and
- (ii) Joint defence tasks to be undertaken by Canada and the U.S. in the event of an emergency.

I believe that this is the first combined Canada-U.S. plan which set out defence measures to be taken in time of peace.

(c) On January 17, 1946 the PJBD submitted a memorandum concerning defence co-operation between Canada and the United States. This memorandum outlined six measures of co-operation including exchange of personnel, standardization of equipment, joint manoeuvres and tests, reciprocal use of military facilities, provisions for mapping and surveying and exchange of military information. It was first thought that this recommendation (to be known as No. 34 if approved) should be put into effect by an Exchange of Notes between the two countries, but this proposal was later abandoned. In addition, the recommendation was sub-divided into two recommendations -- No. 34 and No. 35. No. 34 was drafted to contain the provisions for exchange of military information, and was not intended for publication.

These two recommendations came before Cabinet on May 9, 1946 when it was agreed that recommendation 34 be approved but not published, and that action upon recommendation 35 be suspended pending further examination in relation to defence discussions with Commonwealth countries.

(d) On the initiative of the United States Section, the PJBD again took up recommendation 35 during September, 1946 and revisions were suggested by External Affairs and the Chiefs of Staff.



- 3 -

(e) On October 25, 1946 the United States Ambassador, Mr. Atherton, informed Mr. Pearson (then, U.S.S.E.A.) that Mr. Truman thought ~~that~~ discussions on military co-operation between the two countries should be conducted at a high political level, and suggested that he meet with Mr. King in Washington. This was agreed to, and the discussions took place three days later, on October 28, 1946. A prepared message which was used by Mr. Truman as a basis for certain of his remarks to Mr. King was later given to the Department of External Affairs by the American Ambassador. Mr. King agreed that this "oral message" should be used as a basis for discussion between the two Governments on a political and diplomatic level.

(f) The revised 35th recommendation of the PJBD was approved in principle by Cabinet early in November, 1946 and copies were sent to the U.K. authorities (one was given by Mr. St. Laurent to Mr. Bevin in New York and the other was sent to the U.K. High Commissioner in Ottawa by Mr. Pearson). Mr. Bevin left a memorandum with Mr. St. Laurent which outlined some U.K. views on Canada-U.S. defence co-operation.

(g) An informal meeting was held on November 21, 1946 in Ottawa with ~~the~~ United States authorities to discuss procedure and agenda for the inter-governmental discussions.

*K. W. MacLellan*

K. W. MacLellan.

INCOMING MESSAGE

COPY .....1.....OF 20 COPIES

ORIGINAL

FROM: THE CANADIAN PERMANENT REPRESENTATIVE TO  
THE UNITED NATIONS, NEW YORK

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

*Refer to Cabinet Sec to ND DM of ND CCOS. Message sent to Sec of State*

*File B*

Security Classification

TOP SECRET

File No.

209-40

50

Priority

System CYPHER-AUTO

No. 135

Date February 26, 1953.

Departmental Circulation

MINISTER

UNDER/SEC

D/UNDER/SEC

A/UNDER/SEC'S

D-1
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Reference: Your telegram No. 102, February 25.

Subject: Joint United States-Canadian Defence Questions

While I agree that the timing of the proposed conference is important, and we should not ask for it prematurely, I feel, at the same time, that we should not postpone it indefinitely. Therefore, I think the Prime Minister should mention the matter when he sees the President, and with a date in mind.

DOWNGRADED TO SECRET

REDUIT A SECRET

27 FEB 1952

Date

References

Done

Date

(For file - Mr. Mackay authorized the references)

*RM*

Copy No. 1

Security .TOP SECRET.....

MESSAGE FORM  
OUTGOING

File No.	
50209-40	
52	50

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: HEAD OF POST, WASHINGTON, D.C.

DOWNGRADED TO SECRET  
REDUIT A SECRET

Message To Be Sent		No. EX-347	Date February 25, 1953	For Communications Section Only SENT -- FEB 25 1953
AIR CYPHER		<p><b>REFERENCE:</b> Your WA-485 of February 24</p> <p><b>SUBJECT:</b> Pending joint defence questions <i>Following from the Under-Secretary:</i> Thank you for your telegram, which I have sent to Mr. Claxton and also to Mr. Pearson in New York. I have sent my comments to Mr. Claxton in a memorandum, the text of which is being sent in a telegram to Mr. Pearson in New York marked for repetition to you.</p> <p>SECRETARY OF STATE FOR EXTERNAL AFFAIRS.</p>		
IN CLAIR				
CODE				
CYPHER <i>into</i>	XXX			
Priority ..... <b>IMPORTANT</b> .....				
ORIGINATOR ..... <i>M.H. Wershof/elb.</i> ..... (Name Typed)				
Div. Def. L. ....(1).....				
Local Tel. ....3402.....				
APPROVED BY <i>[Signature]</i> (Signature)				
..... (Name Typed)				
Internal Distribution: S.S.E.A. ✓ U.S.S.E.A. ✓				
One. .... <i>Ma M</i> .....				
Date. .... <i>Feb. 26/53</i> .....				
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Rev. 1/52)

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Copy no. 1

Security TOP SECRET

# MESSAGE FORM OUTGOING

File No.	
50209 - 40	
58	50

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE PERMANENT DELEGATE TO THE UNITED NATIONS, NEW YORK

REPEAT IMPORTANT TO WASHINGTON <sup>EX</sup> 346

Message To Be Sent		No. 102	Date February 25, 1953	For Communications Section Only
AIR CYPHER				SENT FEB 25 1953
EN CLAIR				
CODE				
CYPHER Auto		XXX		
Priority		REFERENCE:		
IMPORTANT		SUBJECT: Pending Joint Defence Questions with the United States		
ORIGINATOR		Following for Mr. Pearson from Wilgress, Begins:		
(Signature)		Following is text of WA-485 of February 24 from Wrong:		
M.H. Wershof/elb		(COMMUNICATIONS: Please insert text)		
(Name Typed)		Text ends.		
Div. Def. Liaison/1		2. I have sent it to Mr. Claxton with the following comments:		
Local Tel. 3402		"I am inclined to agree with the considerations which Mr. Wrong has emphasized with respect to the timing and agenda of any U.S. - Canada conference at the ministerial level convened to consider the revision of the statement of principles of defence cooperation which was made public in February, 1947, and to discuss defence activities in the Arctic. I suggest that for the following reasons it would be desirable not to press for a ministerial meeting for the time being:		
APPROVED BY		(1) The new U.S. administration is both inexperienced and pre-occupied with many matters which it regards as more urgent than Canada - U.S. defence;		
(Signature)				
(Name Typed)				
Internal Distribution:				
S.S.E.A. U.S.S.E.A.				
Done. M.A.M.				
Date. Feb 26/53				
Copies Referred To:				
Done.				
Date.				
Ext. 97 (Rev. 1/52)				

DOWNGRADED TO SECRET  
REDUIT A SECRET

- 2 -

- (2) There is some advantage in a situation where the U.S. Government regards Canada - U.S. defence as a matter of low priority, since under such circumstances there is less likelihood of ambitious new defence projects being pressed on the Canadian Government;
- (3) More time will be available for the development at the official level, and the consideration at the ministerial level, of Canadian views on these important matters."

SECRETARY OF STATE FOR EXTERNAL AFFAIRS.

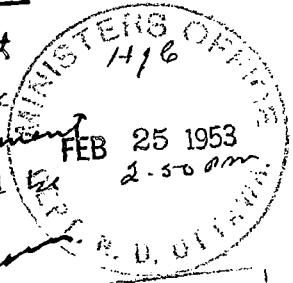
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RECEIVED  
COMMUNICATIONS  
SECTION

*Mr. B. L. ...*  
*Mr. W. ...*  
*Mr. W. ...*  
*TOP SECRET*

*Mr. W. ... suggest*  
*that Mr. C. ... lack*  
February 25, 1953. *of commission*

*should*  
*not be*  
*done*



MEMORANDUM FOR THE ACTING MINISTER

Subject: Pending U.S.-Canada Joint  
Defence Questions

50209-40  
92-12

You will have seen telegram No.  
WA-485 of February 24, 1953, from Mr. Wrong, a  
copy of which I sent to you this morning.  
I attach, however, an extra copy for ready  
reference.

I am inclined to agree with the  
considerations which Mr. Wrong has emphasized  
with respect to the timing and agenda of any  
U.S.-Canada conference at the ministerial  
level convened to consider the revision of  
the statement of principles of defence co-  
operation which was made public in February,  
1947, and to discuss defence activities in  
the Arctic. I suggest that for the following  
reasons it would be desirable not to press  
for a ministerial meeting for the time being:

- (1) The new U.S. administration is  
both inexperienced and pre-occupied  
with many matters which it regards  
as more urgent than Canada - U.S.  
defence;
- (2) There is some advantage in a  
situation where the U.S. Govern-  
ment regards Canada - U.S. defence  
as a matter of low priority, since

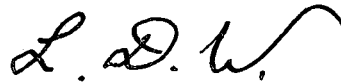
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/ RESULT A SECRET



under such circumstances there is less likelihood of ambitious new defence projects being pressed on the Canadian Government;

- (3) More time will be available for the development at the official level, and the consideration at the ministerial level, of Canadian views on these important matters.

I am sending a copy of this memorandum, and of the telegram to which it refers, to Mr. Pearson.



L. D. W.

ORIGINAL

MESSAGE FORM  
INCOMING

File No.		
50209-40		
50	50	

Security Classification		
TOP SECRET		

COPY NO. 1... OF 20 COPIES

DOWNGRADED TO SECRET

PERMIT A SECRET

FROM: THE CANADIAN AMBASSADOR TO THE UNITED STATES

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

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25 FEB 1952

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System  
CYPHER-AUTO

No. WA-485

Date: February 24, 1953.

Priority

Reference:

Subject: Pending Joint Defence Questions.

Following for the Under-Secretary, Begins:

1. It may be worthwhile for me to pass to you, before Mr. Claxton leaves for Washington, some thoughts about current joint defence problems. Since I saw you in Ottawa Mr. Pearson has mentioned to me the proposal that there should, before very long, be a meeting at the ministerial level to consider the revision of the statement of principles of defence cooperation which was made public in February, 1947, and to discuss defence activities in the Arctic. A ministerial conference was also mentioned in a message received from Mr. Claxton last week, which he and I discussed on the telephone.

2. If a conference is to produce satisfactory results its timing, as well as its agenda, requires careful consideration. At present the Defense Department here, in addition to problems arising from the change of civilian command and the almost complete lack of background knowledge on the part of Mr. Wilson, Mr. Kyes, and the three secretaries of the services, is preoccupied with urgent matters of organization and finance many of which must be presented soon to Congress, on top of the pressures relating to the E.A.C., NATO, Korea, Indo-China, etc. In this situation questions concerning the joint defence of North America have a low priority at the moment and are unlikely to receive much serious consideration for several months. (Project counter-change, which, as you know, has been pushed by the Civil Defense Administration and not by the Department of Defense, may be in some measure an exception.)

3. I do not know much about our desired agenda for a ministerial conference, but I think that its arrangement is a matter which the Prime Minister might take up with the President when he visits Washington, so that an impulse should be given to it from the top. Should not the P.J.B.D. also be brought into the picture for

Departmental  
Circulation

MINISTER #2  
UNDER/SEC #3  
D/UNDER/SEC #4  
A/UNDER/SEC #5

Mr. Claxton  
Feb 25 AM  
m

Done

Date

References

See Paulkes  
Mr. Dwyer  
Mr. Pickens  
Mr. Pearson  
Done  
Feb 25  
m

Done

Date

20M-50-P-794

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preparatory work before the conference takes place?

4. You might let Mr. Claxton know before he leaves that I had a brief talk last night with Frank Pace, former Secretary of the Army, who has been assisting in the changeover in the Pentagon. I mentioned that Mr. Claxton might be visiting Washington very soon. He said that he thought such a visit was desirable, provided that its purpose was to establish personal contact with the new civilian leaders in the Pentagon and not to take up matters of substance, since Mr. Wilson and his associates were not yet in a position to discuss such matters usefully. He remarked that there was advantage in Mr. Claxton's "getting in early", as he put it. I agree with Pace's view.

5. As to project counterchange, I doubt that there would be any point in mentioning it except in the most general terms during Mr. Claxton's visit. It seems to me to be unnecessary that the Canadian reply (your messages EX-323 and 324 of February 23) should be delivered before his arrival. Ends.

-----

*copies 17018  
taken by  
Waddy*

Defence Liaison (1)/M.H. Wershof/elb

Ottawa, February 24, 1953

S E C R E T

File: 50209-40

MEMORANDUM FOR MR. MACKAY

Subject: Proposed revision of Joint Statement of  
February 12, 1947 concerning defence  
cooperation between Canada and the United  
States (Treaty Series 1947, No. 43)

In the record of Mr. Pearson's recent meeting with Mr. Dulles, it is suggested that the revision of the Joint Statement might be discussed between the President and the Prime Minister when they meet later this spring. I have heard unofficially that Mr. Pearson has in mind that the President and the Prime Minister should not discuss substantively Canada - United States defence problems, but should pass them for discussion to a later meeting of appropriate Cabinet Ministers.

2. Annexed for convenient reference are copies of the following 1951 memoranda:

Your memorandum of June 11, 1951;  
my memorandum of June 13, 1951;  
my memorandum of June 22, 1951.

The originals of these memoranda are on file 50209-40, which is the current general file on Canada - United States defence relations. You will see from the enclosures that Mr. Pearson asked in 1951 whether the Joint Statement should be revised, but nothing was done about it.

3. The subject file for the negotiations in 1946-47 was 52-C-(5), which is a dormant file. I think that all papers from now on relating to the revision of the Joint Statement should be carried on file 50209-40.

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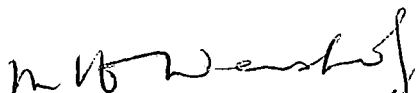
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4. As you know, the Joint Statement of 1947 was preceded by a recommendation of the Permanent Joint Board on Defence, which in turn was preceded by Ministerial discussions. You may wish to consider whether the PJBD should be brought into the proposed negotiations this spring.

5. I should be grateful for your guidance as to what is at present required from Defence Liaison (1).

  
Defence Liaison Division (1).

cc to American Division (without enclosures)  
Mr. Barton (without enclosures)

DEPARTMENT OF EXTERNAL AFFAIRS  
CROSS REFERENCE SHEET

Security..... *Top Secret*

50209-40		
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Type of Document..... *Extract* ..... No. .... Date..... *Feb 24/53*

From: .....

To: .....

Subject: *Extract from the Minutes of the  
1/53 meeting of the Canada-U.S.  
Military Cooperation Committee*

*Item 1 Antircraft Defence  
7a 1st Airborne Paratrooper*

Original on File No..... *50265-40*

Copies on File No.....

Other Cross Reference Sheets on.....

Prepared by..... *Geo* .....

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Mr. ~~Barton~~ WMB

Revised pages of note for  
Minister's Handbook on  
"U. S. Defence Activities  
in Canada" — for file  
File  
WMB

BR

000458

-4-

50209-40	
92	✓

File 23. April 53

For reference  
see previous  
issue of  
Jan 31/53.

(2) Extension of the Continental Radar

Defence System. Canada and the United States

agreed in an Exchange of Notes dated August 1st and August 7th, 1951, to an extension of the continental radar defence system in Canada.

These Notes were tabled in the House of

Commons on February 25, 1953. The radar defence

system in Canada has been jointly planned by

the Canadian and U.S. Governments as part of a

coordinated continental system rather than on

a national basis. This means that the United

States has an equal interest with Canada in the

information provided by these radar stations.

The Permanent Joint Board on Defence evolved

the formula, one third (Canada) two-thirds (U.S.),

as an equitable division of the costs of construc-

tion, operation and maintenance of the stations.

The agreement also provides that Canada may

undertake to man stations which are United

States Air Force responsibility: in fact, the

R.C.A.F. is already manning some of the stations

assigned to the U.S.A.F. in Canada and more may

be taken over at some future date if considered

desirable.

-5-

There are 33 stations in the PINETREE Project described above. Canada is financially responsible for 11, the United States for 22. At present Canada has undertaken to man the 11 stations for which it is financially responsible and 5 stations for which the United States is financially responsible. The effective date for the operation of the whole chain is now July 1, 1954. The United States has made an additional request through the Permanent Joint Board on Defence in September, 1952, for the establishment of 9 additional temporary radar stations in Canada (6 in Ontario, 3 in British Columbia). Approval to conduct site surveys has been given to the United States by Note No. D-85 of April 2, 1953, and although Cabinet Defence Committee has authorized the construction and operation of the stations, the United States will not be so informed until a request is received.

Project COUNTERCHANGE. The United States on January 30, 1953, requested Canadian concurrence in an experimental early warning project in the Arctic. Canadian permission was granted by Note No. 163 of February 27, 1953. Canadian approval was subject to a number of conditions, the most important of which was that a Joint Military Study Group should be set up to consider the whole question of Canada-U.S. air defence. (TOP SECRET)

(3) Global Communications Sites. The United States was granted permission by an Exchange of Notes of November 4 and 8, 1952, which were tabled in the House of Commons on February 25, 1953, to construct and operate global communications facilities near Harmon Leased Base in

6 . .

-6-

Newfoundland. The agreement provides for a flexible form of tenure which, in effect, permits the station to continue in operation only so long as Canada agrees that there is a continuing need for it in the mutual interest of both countries.

Similar facilities are to be constructed at Goose Bay under the terms of the Goose Bay Lease.

(4) Torbay. The right to use a number of buildings and facilities at Torbay airport for administrative purposes has been granted to the United States on a terminable basis. The airfield is controlled by the R.C.A.F.

The United States has been granted a renewable one-year lease (terminable on 30 days notice following consideration by the P.J.B.D.) to occupy all the unused buildings built at Torbay during the last war. The U.S.A.F. has established a general depot at Torbay Airport and makes extensive use of the airfield for administrative flights, since the nearby leased base at Fort Pepperrell has no airfield of its own.

(5) Frobisher Bay. In 1951 the United States was given permission to station about 150 men at Frobisher Bay to assist in U.S. operations in the Far North. The R.C.A.F. provides the commanding officer and operates the control tower.

7 . .

-7-

(6) Padloping Island Weather Station. This is the last of a series of weather stations still operated exclusively by the United States. Transfer to Canada has not been made because of shortage of Canadian technicians.

(7) Churchill. There is a detachment of U.S. troops at Churchill working with Canadian forces on testing and experiment in cold weather.

(8) Other U.S. Activities. Reciprocal arrangements under which the Air Forces of each of the two countries may intercept unidentified aircraft over the territory of the other, in accordance with a Recommendation of the Permanent Joint Board on Defence, was announced in the House of Commons on December 1, 1952. Interceptor aircraft must obey the rules of interception procedure laid down by the country over which the interception is made.

There are officers of the U.S. forces in Canadian headquarters and formations and Canadian officers in the United States. There is an exchange of students between the Staff Colleges of the two countries.

8 . .

-8-

United States students attend National Defence College but no Canadian students are at the United States National War College.

Procedures for the movement of ground forces, military equipment, aircraft and ships between the two countries have been much simplified during and since the war. Many joint exercises are carried out in Canada with a minimum of formality.

File No. 50209-40

Defence Liaison (11) B. Rogers/pmc

SECRET

February 23, 1953.

*Original en*

*50216-40*

MEMORANDUM FOR THE UNDER-SECRETARY

Subject: United States Fighter Squadrons  
at Goose Bay.

*50209 - 160*

*59 | ✓*

The United States Section of the Military Co-Operation Committee has informed the Canadian Section that it considers that there is a military requirement for the deployment of four squadrons of fighter interceptors for the defence of the Northeast air approaches to the critical industrial areas in Canada and the United States and to protect important military and civil installations in Newfoundland and Labrador as follows:

- (a) Two squadrons at Goose Bay;
- (b) One squadron at Harmon Base; and
- (c) One squadron in the Torbay-Argentia area.

2. As you are aware, one U.S. fighter interceptor squadron was posted to Goose Bay last fall on a temporary basis -- this being taken to mean that the squadron might remain at Goose Bay until Canada was prepared to undertake the air defence of the base with Canadian forces. It now appears that the U.S. are likely to ask formally for permission to station another squadron at Goose Bay.

3. The Chiefs of Staff Committee discussed this matter at a meeting on February 19 and agreed that the Canadian members of the MCC should ask their U.S. colleagues to drop the proposal to station a second fighter squadron at Goose Bay at this time and, as an alternative, suggest the positioning of a fighter

2 . .



-2-

squadron at Limestone or Thule.

4. According to the draft Minutes of the Chiefs of Staff Committee, the Chairman, Chiefs of Staff, said that, although Canada had agreed to consider the positioning of a second U.S. fighter squadron at Goose Bay at some future date, the U.S. should be informed that politically the time was not right for such a move. If the U.S. continued to press the matter, the Government might suggest that a Canadian squadron now scheduled for NATO be stationed at Goose Bay and the U.S. undertake to provide a further squadron in Europe. He said that this would make political sense in some quarters, but internationally it would be a poor move. Accordingly, the U.S. should be urged to drop the matter at this time.

5. The report of the Canadian Section of the MCC is likely to be discussed at the next meeting of the JPC and doubtless will come up at the next meeting of the Chiefs of Staff Committee. Our representative at the meeting of the JPC will endeavour to obtain full information on the proposal.

M. H. WEKSHOF

Defence Liaison (1) Division.

c.c. American Division  
D.L.(2) Division.

DEPARTMENT OF EXTERNAL AFFAIRS  
CROSS REFERENCE SHEET

Security.....

50209-40		
52	52	

Type of Document..... *Letter* ..... No..... Date..... *Feb. 18/53*

From:..... *J. P. C.* .....

To:..... *C. A.* .....

Subject:

*Air Defence Forces in Northeast Canada*

*MCCM-255- Feb 11/53*

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**REDUIT A SECRET**

Original on File No..... *50212-40* .....

Copies on File No.....

Other Cross Reference Sheets on... *50216-40, 50216-A-40* .....

Prepared by..... *J. M.* .....

DEPARTMENT OF EXTERNAL AFFAIRS  
CROSS REFERENCE SHEET

Security... *Secret* .....

50209-40		
52	52	

Type of Document... *Ltr* ..... No. .... Date... *Feb 16/53* .....

From: ..... *J.P.C.* .....

To: ..... *C.A.* .....

Subject: *Air Defence Forces in Northeast Canada*

Original on File No. .... *50031-40* .....

Copies on File No: ..... *50212-40* .....

Other Cross Reference Sheets on... *50216-40, 50216-A-40* .....

Prepared by... *J. M. Ellinger* .....

~~TOP SECRET~~

File on  
50209-40  
Mh

EXTRACT FROM  
MEMORANDUM OF A CONVERSATION BETWEEN JOHN FOSTER DULLES,  
SECRETARY OF STATE OF THE UNITED STATES, AND L.B. PEARSON,  
SECRETARY OF STATE FOR EXTERNAL AFFAIRS, WASHINGTON, D.C.,  
SUNDAY, FEBRUARY 15, 1953

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NATO

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11. On Mr. Pearson's initiative there was some discussion of whether the North Atlantic Treaty powers could assist in obtaining ratification of the EDC Treaty by extending the life of the North Atlantic Treaty from twenty to fifty years. In the Treaty signed between the United Kingdom and the EDC countries on the 27th May, 1952, the United Kingdom had undertaken to grant to the European Defence Community a more automatic security guarantee than that extended in the new protocol to the North Atlantic Treaty. Already the United Kingdom was coming under some pressure from France to alter this guarantee so that it would run for the full duration of the EDC Treaty, i.e. for fifty years. Obviously this request confronted the United Kingdom with considerable difficulty. Perhaps it might be easier for all the North Atlantic countries to extend the duration of the North Atlantic Treaty. Mr. Dulles said that he thought this idea was worth considering. One disadvantage, however, was that an amendment to the North Atlantic Treaty would be required and this would have to be ratified by the parliaments of all the signatories. Possibly, Mr. Pearson suggested, an amendment might be avoided by attaching to the Treaty a protocol in which all the signatories would express their intention of not denouncing the Treaty, under Article XIII, for fifty years. Mr. Dulles was of the opinion, however, that even such a protocol would require Senate ratification.

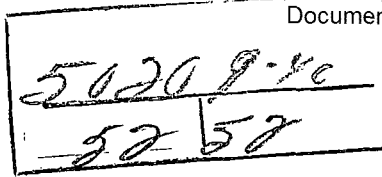
12. Earlier in the conversation, when Mr. Dulles had been expressing his desire for close informal consultation with the allies of the United States, Mr. Pearson remarked that he had always hoped that this could also be effected in the North Atlantic Council. For obvious reasons during the past few months, the Council had been in the doldrums. In fact, he was inclined to think that its recent activities had been, if anything, less important than those of the Council Deputies. Mr. Pearson hoped that Mr. Dulles would give consideration to the possibility of strengthening the role of the North Atlantic Council by making it one of the chief instruments for consultation between the United States and its principal allies.

.....

Visit of Mr. St. Laurent to Washington (U.S. - Canada Defence)

21. When Mr. St. Laurent visited Washington, Mr. Pearson said, he would no doubt want to discuss foreign economic and commercial policy with President Eisenhower. It was also possible that he would want to consider with the President the possibility of making a new agreement on principles of defence co-operation between the United States and Canada. Within the last few weeks a request had been received from the United States Government for permission to build three experimental early-warning radar stations in the Canadian far north. If they proved successful, the United States Government hoped that an extensive chain of radar stations could be constructed across the continent at the same latitude. The Canadian Government had received this initial request sympathetically. But it was felt that the time had perhaps come to examine again in a comprehensive way all the problems of joint Canadian-United States defence of North America, especially Arctic problems. A statement of principle on this subject had been drawn up in 1946, but circumstances had changed so materially that it should be reviewed, possibly enlarged, and brought up to date.

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50209-40  
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February 11th, 1953.

MEMORANDUM FOR DEFENCE LIAISON (1) DIVISION:

(through Mr. Charles Ritchie)

Mr. Blair Fraser's article in Maclean's Magazine

With reference to the attached article by Mr. Blair Fraser, entitled "Backstage at Washington", the Minister would like to have as soon as possible a statement from us indicating any inaccuracies or misinterpretations in the article since it is possible that questions relating to the article may be raised by Opposition Members in the House of Commons.

L. D. W.

L.D.W.

MACLEAN'S MAGAZINE, FEBRUARY 15, 1953



## BLAIR FRASER BACKSTAGE at Washington

### *Ottawa Looks Pretty Stuffy From Here*

CANADIANS always hear plenty about it when Washington gets on our nerves. We don't hear about it when we get on American nerves. But viewed from here, Ottawa sometimes looks as stuffy and obstructionist as Washington has looked to us during the long frustration over the St. Lawrence Seaway.

For instance, a few months ago it was announced that part of the RCAF station at Goose Bay had been leased to the United States Air Force. This deal had been agreed upon in principle when the agreement on Newfoundland bases was completed, more than two years ago. Why did it take so long to get the lease signed? Americans reply: "Because Ottawa kept stalling interminably for no good reason."

It is true, and Americans admit, that our previous experience with Newfoundland base administration had not been uniformly happy, and that Ottawa had some cause to be wary about crossing Ts and dotting Is in any document concerning it. It is true, and Americans admit, that they find it hard to understand how sensitive a smaller country, especially an ex-colony like Canada, can be about its own sovereignty. But, even allowing for all that, it's hard to defend some of the examples that Americans cite.

Ottawa, they say, has an exaggerated fear of letting Canadians know that U. S. forces are in Canada. When pay offices were established to serve U. S. personnel at nearby radar stations, Ottawa requested that the Pay Corps men be instructed to wear civilian clothes at all times and to occupy offices as unobtrusively as possible. When Washington wanted to put a U. S. fighter squadron at Torbay, near St. John's, Nfld., Ottawa wouldn't hear of it, too, near the

Until last August the RCAF and USAF both thought a U. S. squadron could come to Goose Bay anyway. Just to make sure, an American general wrote to a friend in the RCAF who checked with External Affairs and wrote back, "Sure, come ahead."

But when cabinet heard about it there was tumult and affright. This would require a new arrangement altogether, they said, and the new arrangement took months of what Washington regards as rather sticky negotiation in which every comma had to be cleared with Ottawa.

The U. S. squadron has been at Goose all along, but while the lease was being negotiated the U. S. flyers weren't "stationed" there, they were merely "conducting training exercises." That meant they couldn't draw allowances for service abroad. But it protected Canadian sovereignty, apparently.

Funniest incident of this nature, and the one Americans most enjoy telling, concerns a U. S. Navy chief petty officer who is in charge of shore patrol in Vancouver, B.C.

Ottawa was shocked on hearing about this sinister character. What was an American shore patrol doing on Canadian soil? Who had authorized this? Why hadn't External Affairs been consulted? Would the U. S. State Department please send fullest information immediately?

The U. S. State Department had never heard of the chief petty officer in Vancouver,

B. C., but they undertook to find out. They found the U. S. Navy hadn't heard of him either not in Washington. But eventually they tracked it down to Seattle.

From Seattle, it seems, hundreds of U. S. servicemen, mostly sailors, like to

wrote to the mayor: Were the boys behaving themselves? Did the city need any help keeping them in order?

The mayor wrote back that the boys were well-behaved, the city was delighted to have them and they were no trouble. However, if the U. S. Navy wanted to send over a few shore patrol men to keep an eye on things, they would be welcome too. So the commanding officer sent a chief petty officer to live in Vancouver, and a couple of men to help him at week ends.

Canadian officials protest that they were not mad at anybody. They merely wanted to point out that the chief petty officer has no legal status in Vancouver and technically he is committing an assault every time he makes an arrest. They also note that he is still there, and welcome. Washington could be less inclined to sniff at this explanation if Canada had not been so sensitive on other occasions.

I should add that these minor irritations have not made the slightest difference in the practical everyday co-operation of the two governments at the working level. Canadians stationed in Washington are continually amazed at the friendly and helpful treatment they get from opposite numbers in the U. S. administration.

"We have never asked them for anything we didn't get," said a man who works on procurement of strategic materials. "All we have to do is tell a reasonable story, make a reasonable case. Then they say okay, you can have it, and that's it. We don't have to worry about getting things in writing."

A recent case in point was the Canadian decision to extend the oil pipeline that supplies Sarnia, Ont., through Superior, Wis. The project will call for twenty-five thousand tons of oil pipe, which is one of the outstanding material shortages all over the continent. Canada put in the request rather late; oil pipe for the 000470 quarter of 1953 had already allocated. The Canadians came down, told their story to the U. S. petroleum

Defence Liaison (1)/M.H. Wershol/eib

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50209-40

Ottawa, February 11, 1953

MEMORANDUM FOR THE MINISTER

Subject: U.S. - Canada Defence Relations  
-- Blair Fraser's article in  
Maclean's, February 15, 1953

Mr. Fraser mentions five items (not  
in this order):

- 50 210-40 1) Radar pay offices;
- 50 216-A-40 2) Posting a USAF fighter squadron at Torbay;
- 50 216-40 3) Delay in signing the Goose Bay Lease;
- 4) Posting a USAF fighter squadron at Goose Bay;
- 5) U.S. Navy shore patrol in Vancouver.

2. Following are preliminary comments on  
each item:

1) Radar Pay Offices

3. Mr. Fraser says:

"When pay offices were established to  
serve U.S. personnel at nearby radar  
stations, Ottawa requested that the Pay  
Corps men be instructed to wear civilian  
clothes at all times and to occupy  
offices as unobtrusively as possible."

4. When the Radar Agreement was signed  
in August 1951, there was no mention of USAF offices

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- 2 -

to be located in cities. In September 1952 the U.S. Embassy told us that the USAF needed the following:

Small finance offices in Winnipeg and Vancouver; a PX office in Winnipeg; an "accountable office" in Ottawa, with a staff of 28, to look after stock records and financial accounts.

5. We were not happy about the idea of new USAF installations in cities. However, we agreed, as did the Department of National Defence, that the offices were necessary and should be permitted -- but that it would be a good thing if the U.S. authorities made them (especially the Ottawa office) as unobtrusive as possible. Our letter of October 20, 1952 to the U.S. Embassy gave consent and said, in part:

"We understand that the personnel of the offices will not normally wear uniform and that every reasonable effort will be made to keep the offices inconspicuous."

6. As the nature of the work of the offices is classified information, it is difficult to say much about them in public.

7. The existence of U.S. radar stations in Canada has been made public. The basic Exchange of Notes is to be tabled in Parliament shortly.

(2) Posting a USAF Fighter Squadron at Torbay

8. Mr. Fraser says:

"When Washington wanted to put a U.S. fighter squadron at Torbay, near St.

3 . . .

- 3 -

John's, Newfoundland, Ottawa wouldn't hear of it. Too near the city. People might talk."

9. In actual fact the Canadian attitude, as expressed at meetings of the Permanent Joint Board on Defence by the Canadian Section of the Board, was that the Canadian Government did not wish to have a fighter squadron stationed at Torbay unless the United States could convince the Canadian Government of the military necessity for it to be located there rather than at one of the 99-year Leased Bases, e.g., Argentia. The Canadian Section therefore requested that the USAF prepare a military appreciation of the requirement for consideration by the Canadian Chiefs of Staff. This appreciation was never prepared. Instead, after consultation between the Chairman of the Joint Chiefs of Staff and the Chairman of the Canadian Chiefs of Staff, an agreement was reached whereby Canada undertook to improve Torbay airport to jet fighter standards and the United States agreed to base the squadron at Argentia during peacetime. In event of war Torbay airport would, of course, be available to the air forces of both countries in accordance with the agreed plan for coordination of the air defence forces of the two countries.

(3) Delay in signing the Goose Bay Lease

10. Mr. Fraser says that the Goose Bay Lease "had been agreed upon, in principle, when the agreement on Newfoundland bases was completed more than two years ago." In answer to the question, "Why did it take so long to get the lease signed?", Mr. Fraser quoted Americans as saying: "Because Ottawa kept stalling interminably for no good reason."

11. Cabinet agreed to the terms of the Goose Bay Lease in February 1951. The RCAF and the

4 . . .



- 5 -

a letter of August 13 that he had received from Major-General R.L. Walsh. (A/V/M Miller is the RCAF Member of the PJBD and Major-General Walsh was the USAF Member of the PJBD). In his letter, Major-General Walsh stated that the USAF proposed sending a fighter squadron to Goose Bay in October 1952, and asked whether any further notification would be required. In his letter to Mr. MacKay, the Air-Chief of the Air Staff said that the RCAF had no objection. On your instructions, I wrote to A/V/M Miller on September 2 agreeing that no approval from Canadian authorities was required. (Our reason was that we considered that, under the terms of the pending Lease, the United States had this right.) I suggested, however, that, in his reply to General Walsh, the Vice-Chief of the Air Staff might state that no further notification was required, but that the proposed deployment of the squadron should be subject to review when or if discussions were carried on between Canada and the United States on command arrangements in the North-east area of Canada. The Vice-Chief of the Air Staff wrote to General Walsh in this sense on September 4.

14. When the Minister of National Defence heard of this, he was extremely disturbed. On September 17, Cabinet decided that the exchange of notes should be postponed and that further consideration should be given to the terms of the Goose Bay Lease. Discussions took place with the interested Departments and with the United States authorities and, in the end, the notes were exchanged on December 5, 1952. The notes were accompanied by confidential letters recording the mutual understanding of the two Governments that existing arrangements regarding the operational activity or stationing of tactical or strategic formations should continue to apply to Goose Bay.

6 . . .

- 6 -

15. If you are to say anything in Parliament on this subject -- which might perhaps more appropriately be dealt with by the Minister of National Defence -- I think you might say that the question of the posting of a fighter squadron arose just at the time that it was intended to sign the Goose Bay Lease. There was some uncertainty in the minds of the Government whether the terms of the Lease implied the right of the United States to station fighter squadrons at Goose Bay. This matter was examined by the Departments concerned and discussed with the United States authorities and, in the end, it was decided to give the United States permission to station a fighter squadron at the base and to proceed with the Exchange of Notes. Mr. Claxton announced the stationing of the squadron in the House of Commons on November 28, 1952, and the Lease was tabled on December 16.

(5) U.S. Navy Shore Patrol in Vancouver

16. About the middle of November, G.O.C. Western Command reported to National Defence Headquarters on the presence in Vancouver of a United States Service Police Patrol. His attention had been called to it as a result of an incident in which the United States Service Police approached a man in civilian clothes whom they suspected of being a deserter from the U.S. Forces. The man in question denied that he had been a member of the United States Forces, but offered to accompany the U.S. Service Police to a Vancouver Police Station where he identified himself as a member of the Royal Marines who had deserted H.M.S. "Sheffield" during the visit of that ship to Vancouver.

17. As there appeared to be no legal basis for the presence of a U.S. Service police patrol in Vancouver and as there was a possibility that it was violating Canadian law if it attempted to arrest U.S. servicemen or civilians suspected of

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- 8 -

facts and to try to regularize the position.

General Comment

22. Mr. Fraser thinks that the Canadian Government has an exaggerated dislike of permitting U.S. forces to operate in Canada and an exaggerated fear of letting the Canadian public know what U.S. forces are in Canada.

23. There is room for argument about the validity of his criticism. It is probably fair to say that the Canadian Government is not happy about the increasing number of U.S. servicemen in Canada -- while an increasing number of Canadian servicemen go to Europe.

24. It is doubtful, however, whether a public discussion of this theme at present would be a good thing.

25. Incidentally, most of the information Mr. Fraser was given by someone was classified. Mr. Fraser would probably argue that it should have been declassified.

(SGD) L. D. WILGESS

L.D.W.

50209-40  
M

EXTRACT FROM SPEECH BY MR. PEARSON IN HOUSE OF  
COMMONS, February 11, 1953, page 1850

Re: U.S. - Canada Defence Relations

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59 / ✓

In joint defence, if I may turn to another field, our partnership with the United States is also becoming closer and more complex. Today our common defence requirements are greater than ever before, so great, for instance, that it has been necessary for Canadians and Americans to take their places side by side at lonely northern outposts in Canada as protection against possible aggression which, if it occurred, would not be aggression against a nation but aggression against a continent. It must be expected, Mr. Speaker, that as the advances of modern science and technology increase the speed with which an enemy could strike, so it will be necessary to push our continental defences and our continental development farther and farther north.

In this increasing preoccupation with common defence there is ground for satisfaction on two counts. First, Canadians know that the United States government respects our rights and our natural desire to retain in our own hands the responsibility for administration over all our territory, subject of course to the requirements of collective security. Second, the increasing need for northern defence arrangements in turn requires a further development of transportation, communications and other facilities which are making a material contribution to opening up the wealth and resources of our last remaining frontier, the north.

(Note: This was mislaid in Minister's Office & did not return to External until March 5)  
MMW

February 10, 1953.

CONFIDENTIAL

~~Defense Counsel~~  
To note ①  
SEEN  
B. PEARSON  
~~Comments~~

MEMORANDUM FOR THE MINISTER

In the course of an interview on another subject which Mr. Bliss had with Mr. Ritchie to-day, he mentioned the attached article by Blair Fraser, "Backstage at Washington". Mr. Bliss said that he was quite upset by this article which clearly contained information which the American Embassy here had reported to Washington. Mr. Bliss said that there must have been a leak from American sources in Washington and that he had "a shrewd suspicion" who the person was who had given the story. He himself had written to Washington asking that enquiries should be made. Mr. Bliss remarked that it would be helpful to him in dealing with his own Government if his attention could be drawn to this matter officially by the Department of External Affairs. He could then report this to the State Department in order to emphasize the undesirability of such leaks. The only objection that occurs to us in such a suggestion is that the fact of our having summoned Mr. Bliss to the Department for this purpose might in itself leak from Washington and then be cited by Blair Fraser as another instance of our "stuffiness".

L. D. W.

cc. to: Mr. MacKay  
Mr. Eberts  
Mr. Wershof

11-2-20(55)

11. 2. 8 (05)

note  
In view of lapse  
of time USSFA  
agreed to take  
no action

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February 6, 1953.

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MEMORANDUM FOR THE MINISTER

Item No. 1 on Agenda of Cabinet Defence  
Committee Meeting, Tuesday, February 10, 1953.

Control of Air Defence Forces  
and the United States Northeast Command  
Operating over Canada.  
(Document D2-53)

This is a report on arrangements that have been made with the United States for the operational control of air defence forces of Canada and the United States over one another's territory. It gives particular attention to United States forces stationed at the Leased Bases in Newfoundland.

The principles set forth in paragraph 3 of the memorandum (D2-53) are entirely acceptable; and the exceptions set forth in paragraph 4 are reasonable for the most part. My only caveat relates to the exception to the exception in paragraph 4(b). I would suggest that you might wish to seek a clarification of the phrase "except where the deployment is of a temporary tactical nature". I do not think we would like the United States to deploy a fighter squadron to Goose Bay for a week or a month, for instance, as a "temporary tactical measure", without our permission. Unless it is clearly recognized that deployment of a "temporary tactical nature" means deployment only for a very limited period -- perhaps up to 48 hours -- the first sentence of paragraph 5 of the memorandum is not accurate.

L.D.W.

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EXTRACT FROM THE MINUTES OF THE 535th MEETING

OF THE CHIEFS OF STAFF COMMITTEE HELD ON

FEBRUARY 19 and 20, 1953.

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II. CHIEFS OF STAFF DIRECTION TO THE  
CANADIAN MEMBERS OF THE MILITARY  
COOPERATION COMMITTEE

(TOP SECRET)

3. The Chairman said that the purpose of the meeting was to bring the officers concerned with Canada-US planning up to date with the Chiefs of Staff views on current North American defence problems now under discussion between Canada and the US.

The longer the cold war lasted the greater would be the emphasis on planning for North American defence. The US was determined to avoid a second Pearl Harbour, and as Russia's ability to attack this continent increased so would the US effort to provide for its defence. Canada could expect pressure from the US to increase her efforts for the defence of the north and it was evident that this pressure would bring about strained relations between the two countries. Canada, although concerned with the defence of the North American Continent, did not share necessarily the US views on the extent and methods of defence. It was important, therefore, when meeting with the US planning teams to speak as equals when upholding Canada's views. The US must be made to realize that Canada had many political and military problems. The Canadian Government had undertaken a defence programme which it considered a maximum effort and which would not be completed until 1955. This programme included large NATO commitments. As the Canadian Government did not intend to increase the defence effort beyond that already planned up to 1955, any increased commitment on the North American Continent would decrease Canada's ability to fulfill her NATO commitments.

There were three problems that the US were pressing and on which Canadian views should be made clear during the forthcoming Military Cooperation Committee meeting. These were:

- (a) the US request to station a second fighter squadron at Goose Bay;
- (b) US anti-aircraft requirements at Windsor, Niagara and Sault Ste Marie; and
- (c) the preparation of a joint Canada-US requirements plan for the defence of the North American Continent.

Although Canada had agreed to consider the positioning of a second US fighter squadron at Goose Bay at some future date, the US should be informed that politically

- 2 -

the time was not right for such a move. If the US continued to press this matter the Government might suggest that a Canadian squadron now scheduled for NATO be stationed at Goose Bay and the US undertake to provide a further squadron in Europe. This would make political sense in some quarters but internationally it would be a poor move. The US should, therefore, be urged to drop the matter at this time.

With regard to positioning anti-aircraft units on Canadian soil for the defence of a US industrial complex, there were strong political reasons why it was not acceptable. If these units were manned by US forces the presence of US troops in a conspicuous area of Canada in peace time would raise objections. The suggestion that the units be manned by Canadian troops under the overall command of a US commander was also unacceptable, for not only was the Army unable to provide the men but the Canadian Government was determined to keep command of the Canadian air space. Some compromise solution to this problem should be sought.

With regard to requirements plans for the CUS region, it was pointed out that because of the difficulty of reconciling requirements with capabilities this type of planning was being dropped by NATO. It was, therefore, reasonable to assume that the Standing Group would not press for a requirements plan for the CUS region. The Canadian Government had placed restrictions on the Canadian members of the Military Cooperation Committee as they wished to avoid joint plans which would commit Canada to defensive measures which they could not undertake. There was no point in producing a joint requirements plan which would place certain responsibilities on Canada which could not be undertaken until after 1955. Furthermore, such a plan might receive US Chiefs of Staff approval and be brought up on a government level thus causing embarrassment to the Canadian Government.

4. The Chairman, Joint Planning Committee said that there were many advantages to a joint plan which would serve as a long range guide. It was difficult for Canada and the US to keep in step with regard to future defence plans if they could not get together and discuss their various points of view.

It was the opinion of the Joint Planning Committee that, had it not been for the restrictions placed on Canadian planners, many US proposals for the defence of the north could have been halted before being taken up between the two governments at the highest level. Project COUNTERCHANGE and the defence of northeastern Canada were examples of the difficulties which would be encountered unless there was greater consultation at the planning level.

5. The Deputy Minister said that the Minister was anxious that, when discussing future plans jointly, the Canadian planners did not proceed to the point where the US was led to believe that Canada was committed to the plan. It was felt, however, that Canada should be in a position to anticipate US ideas on future plans.

- 3 -

6. Lieutenant-General Foulkes said that there was no reason why one country should not put up its ideas openly and obtain the views of the other without making any commitments.

There did not appear to be a strong enough case for asking the government to lift the restriction on Canadian planners. The government had agreed to a joint group study of the air defence problem and it was desirable to await the results of this study before taking the matter of restrictions to planning any further.

7. The Acting Chief of the General Staff, referring to US anti-aircraft requirements on Canadian territory, said that it was unreasonable to expect Canada to man the required sites when she was unable to protect her own vital areas. As a compromise it was suggested that Canada select the sites required by the US who could then be permitted to move in mobile anti-aircraft units for exercise purposes. With sufficient practice it would not take very long for US anti-aircraft units to man the sites with mobile equipment in the event of an emergency.

8. The Chief of the Air Staff suggested that a second alternative would be for the US to install their anti-aircraft units on permanent sites but that these units should not be manned until an emergency occurred.

9. The Vice Chief of the Air Staff said that, in regard to the US basing the second fighter squadron at Goose Bay, the Military Cooperation Committee should inquire as to whether there is a real requirement for two squadrons. It could be suggested to the US that the second squadron could be based either at Thule or Limestone.

10. The Committee agreed that the Canadian members of the Military Cooperation Committee should, when discussing the three problems outlined above with their American counterparts:

- (a) ask the US to drop their proposal to station a second fighter squadron at Goose Bay at this time and as an alternative suggest the positioning of a fighter squadron at Limestone or Thule;
- (b) point out the political and military difficulties of agreeing to the US proposal with regard to the anti-aircraft sites at Windsor, Niagara and Sault Ste. Marie and suggest a compromise along the lines suggested by the Chairman above; and
- (c) avoid entering into any plans that would commit the Canadian Government to undertake defence projects that it was unable to carry out. The Canadian members of the Military Cooperation Committee should, however, attempt to obtain US views on future plans in order to avoid further misunderstanding.

BANK OF CANADA *92 SD*  
*Ottawa*

*File*  
January 16th, 1953  
*WMB*

Dear Mr. Wilgress,

I have to acknowledge with

D-1	
1	
2	thanks your letter of January 14th en-
3	
4	closing copies of tables respecting
5	
6	United States defence expenditures,
7	
8	both capital and current, in North-
9	
10	eastern Canada.

*fr*

19 JAN 1952

Yours sincerely,

*L. F. Innes*  
  
W. D. Wilgress, Esq.,  
Department of External Affairs,  
Ottawa.

*10*

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Ottawa, January 14, 1953.

Dear Mr. Towers,

Some time ago my Minister asked if we had any authentic information on United States defence expenditures, both capital and current, in Northeastern Canada. We have now received this information through the courtesy of General Walsh, USAF Member of the Permanent Joint Board on Defence. I attach copies of the two tables prepared by General Walsh's office, one on construction and the other on labour, local procurement, etc. It was thought that you might be interested in having these statistics. It will be appreciated that they are confidential.

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Yours sincerely,

(SGD) L. D. WILGROSS

L. D. Wilgress.

G. F. Towers, Esquire, C.M.G.,  
Governor,  
Bank of Canada,  
Wellington Street,  
O t t a w a.

Same letter sent to: Mr. Drury, Mr. K.W. Taylor.



*File  
WMB*

O t t a w a,  
January 14, 1953.

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Dear General Walsh,

Thank you very much for your letter of January 9 enclosing statistics on USAF expenditures in Northeast Canada. As the letter indicates, this completes the answers to the questions we raised.

My Minister is most grateful to you and your organization for getting these statistics for us. They will be very useful to have on file and I can assure you that they will be treated as confidential information. I trust that the work entailed has not been unduly heavy.

Yours sincerely,

R. A. MacKay,

R. A. MacKay.

Major General R. L. Walsh,  
U.S. Air Force Member,  
Permanent Joint Board on Defence,  
Pentagon Building,  
WASHINGTON 25, D.C.

*Mr. Pearson  
+ file  
B*

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SEEN  
L. B. PEARSON

January 14, 1953.

MEMORANDUM FOR THE MINISTER

U.S. Defence Expenditures in Northeastern Canada

Sometime ago I sent you a table of statistics on construction expenditures and indicated that further information on current expenditures would probably be forthcoming. We have now received this information from the office of General Walsh, USAF Member, Permanent Joint Board on Defence. I attach a copy of this table of expenditures, together with a copy of the one on construction which I previously sent you. I think you might be interested in looking at them together.

2. I am sending copies to Mr. Towers, Mr. K.W. Taylor and Mr. Drury.

*L.D.W.*

L.D.W.

*(Copy circulated  
to DL2, Amer Div  
& Econ Div)  
Jan 27  
MW*

*15.1.13 (55)  
14.1.43 (05) SK*

CONFIDENTIAL  
SECURITY INFORMATION

USAF EXPENDITURES IN NORTHEAST CANADA

AGENCY & PERIOD	LOCAL PROCUREMENT	CIVILIAN LABOR	PERSONAL OFF-BASE	TOTAL
<u>USAF (Direct)</u>				
1 Oct 1950 thru 30 June 1951	2,025,000	4,837,500	900,000*	7,762,500
1 July 1951 thru 30 June 1952	5,025,094	9,458,291	1,606,085*	16,089,470
1 July 1952 thru 31 Oct 1952	1,386,496*	2,723,008*	477,348*	4,586,852
Sub Totals	8,436,590	17,018,799	2,983,433	28,438,822
<u>USAF (Thru Corps of Engineers)</u>				
Calendar Year 1951				
By Contractors	2,867,869	4,122,129	54,140*	7,047,315
By Government	0	3,177		
Calendar Year 1952				
By Contractors	8,781,816	16,257,391	316,200*	25,449,267
By Government	0	93,860		
Sub Totals	11,649,685	20,476,557	370,340	32,496,582
TOTALS	20,086,275	37,495,356	3,353,773	60,935,404

\* Estimated

NOTE: No information available for dates prior to those shown.

**CONFIDENTIAL**  
**Security Information**

13 November 1952

**USAF CONSTRUCTION IN NORTHEAST CANADA**  
(All amounts in thousands)

<u>INSTALLATIONS</u>	<u>COST TO 1949</u>	<u>SUBSEQUENT PROGRAMS</u> (1)	<u>PLANNED PROGRAMS</u> FY 1953    FY 1954 (3)	<u>TOTAL</u>	
<u>Leased Bases</u>					
Ernest Harmon	15842	73413	15815	27000	132070
McAndrew	24075	0	0	0	24075
Pepperrell	25608	4889	2049 (2)	5400	37946
Sub Total	65525	78302	17864	32400	194091
<u>Goose Bay</u>	554	63305	35901	40000	139760
<u>Other</u>					
Misc. Small	(4)				
Installations	24420	0	0	1878	26298
Radar, Globecom Etc.	0	76223	11100	29000	116323
	24420	76223	11100	30878	142621
<u>Total</u>	90499	217830	64865	103278	476472
		308		168	

Notes:

- (1) FY 1949 to FY 1952, inclusive.
- (2) Includes \$1,424,000 for warehousing which may be deleted or reprogrammed.
- (3) Tentative - not firm.
- (4) Includes Crystal I, Crystal II, Mingan Apt at which U.S. construction was purchased by Canada under Note No. 238, 23-27 June 1944.

CANADA

CONFIDENTIAL

UNITED STATES

SECURITY INFORMATION  
PERMANENT JOINT BOARD ON DEFENSE

WASHINGTON 25, D. C.

AMERICAN SECTION

ROOM 2524 2A878

PENTAGON BUILDING

*File WFB*

File PJB 104-22

50209-40  
92150

9 January 1953

Dear Doctor MacKay:

Following up my last letter on the subject, you will find attached hereto a summary of USAF expenditures, aside from capital expenditures, from 1 October 1950 to and through the calendar year 1952.

I believe this concludes the compilation of information which you have requested. If there is anything further which we can contribute please let us know.

Sincerely yours,

1 Incl  
Summary, as  
above

*J. F. Whiteley*  
John F. Whiteley, Colonel, USAF  
for R. L. WALSH  
Major General, USAF  
US Air Force Member

*MSB*  
Doctor R. A. MacKay  
Department of External Affairs Member  
Permanent Joint Board on Defense, Canada-U.S.  
Room 276, East Block, Parliament Buildings  
Ottawa, Ontario, Canada

CONFIDENTIAL  
SECURITY INFORMATION

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CONFIDENTIAL  
SECURITY INFORMATION

USAF EXPENDITURES IN NORTHEAST CANADA

AGENCY & PERIOD	LOCAL PROCUREMENT	CIVILIAN LABOR	PERSONAL OFF-BASE	TOTAL
<u>USAF (Direct)</u>				
1 Oct 1950 thru 30 June 1951	2,025,000	4,837,500	900,000*	7,762,500
1 July 1951 thru 30 June 1952	5,025,094	9,458,291	1,606,085*	16,089,470
1 July 1952 thru 31 Oct 1952	<u>1,386,496*</u>	<u>2,723,008*</u>	<u>477,348*</u>	<u>4,586,852</u>
Sub Totals	8,436,590	17,018,799	2,983,433	28,438,822
<u>USAF (Thru Corps of Engineers)</u>				
Calendar Year 1951				
By Contractors	2,867,869	4,122,129	54,140*	7,047,315
By Government	0	3,177		
Calendar Year 1952				
By Contractors	8,781,816	16,257,391	316,200*	25,449,267
By Government	0	93,860		
Sub Totals	<u>11,649,685</u>	<u>20,476,557</u>	<u>370,340</u>	<u>32,496,582</u>
TOTALS	20,086,275	37,495,356	3,353,773	60,935,404

\* Estimated

NOTE: No information available for dates prior to those shown.

CONFIDENTIAL  
SECURITY INFORMATION

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CABINET DEFENCE  
COMMITTEE

Document No. D-2-53

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COPY NO. 6

THIS DOCUMENT IS THE PROPERTY OF THE GOVERNMENT OF CANADA

~~SECRET~~ 40

MEMORANDUM TO THE CABINET DEFENCE COMMITTEE

JAN. 8, 1953

Control of Air Defence Forces and the United  
States Northeast Command Operating over Canada

1. The Committee will recall that at the 90th meeting on 14 November, 1952, they considered the matter of Canada-United States military installations in Newfoundland and Labrador, and noted that in informal discussions the USAF had indicated that they were prepared to assign squadrons to the US Northeast Command and place them under Canadian operational control while operating in Canadian Air Space. The following is a report of the arrangements which have been made.

2. The Canada-United States Military Cooperation Committee have met and drafted a revised command appendix to the Canada-US Emergency Defence Plan in which the principles governing the control of air defence forces are outlined. This paper has been approved by the US Joint Chiefs of Staff and the Canadian Chiefs of Staff.

3. The revised appendix states that the command of forces will be in accordance with the command structure of Canadian and US armed forces, except where otherwise specified by the Governments or Chiefs of Staff of Canada and the United States, and subject to the principles set forth hereunder:

- (a) any forces located in Canada will operate under a Canadian Commander;
- (b) any forces located in the United States or Alaska will operate under an American Commander;
- (c) regardless of the area in which operating, the forces will come under the immediate command of a commander designated by the country furnishing the force;
- (d) regardless of the area in which operating, internal administration shall be the prerogative of the country furnishing the force; and
- (e) commanders who are responsible for operations should participate in the preparations of plans for such operations.

4. The following exceptions to the above principles were also agreed:

- (a) paragraph 3(a) does not apply to forces stationed at the US 99 year leased bases. This exception, however, is modified in so far as air defence forces are concerned in paragraph 4(b);
- (b) US air defence forces in Newfoundland operating over Canadian territory will come under the operational control of a Canadian Commander. Operational control, however, excludes re-deployment. The US Commander-in-Chief, Northeast Command, has the authority to re-deploy US air defence forces within the area of his command, but where possible, movement of these forces will be

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- 2 -

co-ordinated with the Canadian Commander. Before deploying US forces to a base in Canada outside the leased bases, authority must be sought from the Canadian Commander, except where the deployment is of a temporary tactical nature. In any case, the Canadian Commander is to be informed of any deployment of US air defence forces into, within, or out of Canadian territory; and

- (c) any deviation from the principle outlined in paragraph 3(a) applicable to the US forces at Goose Bay are the subject of special arrangements approved by the Canadian Chiefs of Staff.

5. Since these command arrangements may involve deployment of US forces in Canada in peacetime, it will be noted that in paragraph 4(b), above, the US Commander-in-Chief, Northeast Command, is required to request authority from the Canadian Commander for any re-deployment in Canada outside the leased bases. In order that the Government may exercise control over the number of US troops stationed in Canada in peacetime, the Air Officer Commanding, Air Defence Command is being instructed to forward any such request for authority for re-deployment to National Defence Headquarters for Government approval.

(Brooke Claxton)  
Minister.

Department of National Defence  
8 January, 1953



OFFICE OF THE CHAIRMAN, CHIEFS OF STAFF  
OTTAWA

7 January, 1953.

Under-Secretary of State  
for External Affairs,  
East Block,  
Ottawa, Canada.

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52 | 58

1 With reference to Letter No. 2451 of 29 December, 1953, from the Canadian Ambassador, Washington, regarding conversations between Dr. Solandt and Mr. Arneson of the State Department concerning continental defence in which the first sentence of paragraph three reads as follows:

"Our understanding of the view of the United States authorities is that the northern line is regarded by them as having equal priority with the southern line."

In this regard I would draw attention to the paper used by Admiral Radford during the consultation meeting held on 22 October which is entitled "Informal Views on and Actions of the United States relative to continental defence missions", at which time it will be recalled I obtained a copy. The second paragraph on page two of this paper states as follows:

"We seek to bring into a high state of readiness over the next two years:

- (a) stronger fighter interceptor and anti-aircraft forces;
- (b) the northern Canadian early warning line, if proved feasible by current project CORRODE and the studies now in process;
- (c) an air control system;
- (d) gap filler radars for low altitude surveillance;
- (e) systems for the distant detection of submarines; miscellaneous plans for relocation of parts of the government;
- (f) miscellaneous programs in regard to internal security and civil defence."

It will be noted that the above paragraph gives the intentions of the US Chiefs of Staff over the next two years. In the following paragraph from this paper, which reads as follows:

"It is considered that an early warning system providing a minimum of at least two hours is an immediate necessity. The Southern Canadian detector line and the Alaska and Northeast air control and warning systems should be completed as early as possible. Seaward extensions should be provided beginning with the Atlantic extension."

it will be observed that the southern detector line is to be completed as early as possible.

- 2 -

It will be further observed that in the final paragraph of this paper, which is quoted below, the only proposal actually put to Canada is to initiate action on the early warning system as outlined in the Interim Report of the Study Group. The relative portion of the final paragraph from the US paper reads as follows:

"On the 20th of October the US Joint Chiefs of Staff forwarded to the US Section of the Permanent Joint Board on Defence a request that necessary action be initiated to obtain agreement with the Canadians on the requirement for an early warning system in Canada as outlined in the interim report submitted by the Canada-US Military Study Group, and to obtain such other agreements as may be appropriate and necessary for the early implementation of the project."

The recommendation of the Study Group reads as follows:

"There be established at the earliest practicable date an early warning line located generally along the 55th parallel between Alaska and Newfoundland. The minimum operational requirements for this early warning line should be:

- (a) A high degree of detection capability against all forms of penetration by hostile aircraft.
- (b) Capability of discrimination between incoming and outgoing aircraft."

2 It will be recalled that I raised this matter as an observation on Admiral Radford's statement, which is shown on page 12, paragraph 24 of the Record of the Meeting of Consultation held on 22 October. Further, I would draw attention to the fact that I emphasized that the Canadian Chiefs of Staff had certain misgivings regarding the early warning line and this is shown in the Record of the Meeting of Consultation held on 6 November on page three, paragraph five, final sentence. In this discussion I referred to the previous conversations I had with General Bradley regarding our worries over the distant early warning line.

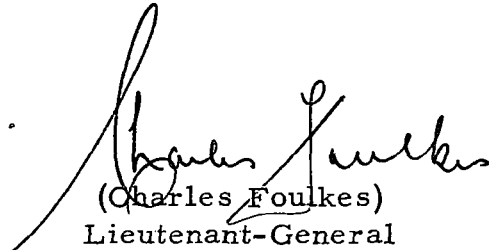
3 From these quotations it will be obvious that the only question which was submitted to the Canadian Chiefs of Staff and later to the Canadian Government for consideration was the implementation of the recommendation contained in the Interim Report of the Study Group, i.e. the establishment of the southern line, and there was no discussion except a passing reference to the northern line, to which we immediately took exception. Therefore, I cannot agree with the assumption of Mr. Arneson that the same priority is attached to the northern line as to the southern line. A careful examination of Admiral Radford's paper does not bear this out, and also the establishment of a northern line must be a joint undertaking.

4 As this matter was only casually referred to by the US Joint Chiefs of Staff and was not contained in their recommendations for discussion, I feel it should be pointed out to the American authorities that no assumption should be made regarding any other joint measures for continental defence until they have been put forward by the US Joint Chiefs of Staff and have received joint consideration.

TOP SECRET

- 3 -

I would further suggest that we should not embark on any further discussions on continental defence outside the joint Study Group set up for this purpose, or until such time as the US Joint Chiefs of Staff put forward new proposals as our authorities are fully engaged in implementing the decision regarding the southern line.

  
(Charles Foulkes)  
Lieutenant-General  
Chairman, Chiefs of Staff

(Note for file -  
Mr. Heenan saw this letter  
when he was in Ottawa  
on Jan. 7)  
NH

Extract from the Journal  
of the  
Permanent Joint Board on Defence  
January 1953

50209-40

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3 Jan 53

8. (SECRET) Air Defence Forces in Newfoundland and Labrador.

(a) Operational Control.

The U.S. Air Force Member reported that the problem of operational control of Air Defence Forces in Newfoundland and Labrador which had been before the Board in one form or another on several occasions,

had been resolved by a revised Command Appendix to the Canada - United States Emergency Defence Plan (Appendix "F" to MCC 300/3). This was approved by the U.S. Joint Chiefs of Staff on December 10, 1952.

The Canadian Air Member reported that the Canadian Chiefs of Staff had recommended approval of Command Appendix "F" and it was hoped that approval of the Canadian Government would be obtained in the near future.

(b) U.S.A.F. Fighter Defense Requirements.

The U.S. Air Force Member referred to the discussion reported in Section 11 of the Board's Journal for September 1952 with respect to the posting of a U.S.A.F. Fighter Squadron at Torbay, and to the request of the Canadian Chairman for a study to be prepared by the U.S.A.F. supporting the need for the U.S. proposal. He reported that subsequent to the September meeting of the Board, at a R.C.A.F. - U.S.A.F. discussion concerning the preparation of the study, it was concluded that the matter could best be handled through MCC channels. As a result the U.S. Section of the MCC was preparing a paper supporting basing of U.S.A.F. Air Defence Forces in the NEAC area at places other than the Leased Bases on the Island of Newfoundland. This paper was to be submitted to the Canadian Authorities through the Canadian Section of the MCC. Consequently it was considered that a separate U.S.A.F. study, as mentioned in the Journal of the meeting for September, 1952, was not required.

The Canadian Chairman expressed satisfaction that the study of this problem had been undertaken by the MCC. He agreed that under the circumstances that the separate study for submission to the Canadian Section of the Board as stated in the Journal of the September, 1952 meeting, was no longer required.

(c) Status of U.S.A.F. Fighter Squadron at Goose Bay.

The U.S. Air Force Member referred to the discussions recorded in Section 10 of the Board's Journal of September, 1952, concerning the stationing of a fighter squadron at Goose Bay on or about October 1, 1952. He reported that on receiving notification of Canadian views regarding the U.S. intention, the deployment of the squadron was deferred until an understanding could be reached with the Canadian Government. A suitable arrangement was completed by October 14, 1952 when the Chief of the Air Staff, R.C.A.F. sent a message to the Chief of Staff, U.S.A.F. informing him that the Canadian

Government had concurred in the temporary deployment of the unit with the understanding that the move would be made:

- (i) without prejudice to the then pending operational command arrangement;
- (ii) without prejudice to a further decision as to whether Fighter Defence Forces at Goose Bay would be United States or Canadian; and that
- (iii) Any interception in the meantime would be strictly in accord with Canadian regulations.

The U.S.A.F. in turn agreed to this understanding and the 59th Fighter Squadron, consisting of 12 aircraft, 54 officers, and 194 airmen, was deployed to Goose Bay in November 1952.

The Board took note of the arrangements which had been completed with respect to the deployment of the U.S.A.F. Fighter Squadron at Goose Bay.

~~DIARY~~  
FILE COPY

MINISTER'S HANDBOOK  
W.H. Barton/pro

January 3, 1953

UNITED STATES DEFENCE ACTIVITIES  
IN CANADA

50209-40 vol 2  
961 ✓

The principle of joint participation has governed Canadian policy with respect to foreign military activities in Canada. The Ogdensburg Declaration, out of which grew the Permanent Joint Board on Defence (see separate note) emphasized the joint responsibility of Canada and the United States for the defence of North America, a theme which has dominated the work of the Board for the past twelve years. While Canada has cooperated fully with the United States in joint defence the Canadian Government has been insistent on the preservation and recognition of those Canadian rights which affect the sovereignty of Canada.

During the last war there were many U. S. defence activities and installations on Canadian soil, notably the Alaska Highway, a series of airfields, and weather stations. By



- 2 -

the end of 1946 Canada had taken over nearly all of these installations. The only exclusively U. S. installations which have remained in Canada since the last war are:

(a) The three areas on Newfoundland leased to the United States for 99 years under an agreement of 1941. This agreement was modified in 1951 in accordance with the terms of a Recommendation of the Permanent Joint Board on Defence, and recorded in an Exchange of Notes in February and March 1952 (tabled in the House of Commons on May 2, 1952). This was followed by the extension to Newfoundland on June 1, 1952, of the Visiting Forces (U.S.A.) Act.

A separate Exchange of Notes took place on April 28 and 30, 1952, regarding the application to the Leased Bases of the NATO Forces Agreement. This Exchange of Notes has not yet been tabled. It will not come into force until both countries have deposited their ratifications of the NATO Forces Agreement.

(b) Some land at the R.C.A.F. station at Goose Bay. A 20-year lease has been concluded with the United States for the use of the U.S.A.F. area at Goose Bay. The Exchange of

- 3 -

Notes covering the Lease took place on December 5, 1952. The Notes were tabled in the House of Commons on December 16, 1952. On November 26, it was announced in the House of Commons that permission had been granted for the deployment of a U.S.A.F. interceptor squadron at Goose Bay.

(c) Three Loran stations operated by the U. S. Coast Guard in Newfoundland will be transferred to the Department of Transport not later than September 1, 1953.

Canadian policy on defence collaboration in the post-war period was clearly set out in a statement issued in Ottawa and Washington on February 12, 1947 (attached as Appendix A to separate Note on PJBD). In accordance with this policy the following U. S. activities now take place on Canadian soil:

(1) Arctic Weather Stations. These are jointly operated by Canada and the United States, each station being under the command of a Canadian officer. They are not a defence activity.



- 4 -

(2) Extension of the Continental Radar

Defence System. Canada and the United

States have agreed to an extension of the continental radar defence system in Canada.

There was an exchange of notes dated August 1 and August 7, 1951, which has not been made public; we are now making enquiries to see if this exchange can be published. Extension will involve about thirty radar installations on Canadian soil, fourteen of which will be manned by the R.C.A.F. and the remainder by the U.S.A.F. There is an average of about two hundred men at each station. Canada is paying one-third of the cost, and the United States two-thirds of the cost of construction, operation and maintenance. Most of the extended network should be in operation some time in 1953.

(3) Global Communications Sites The United States was granted permission in November, 1951, to construct and operate global communications facilities near Harmer Leased Base in Newfoundland. Facilities at Goose Bay are to be constructed under the terms of the Goose Bay lease. The United States has agreed to a flexible form of tenure for the site near Harmer Air Force Base which, in effect, allows the station to continue in operation only as long as Canada agrees to its necessity. This arrangement was recorded in a confidential EXchange of Notes which took place on November 4 and 8, 1952. We have requested the United States Government to agree to declassification of the Notes so that they may be tabled; but have received no reply as yet.

. . . 5

- 5 -

(4) Torbay. The United States has obtained on short term lease (one year, terminable on thirty days' notice) all the unused buildings which were built at Torbay during the last war. The U.S.A.F. has established a General Depot at Torbay Air port and uses the airfield very extensively for administrative flights, since the nearby leased base at Pepperrell has no airfield of its own.

(5) Frobisher Bay. In 1951 the United States was given permission to station about 150 men at Frobisher Bay to assist in U.S. operations in the Far North. The R.C.A.F. provides the commanding officer and operates the control tower.

(6) Padloping Island Weather Station. This is the last of a series of weather stations still operated exclusively by the United States. Transfer to Canada has not been made because of shortage of Canadian technicians.

(7) Churchill. There is a detachment of U.S. troops at Churchill working with Canadian forces on testing and experiment in cold weather.

(8) Other U.S. Activities. Reciprocal arrangements under which the Air Forces of each of the two countries may intercept unidentified aircraft over the territory of the other, in accordance with a Recommendation of the Permanent Joint Board on Defence, was announced in the



- 6 -

House of Commons on December 1, 1952.

Interceptor aircraft must obey the rules of interception procedure laid down by the country over which the interception is made.

There are integrated officers of the U.S. forces in Canadian headquarters and formations and integrated Canadian officers in the United States. There is an exchange of students between the Staff Colleges of the two countries. U.S. students attend National Defence College but no Canadian students are at the U.S. National War College.

Procedures for the movement of ground forces, military equipment, aircraft and ships between the two countries have been much simplified during and since the war. Many joint exercises are carried out in Canada with a minimum of formality.

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CONFIDENTIAL

Ottawa, December 11, 1952.

Dear Colonel Whiteley,

Thank you very much for your letter of December 4 with the enclosed table on USAF construction expenditures in northern Canada. My Minister has asked me to express to you his personal thanks for this information.

I enclose the receipt, as requested.

Yours sincerely,

R. A. MacKAY

R. A. MacKay

Colonel John F. Whiteley,  
Permanent Joint Board on Defense  
Canada-United States,  
United States Section,  
Office of the Military Members,  
The Pentagon,  
Washington 25, D.C.

CONFIDENTIAL

Ottawa, December/8, 1952

*MacKay*  
*WMB*  
*See my B.P.*  
*to see file*  
*Mr*

MEMORANDUM FOR THE MINISTER

U. S. Defence Expenditures in  
Northeast Canada

50209-10  
5252

Some time ago you asked for information about U. S. "investment" in defence in Northeast Canada, and current expenditures on local procurement and employment there. MacKay has been endeavouring to get this information through his opposite number on the PJBD. Attached is a first instalment covering investment which indicates a total of over \$476 million by the end of 1954.

*R*  
C. S. A. Ritchie.



United States Section  
Office of the Military Members C O P Y  
The Pentagon  
Washington 25, D.C.

CONFIDENTIAL

PERMANENT JOINT BOARD ON DEFENSE  
CANADA-UNITED STATES

4 December 1952

File: PJB 104-22

Dear Doctor MacKay:

Since my last interim reply to you on the subject of economic implications of U.S. defence activities in the Canadian Northeast, certain data has been received from Headquarters, USAF, relative to capital investment, prior, current and planned, as indicated on the attached tabulation.

No information has yet been received relative to local procurement, employment payrolls and expenditures by personnel. Action has, however, been initiated to obtain such information from other sources and it will be made available to you immediately upon its receipt.

Sincerely yours,

/S/ JOHN F. WHITELEY, Colonel, USAF

Major General, USAF  
US Air Force Member

1 Incl  
Tabulation

Doctor R. A. MacKay  
Department of External Affairs Member  
Permanent Joint Board on Defense, Canada-U.S.  
Room 276, East Block, Parliament Buildings  
Ottawa, Ontario, Canada

CONFIDENTIAL

13 November 1952

USAF CONSTRUCTION IN NORTHEAST CANADA  
(All amounts in thousands)

<u>INSTALLATIONS</u>	<u>COST TO 1949</u>	<u>SUBSEQUENT PROGRAMS (1)</u>	<u>PLANNED PROGRAMS FY 1953 FY 1954 (3)</u>	<u>TOTAL</u>
<u>Leased Bases</u>				
Ernest Harmon	15842	73413	15815	27000 132070
McAndrew	24075	0	0	0 24075
Pepperrell	25608	4889	2049 (2)	5400 37946
Sub Total	<u>65525</u>	<u>78302</u>	<u>17864</u>	<u>32400 194091</u>
<u>Goose Bay</u>	554	63305	35901	40000 139760
<u>Other</u>				
Misc. Small				
Installations	24420 (4)	0	0	1878 26298
Radar, Globecom Etc.	0	76223	11100	29000 116323
	<u>24420</u>	<u>76223</u>	<u>11100</u>	<u>30878 142621</u>
<u>Total</u>	90499	217830	64865	103278 476472

Notes:

- (1) FY 1949 to FY 1952, inclusive.
- (2) Includes \$1,424,000 for warehousing which may be deleted or reprogrammed.
- (3) Tentative-not firm.
- (4) Includes Crystal I, Crystal II, Mingan Apt at which U S. construction was purchased by Canada under Note #238, 23-27 June 1944.

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file

Not sent

December 8, 1952.

MEMORANDUM FOR THE MINISTER

U.S. Air Bases in Canada

Attached is a copy of an editorial in the  
Toronto Star of December 4 under the above title.  
Although quite misleading from the standpoint of fact,  
it indicates clearly that the Star approves of the  
presence of United States forces in Canada for purposes  
of joint defence.

C.S.A.R.

8.12.24(us)

TORONTO STAR - December 4, 1952

U.S. AIR BASES IN CANADA

Canada stands between Russia and the United States, the foremost nations of, respectively, the free and Communist-slave worlds. To attack the great industrial centres of America, Russian bombers would have to fly across Northern Canada. It would be unreasonable for Canada to accept the whole responsibility for protecting U.S. communities against heavy bombing attacks. The task would be much too great for this country to undertake.

The United States and Canada have joint plans for the defence of this continent which are being developed and put into effect by a joint defence board. It is imperative that between them these allied countries should maintain an effective radar screen across the thousands-of-miles-wide approaches to bombing targets north and south of the international boundary line. With the radar screen must be associated fighter bases, designed to turn back or destroy enemy bombers that come across the Arctic circle. These may save great Canadian and American centres of population from devastating bombing attacks and also serve as a guard for U.S. atomic and other strategic bombers on the ground.

The Canadian government now has given permission for U.S. fighter bases to be located in the Canadian northwest, hundreds of miles north of the international boundary. American planes there will collaborate with Canadian fighter planes. U.S. strategic bombers will continue to be based in Nebraska, but to shorten the distance that they would have to fly on bombing attacks they may use the new U.S. bases in Canada for final take-off purposes.

This country and the United States have fighter bases (as well as troops) in Europe. NATO has arranged that the United States, in the division of fighting responsibilities between member nations, should major on strategic

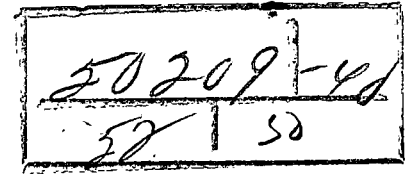
- 2 -

bombing and Britain on tactical bombing and interception. Now that Britain has the atomic bomb it may be necessary to review and modify arrangements made a year or two ago.

International boundaries are comparatively unimportant in the drawing up of mutual defence plans. Partners in the preservation of human liberty should not be too touchy about their sovereignties. The governing consideration should be the building up of sure defences. The maintenance of peace and the thwarting of aggression are the prime objectives.

New defence plans call for U.S. fighter bases to be established in Labrador and Newfoundland as well as in the Canadian northwest. The United States has large bomber bases in Britain and many other countries. Britain's combat planes are by no means confined to her own territories. In these matters, all arrangement should be put on a reciprocal basis, whenever possible, and the utmost deference be shown for the national sensibilities of allied peoples.

R.A. MacKay/gmd



December 5, 1952.

Dear Hume,

Attached is a very sensible editorial from today's Montreal Gazette entitled "Northern Approaches" which supports generally the Government's policy of co-operation with the United States in air defence.

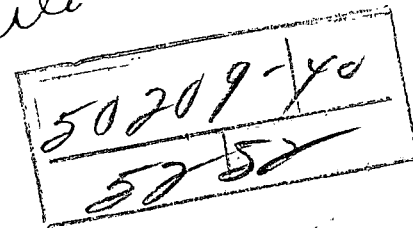
Yours sincerely,

R. A. MacKay

R.A. MacKay.

Hume H. Wrong, Esq.,  
Ambassador,  
Canadian Embassy,  
WASHINGTON, D.C.

5.11.25/55)



December 5, 1952.

*Copy on 50210-40*

MEMORANDUM FOR THE MINISTER

Attached is a clipping from the editorial page of the Montreal Gazette of December 5 entitled "Northern Approaches". It is a very sensible editorial, generally supporting the Government's policy of co-operation with the United States in air defence. You may be interested in reading it.

*Rt*  
L.D.W.

6-12-6 (SS)  
5.12.29 (JS)

000513



## DEPARTMENT OF EXTERNAL AFFAIRS

Subject.....

Date..... DEC 5 - 1952..... Publication..... MONTREAL GAZETTE.....

### NORTHERN APPROACHES

What Communists in Canada say may be of very considerable importance. It is not important, to be sure, considering who these Communists are in themselves. But no local Communist is expressing his own ideas. They speak on orders. As the orders come from Moscow, what they say becomes quite interesting.

Anyone who follows the official Communist line in Canada, especially as expressed in the pages of The Canadian Tribune, will find one theme vibrating above all others. It is the idea of separating Canada from the United States.

At times this policy assumes absurd twists and turns. In a very recent issue, The Canadian Tribune had an article upon William Lyon Mackenzie, a leader of the political rebellion in Upper Canada in 1837. The article concluded with the thought that as Mackenzie had fought for the freedom of Canada from the undemocratic rule of the old days, so a still greater struggle awaits Canadians. It is the fight to free Canada from the domination of the United States. Would that Canada had another Mackenzie!

No doubt there are many reasons why Moscow would like to see trouble between Canada and the United States. But one reason has become very plain. The defence of North America is to be had only by the closest co-operation. In particular, the sky of North America has to be considered as one defensive area or element. Any tendency to divide the air along national lines would open promising opportunities for any Communist attack. The northern air is far too vast for merely national defence. The only security is in co-operation.

The old flat maps that were displayed in school — on the principle of Mercator's Projection — gave a very poor idea of how close is the peril by air. It made the north seem so immense that a plane from another land would almost lose its way, or drop from sheer exhaustion of fuel.

But when the situation is considered on the newer maps, or upon a globe, the distance is frighteningly small. The barren north is the natural route of invasion. The question of how the invaders would ever get back is not of much importance now. If they were able to deliver an

atomic bomb, the loss of a few planes would be an insignificant consideration. The freight has become vastly more important than the plane that carries it.

One of the best achievements in Canadian defence has been the relative readiness of the Canadian Government to recognize that there is no map of the sky, drawn upon concepts of nationality. Nor is it enough to allow the Americans to come in when the invasion from the air actually begins.

Building air defences in the vast north is a matter of years in time and billions in money. It means radar stations and airfields, and all the necessary equipment and staff and alertness and training. It can be brought into being only by long years of frank and friendly and thorough co-operation and experiment.

Too much publicity has not been given to what is taking place. This, on the whole, is sound policy. But there is something very heartening when the Minister of National Defence indicates in the House, as he did this week, that solid and progressive action is taking place to strengthen the far defences of the north, recognizing that the job is too big for Canada alone, and too much Canada's problem not to need American assistance.

More than this, the defence of the United States is Canada's problem, too. The United States is the final heart of the defence of all free nations that want to stay free. Since Canada happens to lie above the United States, commanding the approaches from Russia, the security of the United States must depend very largely upon Canada's attitude.

There are those in Canada who are quite ready to take exaggerated views of Canada's independence, to the practical exclusion of the co-operation that alone can give that independence security. It reflects credit on Hon. Brooke Claxton and his colleagues that they have taken the larger view.

No doubt the measure of co-operation for the defence of the air will grow as time passes. Any measures that Mr. Claxton may take to enlarge the role of the United States in the defence of the northern approaches by air deserve sound understanding and firm support.

Copy ~~sent~~ to:  
MND  
Chm Embassy Wash.

File →  
WRB

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# The Gazette

FOUNDED JUNE 3, 1778

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MONTREAL, FRIDAY, DECEMBER 5, 1952

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**CONFIDENTIAL**  
**SECURITY INFORMATION**  
**PERMANENT JOINT BOARD ON DEFENSE**  
**CANADA-UNITED STATES**

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*File  
Rosen*

UNITED STATES SECTION  
OFFICE OF THE MILITARY MEMBERS  
THE PENTAGON  
WASHINGTON 25, D. C.

File PJB 104-22

4 December 1952

Dear Doctor MacKay:

Since my last interim reply to you on the subject of economic implications of U. S. defense activities in the Canadian Northeast, certain data has been received from Headquarters, USAF, relative to capital investment, prior, current and planned, as indicated on the attached tabulation

No information has yet been received relative to local procurement, employment payrolls and expenditures by personnel. Action has, however, been initiated to obtain such information from other sources and it will be made available to you immediately upon its receipt.

Sincerely yours,

1 Incl  
Tabulation

*J. F. Whiteley*  
John F. Whiteley, Colonel, USAF  
for R. L. WALSH  
Major General, USAF  
US Air Force Member

Doctor R. A. MacKay  
Department of External Affairs Member  
Permanent Joint Board on Defense, Canada-U.S.  
Room 276, East Block, Parliament Buildings  
Ottawa, Ontario, Canada

**CONFIDENTIAL**  
**SECURITY INFORMATION**

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**SECURITY INFORMATION**

13 November 1952

USAF CONSTRUCTION IN NORTHEAST CANADA  
(All Amounts in Thousands)

<u>INSTALLATIONS</u>	<u>COST TO 1949</u>	<u>SUBSEQUENT PROGRAMS (1)</u>	<u>PLANNED PROGRAMS FY 1953</u>	<u>FY 1954 (3)</u>	<u>TOTAL</u>
<u>Leased Bases</u>					
Ernest Harmon	15842	73413	15815	27000	132070
McAndrew	24075	0	0	0	24075
Pepperrell	25608	4889	2049 (2)	5400	37946
Sub Total	<u>65525</u>	<u>78302</u>	<u>17864</u>	<u>32400</u>	<u>194091</u>
<u>Goose Bay</u>	554	63305	35901	40000	139760
<u>Other</u>					
Misc. Small					
Installations	24420 (4)	0	0	1878	26298
Radar, Globecom Etc.	0	76223	11100	29000	116323
Sub Total	<u>24420</u>	<u>76223</u>	<u>11100</u>	<u>30878</u>	<u>142621</u>
<u>Total</u>	90499	217830	64865	103278	476472

Notes:

- (1) FY 1949 to FY 1952, inclusive.
- (2) Includes \$1,424,000 for warehousing which may be deleted or reprogrammed.
- (3) Tentative-not firm.
- (4) Includes Crystal I, Crystal II, Mingan Apt at which U. S. construction was purchased by Canada under Note #238, 23-27 June 1944.

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CONFIDENTIAL

**SECURITY INFORMATION**

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*Luc*

Extract from the  
House of Commons Debates  
Monday, December 1, 1952.

File 50209-40  
WTHVB.

**EXTERNAL AFFAIRS**

**INVESTIGATION OF PLANES OVER CANADIAN  
TERRITORY BY UNITED STATES AIRCRAFT**

On the orders of the day:

**Mr. M. J. Coldwell (Rosetown-Biggar):** I should like to direct a question to the acting Secretary of State for External Affairs, the Minister of National Defence. Under what authority do United States planes cross into Canada for the purpose of investigating planes flying over Canadian territory?

**Hon. Brooke Claxton (Acting Secretary of State for External Affairs):** As hon. members know, the defence of North America must be regarded as a single operation, and in consequence of recommendations of the permanent joint board an arrangement has been worked out related to the defence of North America against air attack. The important element in this arrangement is that air defence identification zones have been set up along both sides of the international border and along both coasts. Civil aeronautical regulations require that any aircraft operating in these zones should file flight plans.

Any unidentified aircraft flying in an air defence zone near the international border and apparently heading toward the border is liable to interception for purposes of identification by military aircraft of the country towards which the unidentified aircraft is believed to be headed. For this purpose United States air force aircraft may cross the border into Canada and R.C.A.F. aircraft may cross into the United States. Interceptor aircraft must obey the rules of interception procedure laid down by the country over which the interception is made. United States aircraft when flying over Canada are not permitted to order any aircraft to land.

With respect to the press report which gives rise to this matter, I think I should say that the *Globe and Mail* refers to three specific incidents. The information made available to me by officers of the R.C.A.F. and by the Department of Transport would indicate that one incident referred to as taking place recently and involving a Leavens Brothers aircraft actually took place in 1950 long before this arrangement was in effect. Another incident referred to concerned an Austin Airways plane. This, I am informed, related to an incident that occurred well on the United States side of the border. I am informed that no report regarding the interception of the Ed Thomas-piloted photographic plane has been received by either air force headquarters or the Department of Transport, but from their own information they believe it occurred in March or April of 1952.

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Extract from the  
House of Commons Debates  
Friday, November 28, 1952.

file 50209-40  
W+B

ESTABLISHMENT OF UNITED STATES FIGHTER  
SQUADRONS IN NEWFOUNDLAND

On the orders of the day:

**Mr. G. F. Higgins (St. John's East):** Mr. Speaker, I should like to ask the Minister of National Defence whether he has seen a dispatch in several newspapers today, including the *Gazette* and the *Globe and Mail* to the effect that United States fighter squadrons are to be established in Newfoundland at various points, and whether he is prepared to make comment.

**Hon. Brooke Claxton (Minister of National Defence):** Yes, I have seen these references, and I would be glad to make a statement in view of them. It had been intended that a statement would be made on the subject before this, but it was necessary, in the practice of international courtesy, to clear the statement with the United States authorities before it was made. That statement was cleared on November 25 and I am informed that it was issued that day by External

Affairs to the Canadian Press. I do not think however that it has appeared in the press, except in the form to which the hon. member referred.

The statement is as follows:

In the agreement between the Canadian and Newfoundland governments at the time of the construction of Goose Bay air base, it was agreed that the base should be available to the USAF for the duration of the war and for such time thereafter as the governments agreed was necessary in the interests of common defence. The USAF have remained at Goose Bay with the consent of the Canadian government since the war.

In view of the increased international tension during the last three years the USAF and RCAF facilities at Goose Bay have been considerably expanded. The base is, in effect, a joint defence installation and is being used by both air forces in accordance with their agreed requirements.

As a result of this situation there have been USAF squadrons at Goose Bay from time to time.

I should add despite the fact that this has not been cleared with the United States authorities, I think the house is entitled to the information, and newspaper reports make it necessary—that this is part of the Canadian-United States regional security arrangements under the North Atlantic Treaty Organization. Under these arrangements we have had considerable formations training in the United States, and they have had considerable formations training in Canada.

I recall for example the 25th brigade training at Fort Lewis, and almost all amphibious training of Canadian forces has been done in the United States. This is an arrangement of exactly the same kind, and it should not be regarded as anything else. It will involve from time to time United States squadrons visiting Canadian stations and being stationed there for limited periods of time, subject of course to our preliminary agreement in each case—except with respect to the leased bases—all in accordance with the arrangements we have worked out. In every case—except in the leased bases—the station will continue under Canadian command.

**Mr. Pearkes:** Is it intended to extend this principle to other parts of Canada? The minister made reference to the temporary stationing of units in Canada. But, so far as Goose Bay is concerned, is it not on a more permanent basis?

**Mr. Claxton:** No, there is no intention of stationing any squadron in Canada at the present time. Goose is the only place contemplated within the territory of Canada, except the leased bases.

**Mr. Higgins:** Not the squadron personnel at Torbay?

**Mr. Claxton:** No.

**Mr. Higgins:** Are the facilities of these airports to be increased to take care of this additional use?

**Mr. Claxton:** Torbay is to be expanded to take care of increased supply requirements of the United States air force, particularly pointing toward the northeast, to Greenland. But it is not intended at the present time to increase the operational activities at Torbay.

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PERMANENT JOINT BOARD ON DEFENSE  
CANADA-UNITED STATES

UNITED STATES SECTION  
OFFICE OF THE MILITARY MEMBERS  
THE PENTAGON  
WASHINGTON 25, D. C.

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52	56

*Mr. Barton*  
*File 51*  
*WMB*

File PJB 104-22

25 November 1952

Dear Doctor MacKay:

Following upon my letter dated 7 November regarding the information which you have requested on the economic implications of United States defense activities in the Canadian Northeast, I would like to advise that the Air Staff has not yet completed its compilation of all the figures involved. I talked to the Project Officer yesterday and he informed me that he has substantially all of the information except from the Corps of Engineers. He expected to have that before the end of another week.

I regret that it is taking so long to get this information, and want to assure you that the Air Staff is working on it.

Incidentally, General Walsh went into Walter Reed Hospital for a checkup after his return from South America. I imagine he will be there for several weeks as they are generally pretty thorough in their examinations incident to retirement.

Sincerely yours,

*John F. Whiteley*  
John F. Whiteley, Colonel, USAF  
for R. L. WALSH  
Major General, USAF  
US Air Force Member

Doctor R. A. MacKay  
Department of External Affairs Member  
Permanent Joint Board on Defense, Canada-U.S.  
Room 276, East Block, Parliament Buildings  
Ottawa, Ontario, Canada

28.11.49(4.5.)



RECEIVED  
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OCT 28 1952

1952 NOV 28 AM 10:19

TO: THE SECRETARY OF DEFENSE  
FROM: THE SECRETARY OF EXTERNAL AFFAIRS  
SUBJECT: [illegible]

[The following text is extremely faint and largely illegible, appearing to be a memorandum or letter. It contains several paragraphs of text, some of which may be related to the subject of the document, but the specific details cannot be discerned.]

Mr. Wilfrid  
Mr. Ritchie  
Mr. Macdonnell

File > 50209-40  
CWB

Copy sent -  
50216-20  
11463-40

Ottawa, November 22, 1952.

to see - return plan to  
RAM.

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Memorandum of a Discussion with  
Mr. Hayden Raynor of the  
State Department,  
held on November 20, 1952.

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Sub 59 Chron. 59 Filed...

Mr. Hayden Raynor, of the U.S. State Department, and Mr. Don Bliss, Minister at the U.S. Embassy, called this morning on Mr. MacKay. Also present for the discussions were Mr. Rogers, Mr. Eberts, Mr. Cox, and Mr. Barton. The following topics were discussed:

#### Goose Bay Lease

2. Mr. MacKay referred briefly to the current status in the negotiations concerning the Goose Bay lease and explained the attitude of the Canadian Government that the position of the U.S. forces there was that of joint occupancy of a Canadian base and thus differed from their position at the 99-year lease bases. In order to make this clear, it was proposed to send to the U.S. Ambassador at the same time the lease was signed, a collateral letter, a draft of which was given to Mr. Raynor and Mr. Bliss for consideration. It was intended that the letter should be acknowledged by the Ambassador. There was some discussion of the contents of the letter, and Mr. Bliss undertook to obtain the views of the State Department as soon as possible. Mr. Raynor and Mr. Bliss felt that the draft should be acceptable. Mr. Rogers pointed out the desirability of obtaining agreement on the letter as soon as possible in the hope that it would be possible to sign the letter before Mr. Claxton went to Europe early in December.

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- 2 -

### Canada - United States Defence Relations Generally

3. There was some discussion of the difficulties which Canada had in dealing with U.S. requests concerning proposed U.S. defence installations in Canada. The principal of these was the fact that Canada was not consulted at a sufficiently early stage in the development of plans. This resulted in delay in obtaining Canadian consideration of U.S. proposals. As an example, the situation concerning the Haines - Fairbanks pipeline was cited. Canada first learned of this project at the June, 1952 meeting of the PJBD, when Canadian approval was requested as a matter of urgency. The proposal required negotiations with the B.C. Government which have proven complicated and time-consuming, and thus have delayed Canadian approval. However, the concern of Canadian officials over this delay is tempered by the knowledge that a complete account of the project was published in a U.S. journal as early as December, 1951.

4. Another example of a case where lack of early consultation had delayed consideration by Canada of a U.S. defence project was that of the six additional radar stations which it was proposed should be located in Ontario. This proposal had first been advanced by the U.S. Section of the PJBD in June, 1952, but the information which Canada required prior to consideration of the proposal was not furnished until the September meeting of the Board. This project raises another problem of concern to the Canadian Government, i.e., the stationing of numbers of U.S. troops in populated areas of Canada, which is politically undesirable for a variety of reasons, and causes difficulty whenever it arises.

5. There was some discussion of the situation with respect to U.S. activities and installations in Newfoundland. It was agreed that the recent modification of U.S. proposals concerning Torbay, coupled with the current meetings of the M.C.C. on the question of command

- 3 -

in the Northeastern area of Canada, had done much to ease the concern of the Canadian Government over the position there. In the discussion on this item, Mr. MacKay again drew attention to the firm Canadian policy that a Canadian commander must control air defence operations over Canadian Territory. He also reiterated the concern of the Canadian Government to keep the numbers of U.S. forces situated in populated areas of Canada to a minimum.

6. Mr. MacKay then raised the question of U.S. defence activities in the Arctic. He referred to Project "Lincoln" and expressed concern that it might be considered necessary to superimpose such an expensive scheme on the existing radar network. There followed a general discussion on the implications of Project "Lincoln", during the course of which it was made clear that it was recognized that the proposals involved had not, as yet, been accepted by the U.S. defence authorities, and might never be.

7. Mr. Raynor stated that he appreciated the Canadian position on these matters, and said that the State Department was endeavouring to improve arrangements for consultation with the Canadian authorities on joint defence arrangements. He expressed the view that the tradition of friendly relations between Canada and the United States was built upon frank discussion of difficulties as they arose.

#### St. Lawrence Seaway and Power Project

8. Mr. Eberts asked for the advice of Mr. Raynor as to whether it would be wise for Canada to intervene in the hearings to be conducted shortly before the U.S. Federal Power Commission. There was some discussion of the pros and cons of this action, and Mr. Raynor stated that he would consult his colleagues in Washington and obtain their advice.

DEPARTMENT OF EXTERNAL AFFAIRS  
CROSS REFERENCE SHEET

Security.....

*Top Secret*

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Type of Document... *Memo* ..... No..... Date... *17 Nov 52* .....  
From: *A. H. Mackay (C-101) Reference: (C. H. B. 101)* .....  
To: *Under Secretary* .....  
Subject:

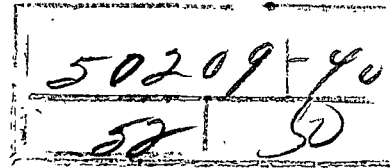
*Posting of US fighter  
squadron  
to Goose Bay*

UPGRADED TO SECRET  
REDUIT A SECRET

Original on File No... *50216-40* .....  
Copies on File No.....  
Other Cross Reference Sheets on... *50246-40* .....

Prepared by... *A. C. W.* .....

R.A. MacKay/gmd

Your File No. PJB 104-22

November 14, 1952.

Dear Colonel Whiteley,

I thank you for your letter of November 7 regarding my enquiry about information on capital expenditures on U.S. bases in Newfoundland. Your suggestion of a reply after the 17th of the month will be quite satisfactory to us since there is no particular urgency in the matter.

Yours sincerely,

R. A. MacKAY

R. A. MacKay,  
External Affairs Member, P.J.B.D.

Colonel John F. Whiteley, USAF,  
United States Section,  
Office of the Military Members  
of the Pentagon,  
WASHINGTON 25, D.C.

To Aer: Mr. B. J. ...  
COR 2 & file on 50209

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CABINET DEFENCE  
COMMITTEE  
Document No. D-384

TOP SECRET

Copy No. 4

NOV-13, 1952

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7/11/52 ✓

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Cde D. B. ...

MEMORANDUM TO THE CABINET DEFENCE COMMITTEE

Canada-United States Military Installations in  
Newfoundland and Labrador

1 The Committee will recall the discussion at the 89th meeting of the Cabinet Defence Committee held on October 9, 1952, at which the Committee discussed the question of United States requirements at Goose Bay and Torbay arising out of the Journal of the Permanent Joint Board on Defence for September, 1952, in which the United States had submitted plans for placing fighter squadrons at Goose Bay and Torbay and for subsequent development of facilities at Torbay to provide a logistical organization to support the United States bases in Newfoundland, Labrador and Greenland.

2 Since this meeting the Chiefs of Staff have had this matter under review and have had certain informal talks with senior United States officials. The Chiefs of Staff have reviewed the United States request for the extension of the Canada-United States air defence scheme to cover the Northeast area, which includes the United States bases and United States installations at Goose Bay. It will be recalled that the present Canada-United States integrated air defence scheme includes radar and control units being set up in St. John's and Gander and the addition of fighter squadrons in Newfoundland and Labrador is the next logical step after providing the radar and control units. The Chiefs of Staff have reviewed the roles of the various United States installations and have come to the conclusion that these bases are of such importance to the implementation of the United States strategical plans that fighter defence of this area is now essential.

3 It is considered that the provision of the additional fighter squadrons for the defence of this area of Canada should ultimately be carried out by the RCAF but owing to other commitments and the unavailability of suitable types of aircraft the RCAF will not be able to carry out these additional air defence tasks until after 1954. It is, therefore, suggested that the USAF should be allowed to carry out these air defence tasks on the condition that as and when the Canadian Government so desires these air defence tasks in Canada will be taken over by the RCAF, and further, that the stationing of air defence squadrons in Newfoundland be restricted at present to the United States leased bases, and that any such air defence squadrons provided by the USAF should form part of the integrated Canada-United States air defence scheme, and come under Canadian operational command while operating in Canadian air space.

4 As a result of a series of informal discussions with United States officials it has now been learned that the United States authorities are prepared to agree to the following proposals:

- (a) that owing to the strong position taken by Canada in regard to Torbay the United States authorities will withdraw their request for the establishment of a logistical base at Torbay;



- 2 -

**TOP SECRET**

(b) that the USAF will withdraw their request for the stationing of an air defence squadron at Torbay if satisfactory arrangements can be made for:

- i) stationing a USAF air defence squadron at Goose Bay with the possibility that it may be extended to two at a later date,
- ii) one squadron at Harmon Field, and
- iii) one squadron at Argentia;

provided that the Canadian Government will give consideration to the lengthening of the runways at Torbay which would allow for the use of Torbay for air defence operations in time of war, or at such time as the RCAF undertakes the air defence role in Newfoundland;

- (c) the USAF have also indicated that they are prepared to place these squadrons under the operational control of the Canada-United States integrated air defence commander, and under Canadian operational control while operating in Canadian air space;
- (d) The United States authorities have further indicated that they are prepared to withdraw their squadrons as and when the Canadian Government desires to take over these roles.

5 It is expected that the Canadian officials will be meeting in the near future to discuss these proposals with the United States authorities. It is suggested that these proposals are much more acceptable than those previously put forward by the USAF and it is recommended that consideration be given to them in order that instructions can be given the Canadian officials who will be discussing this matter within the next ten days.

**MINISTER OF NATIONAL DEFENCE**

**DEPARTMENT OF NATIONAL DEFENCE**

13 November, 1952.

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COPY NO. 18

12 November, 1952

JOINT PLANNING COMMITTEE  
MINUTES OF THE 41/52 MEETING

Held in Room 4813, Joint Staff Conference Room,  
at 1400 hours, Monday, 10 November, 1952

PRESENT

Air Commodore W.I. Clements (Chairman)	C Plans I
Brigadier T.G. Gibson	DCGS
Captain A.H.G. Storrs	DNPO
Group Captain S.W. Coleman	DAPS
Commander H.A. Stowell	DNPO/S(S)
Mr. G. de. T. Glazebrook	Chairman JIC and External Affairs Rep.

ALSO PRESENT

Commodore H.S. Rayner	CJS
Captain D. King	DNPO
Lt. Col. R.E. Nourse	DMO & P
Commander J.C. Smyth	Joint Staff

SECRETARY

Major J.P. Brennan	Joint Staff
--------------------	-------------

41/52-1 CANADIAN OPERATIONAL CONTROL OF US DEFENCE FORCES  
OPERATING FROM BASES WITHIN CANADA.  
(CSC 1796-1 (JFC) 8 Nov 52 refers)

(Top Secret)

1. The Committee considered a message, CJS(W) 906 of 7 Nov 52, which quoted the contents of MCCM-237 to the effect that the US Section MCC had been directed by the US Joint Chiefs of Staff to enter into negotiations with the Canadian Section MCC for the purpose of obtaining a military agreement providing for Canadian operational control of US defence forces operating from bases within Canada. The MCC memorandum contained the US Section's suggestions as to what this military agreement should contain. The US Section MCC requested that this matter be discussed at a meeting in Ottawa on 14 Nov 52, or on such date as would be convenient to the Canadian Section.

2. The Chairman reported that the US proposals had been the subject of discussion between the VCAS and the CCOS, and it was considered that the Canadian Section MCC should discuss the problem with the US Section. However, it should be made clear to the US Section that the discussions at this time would concern only the mechanics and procedure for carrying out operational control of US forces if and when they were deployed within Canada. Policy matters concerning such a

...../2

*NB  
considered at  
chiefs Nov 12  
And a paper  
bearing on the  
problem to be  
by 10/14  
considered by  
CD C on Nov 14  
see also memo  
to Mr. Claxton  
from  
in reply to  
memo to  
Mr. Claxton  
from  
WES  
dated Oct 27  
Concerning Command Arrangements in  
Newfoundland*

- 2 -

TOP SECRET

deployment were now being considered by higher Canadian authorities, and it was considered that the Canadian Section MCC would not be competent to make them the subject of MCC negotiations at this time. The Chairman noted that the US paper, although it began as a discussion of Canadian operational control of all US forces operating from bases within Canada, it was, in fact, limited to air defence forces of the US Northeast Command (para 3 - MOCM-237). Since it would be appropriate to consult with our Air Defence Command on this problem, the meeting with the US Section should be postponed until the following week.

3. It was the general feeling of the Committee that US authorities were now seeking to meet Canadian wishes in respect to control of US air defence forces operating over Canadian territory. The detailed discussion that followed revolved around the following points:

- (a) whether the JFC should seek Chiefs of Staff endorsement of certain principles for the guidance of the Canadian Section MCC;
- (b) whether the Canadian Section should at this time seek to enlarge the scope of the proposed agreement to include naval and army forces;
- (c) the distinction to be made between policy matters not within the competence of the JFC at this time and the mechanics and procedure for operational control if and when such deployment of US forces was agreed to;
- (d) the distinction between the three "leased bases" and other locations in Canada;
- (e) the main points of the US proposal.

4. The Coordinator Joint Staff noted that the Chiefs of Staff Committee were considering this question on Wednesday, 12 Nov 52, and that there was also the likelihood that a decision affecting it would be made at the Cabinet Defence Committee meeting to be held Friday, 14 Nov 52.

5. The Committee, after considerable discussion, agreed:

- (a) that the Secretary should seek agreement of the US Section MCC to postponing the meeting until 21 Nov 52 or thereabouts;
- (b) that a JFC commentary on the US proposals should be submitted for consideration of the Chiefs of Staff Committee at its meeting on 12 Nov 52. Owing to the difficulty of clearing a draft report in the time available, the senior members of the Committee agreed to make their comments on the JFC report direct to their respective Chiefs prior to the Chiefs of Staff Committee meeting.


...../3

- 3 -

TOP SECRET

(SECRETARY'S NOTES:

- (a) Subsequent to the meeting, a JPC report containing the main points discussed by the Committee was circulated to all concerned under CSC 1796-1 (JPC) 12 Nov 52.
- (b) The US Section MEC have agreed to come to Ottawa for meetings on Friday, 21 Nov 52. Estimated time of arrival via Colonial Airlines, 2005 hours, Thursday, 20 Nov 52. Reservations have been made at the Lord Elgin Hotel for US personnel attending; viz: Captain T.P. Wilson, USN, Colonel D. Parker, USA, Colonel J.A. Cunningham, USAF, Lieutenant-Colonel R.M. Cram, USAF.)

  
(J.P. Brennan), Major  
Secretary,  
Joint Planning Committee.

JPB/4972/NR

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External Affairs Rep.
- 10 - Secretary JPC
- 11 to 13 - Coordinator Joint Staff
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(THIS DOCUMENT IS THE PROPERTY OF HER MAJESTY'S CANADIAN GOVERNMENT)

IN REPLY PLEASE QUOTE

NO. CSC 1796-1 (JFC)

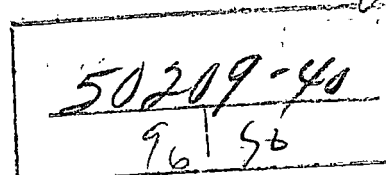


Department of National Defence  
JOINT STAFF

TOP SECRET

ADDRESS REPLY TO  
CHAIRMAN,  
CHIEFS OF STAFF,  
OTTAWA

JOINT PLANNING COMMITTEE.



12 November, 1952

Secretary,  
Chiefs of Staff Committee

Canadian Operational Control of US Defence Forces  
Operating from Bases within Canada.

1. Reference your CSC 1796-1 of 10 Nov 52 which distributed copies of CJS (W) 906 on the above subject for consideration of CSC on Wednesday, 12 Nov 52.

2. Attached is a JFC report on this subject for CSC consideration.

*J.P. Brennan*  
(J.P. Brennan), Major  
Secretary,  
Joint Planning Committee

JPB/4972/NR

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External Affairs Rep  
20 - Secretary JFC

TOP SECRET

COPY NO. 1

CSC 1796-1 (JFC)

12 November 52

PROPOSALS OF THE US SECTION MCG FOR A MILITARY AGREEMENT  
ON THE CANADIAN OPERATIONAL CONTROL OF US DEFENCE FORCES  
OPERATING FROM BASES WITHIN CANADA.

Report by the Joint Planning Committee

to the

Chiefs of Staff Committee.

1. A copy of CJS(W) 906 of 7 November 52 was circulated to the Chiefs of Staff on 10 November 52 and contains suggested proposals for a military agreement which would provide for the Canadian operational control of United States defence forces operating from bases within Canada.
2. In examining this proposal, the Joint Planning Committee considers that the following should be borne in mind:
  - (a) The command principles as laid down in the Command Appendix to MCG 300/3 as revised at the recent meeting of the MCG in Halifax. A relevant extract from this revised Appendix is attached as Appendix "A".
  - (b) Responsibility for the defence of Canadian territory outside the leased bases, including Canadian air space and Canadian territorial waters, belongs to Canada. However, the "Leased Bases Agreement" clearly authorizes the United States to defend its base areas and in time of war or emergency to conduct military operations deemed desirable by the United States. This authority involves rights and powers outside the leased areas as will be seen in the extracts from the "Leased Bases Agreement" of March 27, 1941, which are attached as Appendix "B".
  - (c) The deployment of United States forces into bases in Canada except as set out in the "Leased Bases Agreement" is subject to approval by the Government of Canada in every case.
  - (d) Deployment of forces resulting from plans for the defence of the leased bases insofar as they relate to operations outside these bases (see para 2(b) above), will only be approved by the Government of Canada after receiving the military advice of the Canadian Chiefs of Staff.

...../2

- 2 -

TOP SECRET

3. The Joint Planning Committee has reviewed in detail the proposals of the United States Section as contained in MOCM-237 which is quoted in CJS(W) 906, and desire to make the following comments:

- (a) In para 2 of MOCM-237 it is stated that according to present plans, US air defence forces are scheduled for deployment commencing this fall to certain US bases within Canada. In para 3 it is also stated that as these forces will be deployed initially for the purpose of defending US bases within Canada, decision for deployment to and from the US Northeast Command or redeployment within the US Northeast Command would be reserved to the US military authorities. In connection with these two statements, the JPC has observed that the Canadian Section MCC is not competent at this time to discuss the policy matters involved in this deployment of US forces in Canada, but considers that the Canadian Section MCC should proceed with negotiations concerning the machinery and procedure which would be required for Canadian operational control of such US forces if and when such a deployment should be agreed to. In this connection the JPC noted that US forces could not be moved into bases in Canada (e.g. Goose Bay) other than the 99-year leased bases, without the express permission of the Canadian Government.
- (b) Para 3 of MOCM-237 after stating that the Canadian Commander exercising operational control would have final authority in regard to prescribing the conditions and circumstances under which firing would be commenced over Canadian territory, states that this clause is in no way to be construed as changing the principle that US forces operating from a 99-year leased base, and not operating over Canadian territory, are and will remain under US operational control. The JPC interprets this as applying to US air forces which, although flying over Canadian territory, are bound for operations outside Canadian territory; e.g., Greenland.
- (c) It is noted that, although initially the paper begins as a discussion of Canadian operational control of US forces operating from bases within Canada, it is, in fact, limited to air defence forces of the US Northeast Command (first sentence of para 3 - MOCM-237). The JPC considers that the agreement which the US Section MCC now wishes to negotiate will, when it is approved, constitute an amplification of the Command Appendix of the Canada-US Emergency Defence Plan (MCC) which at the present time does not deal with the command relationship between CINCNE and AOC Air Defence Command for the operational control of air defence forces. The JPC further considers that any problems specifically related to the operational control of US naval and army forces operating from bases within Canada will be dealt with separately when the revision of the Command Appendix to MCC 300/3 is brought to the attention of the Chiefs of Staff.

...../3



- 3 -

TOP SECRET

- (d) The JPC considers that the paper under consideration should deal with all air defence forces of the US Northeast Command including anti-aircraft units.

4. The Chiefs of Staff are invited to:

- (a) endorse the principles set forth in para 2 of this report;
- (b) note the comments of the JPC on the US proposal in para 3.

2.02  
1987

APPENDIX "A" TO QSC  
1769-1 (JPG) d/12 Nov 52

EXTRACT FROM

TOP SECRET

REVISION OF THE COMMAND APPENDIX "F"  
CANADA-UNITED STATES EMERGENCY DEFENSE PLAN  
(MCG 300/3 WT 1/52)

3. Command Principles.

Except where otherwise specified in accordance with inter-governmental agreement or agreements of the Chiefs of Staff of Canada and the United States:

- a. Any force located in Canada and employed in execution of the tasks set forth in this plan will operate under a commander designated by Canada;
- b. any force located in the United States or Alaska and employed in execution of the tasks set forth in this plan will operate under a commander designated by the United States;
- c. forces of either country serving in the territory of the other will be under the immediate command of a commander designated by the country furnishing the forces;
- d. regardless of the area in which operating, the internal administration of the forces furnished by either country shall be the prerogative of the country furnishing the forces;
- e. commanders who are to be responsible for operations should participate to the maximum extent feasible in the preparation of detailed operational plans for such operations.

4. Exceptions to the above Command Principles.

- a. US Leased Bases. There are three areas in Canada known as the US leased bases: Argentia, Pepperrell, and Harmon. The leased base area of Argentia includes McAndrew Air Force Base. The principles outlined in para 3a above do not apply to forces within the US leased bases.

...../2

- 2 -

b. US Air Defence Forces. There are US air defence forces located in Canada under the Commander-in-Chief, US Northeast Command. At the present time these do not come within the provision of para 3a above. However, the command relationship between CINCPAC and the AOC ADC for the operational control of air defence forces is at the present time under review and appropriate changes will be made to this appendix when the new command arrangements are firm.

c. RCAF Station, Goose Bay. Any deviation from the principles outlined in para 3a above applicable to US forces at the RCAF Station at Goose Bay are the subject of special arrangements approved by the Canadian Chiefs of Staff.

APPENDIX "B" TO CSG 1769-1  
(JFC) dated 12 Nov 52

EXTRACTS FROM

THE "LEASED BASES AGREEMENT" OF MARCH 27, 1941

(Canada Treaty Series, 1941 - No. 2)

Preamble

(fourth clause) ..... "And whereas it is desired that this agreement shall be fulfilled in a spirit of good neighbourliness between the Government of the United Kingdom and the Government of the United States of America, and that details of its practical application shall be arranged by friendly cooperation".

.....

Article 1. General Description of Rights.

(1) The United States shall have all the rights, powers and authority within the Leased Areas which are necessary for the establishment, use, operation and defence thereof, or appropriate for their control, and the rights, powers and authority within the limits of territorial waters and air spaces adjacent to, or in the vicinity of, the leased areas, which are necessary to provide access to and defence of the leased areas, or appropriate for control thereof.

.....

(3) In the exercise of the above mentioned rights, the United States agrees that the powers granted to it outside the leased areas will not be used unreasonably or, unless required by military necessity, so as to interfere with the necessary rights of navigation, aviation or communication to or from or within the territories but that they shall be used in the spirit of the fourth clause of the preamble.

(4) In the practical application outside the leased areas of the foregoing paragraph there shall be, as occasion requires, consultation between the Government of the United States and the Government of the United Kingdom.

.....

Article II - Special Emergency Powers.

When the United States is engaged in war or in time of other emergency, the Government of the United Kingdom agree that the United States may exercise in the territories and surrounding waters or air spaces all such rights, powers and authority as may be necessary for conducting any military operations deemed desirable by the United States, but these rights will be exercised with all possible regard to the spirit of the fourth clause of the Preamble. "



CANADA

# Department of National Defence

## CHIEFS OF STAFF COMMITTEE

IN REPLY PLEASE QUOTE

REG. CSC 1796-1

TOP SECRET

ADDRESS REPLY TO:  
SECRETARY  
CHIEFS OF STAFF COMMITTEE,  
OTTAWA.

10 November, 1952.

*File WMB*

50209-40  
52 1 50

C.A.S.  
C.G.S.  
C.N.S.  
C.D.R.B.

*Copy on 50212-40  
" " 50221-40*

### Canadian Operational Control of US Defence Forces Operating from Bases within Canada

1. Attached is a message from the US Section MCC to the Canadian Section concerning the commencement of negotiations for the purpose of obtaining a military agreement for the Canadian operational control of US defence forces operating from bases within Canada.

2. This matter is being discussed at a meeting of the Joint Planning Committee on 10 November, 1952. The signal is forwarded to you at the request of the Chairman, Chiefs of Staff in order that a preliminary discussion may be held at the 531st meeting of the Chiefs of Staff Committee Wednesday, 12 November, 1952.

UPGRADED TO SECRET  
REPUT A SECRET

*R.G. Kingstone*  
(R.G. Kingstone)  
Lieutenant-Colonel,  
Secretary.

RGK/3729/sjp  
Enc.

cc: Chairman, Chiefs of Staff  
Deputy Minister  
Secretary to the Cabinet  
Under-Secretary of State for External Affairs  
Coordinator, Joint Staff

TOP SECRET

*See  
J-1  
17 Nov 52*

COPY

NOTE: THIS MESSAGE RECEIVED IN ONE-TIME CIPHER.

PRIORITY.

CJSW 906 - 7 Nov 52

FROM: CJS Washington 072105Z

TO: CGOS Ottawa

INFO: GJS London

SPECTRA TOP SECRET.

DOWNGRADED TO SECRET  
REDUIT A SECRET

Subject: Canadian Operational Control of US Defence Forces operating from bases within Canada.

The U.S. Section MCG have directed following MCGM-237 to the Canadian

Section: "1. The United States Joint Chiefs of Staff have directed

50212-40 the U.S. Section, Canada-United States Military Cooperation Committee

to enter into negotiations with the Canadian Section, Canada-United States Military Cooperation Committee, for the purpose of obtaining a military agreement providing for the Canadian operational control of U.S. defence forces operating from bases within Canada. The U.S. Section considers that the agreement should be substantially as noted in paras 2 and 3 below:

2. According to present plans, U.S. Air Force defence forces are scheduled for deployment commencing this fall to certain U.S. bases within Canada. Fighter aircraft of these forces should be employed over Canadian territory in the initial task of base defence to maximum extent of their range. In order that these defence forces may be employed in the best interests of Canada and the United States, it is desired that while operating within Canadian territory they come under the over-all operational control of the appropriate Canadian military commander. This arrangement would be in general accord with the command principles set forth in the Canada-United States Emergency Defence Plan which are as follows: 'Except where otherwise specified in accordance with inter-government agreement or agreements of the Chiefs of Staff of Canada and the United States:

...../2

- 2 -

- (a) Any force located in Canada and employed in execution of the tasks set forth in this plan will operate under a Commander designated by Canada.
- (b) Any force located in the United States or Alaska and employed in execution of the tasks set forth in this plan will operate under a Commander designated by the United States.
- (c) Forces of either country serving in the territory of the other will be under the immediate command of a Commander designated by the country furnishing the force.
- (d) Regardless of the area in which operating, the internal administration of forces furnished by either country shall be the prerogative of the country furnishing the force.
- (e) Commanders who are to be responsible for operations should participate to the maximum extent feasible in the preparation of detailed operational plans for such operations.\*

3. Fighter and aircraft control and warning units of the U.S.

50221-40  
Northeast Command would be the only forces included in the category of defence forces at this time. As these forces will be deployed initially for the purpose of defending U.S. bases within Canada, decision for deployment to and from the U.S. Northeast Command or redeployment within the U.S. Northeast Command would be reserved to the U.S. Military authorities. Movement of these forces, however, would be coordinated with the Canadian military authorities insofar as possible. The Canadian Commander exercising operational control would, of course, have final authority in regard to prescribing the conditions and circumstances to commence firing for the purpose of destroying intercepted aircraft by U.S. air defence forces operating over Canadian territory. This in no way is to be construed as changing the principle that U.S. forces

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- 3 -

operating from a 99-year leased base, and not operating over Canadian territory, are and will remain under U.S. operational control.

4. When an agreement has been reached by the Canada-US MEC, it is considered that it would be desirable to forward the agreement to the Canadian Chiefs of Staff Committee and to the United States Joint Chiefs of Staff for approval.

5. Inasmuch as an early agreement is considered desirable, the U.S. Section suggests a meeting of the Canada-U.S. MEC in Ottawa on 14 Nov 52 or on such other date as may be convenient to the Canadian Section. For the purpose of this meeting the U.S. members will not be accompanied by their assistants. Details as to itinerary will be forwarded by the Secretary US Section upon receipt of your response."

PARA TWO. Please advise.



NOTE FOR FILE 50209-40

*Nov. 10, 1952*

Command Arrangements for Newfoundland

50209-40	
96	✓

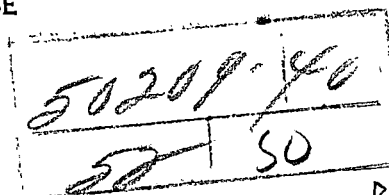
*file*  
*WMS*

A copy of a memorandum from General Foulkes to Mr. Claxton which discusses command arrangements in Newfoundland was sent to Mr. Wilgress in connection with the memorandum from Mr. Wilgress suggesting that the Chiefs of Staff should initiate arrangements to have the appropriate military agencies of Canada and the U.S.A. carry out a study of the anticipated forms and scales of attack in the area of Newfoundland and forces which will be needed to meet military requirements. This copy is filed on file 50221-40 -- U.S. North East Command - Command Relations re Newfoundland area.

*W. Buckley*

PERMANENT JOINT BOARD ON DEFENSE  
CANADA-UNITED STATES

UNITED STATES SECTION  
OFFICE OF THE MILITARY MEMBERS  
THE PENTAGON  
WASHINGTON 25, D. C.



File PJB 104-22

7 November 1952

*f-10*

Dear Dr. MacKay:

In the absence of General Walsh, who has been in South America for the past ten days, I will answer your letter of 24 October to give you an interim reply on the subject of the economic aspects covered therein.

Because part of the information must be obtained from the Corps of Engineers and certain parts from the U. S. Northeast Command, a period of ten days will probably be required to get all the data. The project officer in Headquarters, USAF to whom this matter has been referred, called me this morning to indicate that he would have a reply for me around the 17th of the month. I hope, therefore, to be able to have a reply in your hands by the end of that week.

Sincerely yours,

*John F. Whiteley*  
John F. Whiteley, Colonel, USAF  
for R. L. WALSH  
Major General, USAF  
USAF & Steering Member

Dr. R. A. MacKay  
Department of External Affairs Member  
Permanent Joint Board on Defense, Canada-U.S.  
Room 276, East Block, Parliament Buildings  
Ottawa, Ontario, Canada

File on 50209-4

961	✓
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P  
Y

PERMANENT JOINT BOARD ON DEFENCE

CANADIAN SECTION

TOP SECRET

Ottawa, November 1, 1952.

*Copies also placed  
on Goose Bay file  
and 10820-40*

Dear Mr. Barton:

Herewith, in compliance with your telephone request, is a copy of AFHQ letter to AOC ADC delegating authority to the US Commanding General NEAC to intercept and engage hostile aircraft in accordance with Appendix "B" to Cabinet Document D320.

Copies of the following papers are also attached:

- (1) Signal from Gen Vandenberg to Air Marshal Curtis
- (2) Memorandum for the CAS from Mr. Wershof
- (3) Signal from CAS to CJS Washington.

Yours truly,

(L.G. Virr)  
Wing Commander,  
for RCAF Member - PJBD.

Mr. Barton,  
Secretary, Can Section, PJBD,  
Department of External Affairs,  
Ottawa, Ont.

DOWNGRADED TO SECRET  
REDUIT A SECRET

C O P Y

TOP SECRET

Ottawa, October 18, 1952.

DOWNGRADED TO SECRET  
REDUIT A SECRET

Air Officer Commanding,  
Air Defence Command,  
RCAF Station, St. Hubert, P.Q.

Deployment - 59 Fighter Interceptor Squadron, USAF  
GOOSE BAY

1. Reference our AP 463 dated 17 October, 1952, herewith amplification of para (3).

2. The operations of 59th Fighter Interceptor Squadron USAF are to be conducted under Canadian authority to intercept and engage hostile aircraft when the aircraft are operating from bases, leased or other wise within Canadian territory. In view of the fact that command and control of Air Defence Forces in the NEAC area has not as yet been resolved and in view of the temporary nature of the deployment, you are hereby authorized to delegate the necessary authority to the Commanding General NEAC to intercept and engage hostile aircraft, in accordance with Appendix "B" to Cabinet Document D320 in which the powers of the Canadian Air Defence Commander for the interception and engagement of hostile aircraft are defined. Since this unit is operating under the local direction of CG NEAC, ADC will have no control of its deployment by US authorities.

(Sgd) F.R. Miller  
Air Vice Marshal  
Acting Chief of the Air Staff.

copy to AOC ATC and  
CO, Goose Bay - 6 copies  
of authority to intercept  
and engage hostile a/c)

CDC Dec. 12/52

000546

C O P Y

TOP SECRET

CANAIRHED

CANAIRWASH

CAS 158 Bennett from CAZ. Request you forward following message to General Vandenberg.  
Quote: I am authorized to concur in the temporary deployment of the 59th Squadron to Goose Bay at this time on the understanding set forth in your telegram and, in addition, on the following understandings:

- (1) That it should be without prejudice to a decision on command of forces for the defence of Newfoundland - Northeast area;
- (2) That it should be without prejudice to a Decision as to whether fighter defence forces at the base should be Canadian or U.S.;
- (3) That in the meantime interception by fighter forces stationed at Goose Bay should be conducted strictly in accordance with Canadian regulations. Unquote.

C O P Y

TOP SECRET

October 11, 1952.

MEMORANDUM FOR THE CHIEF OF THE AIR STAFF

Posting of U.S. Fighter Squadron to  
Goose Bay - Reply to General Vandenberg's telegram

Confirming our conversation, Mr. Pearson agrees, subject to Mr. Claxton's agreement, that you should not concur in the temporary deployment of the squadron. We suggest that the reply might include something on the following lines, which we discussed over the phone:

(draft reply)

"I am authorized to concur in the temporary deployment of the 59th Squadron to Goose Bay at this time on the understandings set forth in your telegram and, in addition, on the following understandings:

- (1) that it should be without prejudice to a decision on command of forces for the defence of Newfoundland - northeast area;
- (2) that it should be without prejudice to a decision as to whether fighter defence forces at the base should be Canadian or U.S.;
- (3) that in the meantime interception by fighter forces stationed at Goose Bay should be conducted strictly in accordance with Canadian regulations."

M.H. WERSHOT

for the  
Under-Secretary of  
State for External Affairs.

C O P Y

TOP SECRET MESSAGE

C.I. No. 317  
Rec'd: 10 Oct 52  
Dated: 9 Oct 52

From: Headquarters, USAF, Washington

To: " , RCAF, Ottawa

Northeast Air Command, Pepperrell AFB,

Nfld, for Gen Myers

Info: Personal to Air Marshal Curtis from General  
Vandenberg

AFCCS-TS 8305

DOWNGRADED TO SECRET  
REDUIT A SECRET

In light of the objections revealed at the 25 Sep meeting of the Perm Joint Board on Defense, Canada-United States, to the deployment of the 59th Ftr-Interceptor Sq to Goose Bay movement of the unit has been suspended. Notice of modification of the initial service to service authorization was received after final preparation for the movement had been made and elements of the Sq were in various stages of transit between stations. I am extremely desirous of continuing this movement and therefore request your concurrence with the temporary deployment of the 59th Sq to Goose Bay at this time. It is understood that an agreement on the deployment of this unit on a temporary basis will not be considered to imply a resolution of problems presented by the Canadian Sec at the recent PJBD meeting. Operations of this unit would be conducted under local direction of United States Northeast Air Command. I am sure you will agree that this area is of such importance as to warrant this temporary deployment now to achieve a measure of defense capability.

(Copy 1 of 3 copies)

PARAPHRASE NOT REQUIRED  
NOTIFY CRYPTO CENTER

TOP SECRET SECURITY INFORMATION

000549

FILE

REFERRED TO: Gen. McN aughton,  
AVM Miller  
R/Ad. DeWolf  
(Oct. 27/gmd) Maj.Gen. Sparling

CONFIDENTIAL

October 24, 1952

Dear Peter:

The Minister wants us to prepare a report on the economic implications of the leased bases and other United States activities in the Newfoundland area. I thought perhaps the best way would be to approach General Walsh directly and on a personal basis. I have, therefore, written him today and am enclosing a copy of the letter for your files. I also enclose the letter to him which you please be good enough to have delivered.

Yours sincerely,

R.A. MacKay

R.A. MacKay

P.M. Towe, Esq.,  
Second Secretary,  
The Canadian Embassy,  
1746 Massachusetts Ave., N.W.,  
WASHINGTON 6, D.C.



R.A. Mackay/ba/gad

PERSONAL AND CONFIDENTIAL

October 24, 1952

Dear General Walsh:

My Minister has requested that we prepare for him a memorandum on the economic implications of United States Defence activities in the northeastern region of Canada. The purpose is simply to obtain a realistic appreciation of what U.S. activities in this region mean to the Canadian economy.

My problem is, however, that I am somewhat at a loss as to how to go about preparing this study. We have obtained from your people at various times figures of appropriations for construction, and get through our Joint Staff in Washington quarterly figures of civilian employees at the various bases as well as military personnel stationed there. During the last meeting of the P.J.B.D., your people in Newfoundland gave us some further figures including estimates of local procurement. At best, however, the total figures we have are so incomplete that we can't produce a very accurate estimate.

I have been wondering whether you could help us out, particularly with respect to capital investment in defence facilities of a reasonably permanent nature. I have been wondering further whether the best course would be to proceed through our Embassy and the State Department or whether it would be appropriate to approach you directly and whether you could obtain the information for us without too much difficulty or too much work. I have finally come around to the view that the best course would be to approach you directly, hence this letter. If, however, you feel that it would be inappropriate for you to give us the information or that it would involve too much work for you personally or for your organization,

Major-General R.L. Walsh,  
U.S.A.F. and Steering Member,  
U.S. Section,  
Permanent Joint Board on Defence,  
2 A 878, Pentagon Building,  
WASHINGTON 25, D.C.

...../2

- 2 -

or if for one reason or another you are unable to give us the information, please do not hesitate to say so.

I attach a list of questions on which we would like information. The answers need only be in round figures since we are not interested in details but in the general situation.

I can assure you that any figures you give us will not be released to the public and will, if you wish it, be treated as classified information.

I am sending this letter by Diplomatic Bag to Washington with the request that the Embassy deliver it. If you wish to use this channel for reply, it will be available.

Yours sincerely,

R.A. MacKay  
External Affairs Member, P.J.B.D.

CONFIDENTIAL

CAPITAL INVESTMENT

1. What was the approximate capital investment in each of the leased bases as at the time of Union (March 31st, 1949)?
2. What was the approximate U.S. capital investment at Goose Bay as of March 31st, 1949?
3. What has been the approximate U.S. capital investment since March 31st, 1949:
  - (a) each of the leased bases;
  - (b) at Goose Bay;
  - (c) elsewhere in the northeast area (e.g. radar stations)?
4. What appropriations for capital construction are planned for the fiscal year, 1953-54:
  - (a) each of the leased bases;
  - (b) at Goose Bay;
  - (c) elsewhere in the area?

LOCAL PROCUREMENT

1. What has been the approximate U.S. expenditure by years since March 31st, 1949, for local procurement (supplies, materials and services, other than labour) in the area since March 31st, 1949?

EMPLOYMENT PAYROLLS

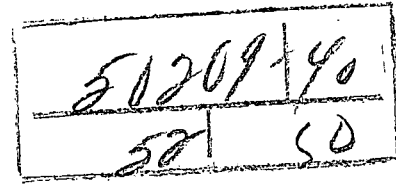
1. What has been the approximate yearly expenditure for civilian employment of Canadians by the U.S. Government in the area since March 31st, 1949?
2. What has been the approximate yearly expenditure by contractors for civilian employment of Canadians in the area? (It is appreciated this question may be very difficult to answer and if so please disregard).

- 2 -

EXPENDITURES BY PERSONNEL

If any estimates of yearly expenditures by U.S. personnel for personal supplies or services outside the bases have been made, we would greatly appreciate this information as well.

FILE



October 24, 1952.

PERSONAL AND CONFIDENTIAL

Dear General Walsh,

My Minister has requested that we prepare for him a memorandum on the economic implications of United States Defence activities in the northeastern region of Canada. The purpose is simply to obtain a realistic appreciation of what U.S. activities in this region mean to the Canadian economy.

My problem is, however, that I am somewhat at a loss as to how to go about preparing this study. We have obtained from your people at various times figures of appropriations for construction, and get through our Joint Staff in Washington quarterly figures of civilian employees at the various bases as well as military personnel stationed there. During the last meeting of the P.J.B.D., your people in Newfoundland gave us some further figures including estimates of local procurement. At best, however, the total figures we have are so incomplete that we can't produce a very accurate estimate.

I have been wondering whether you could help us out, particularly with respect to capital investment in defence facilities of a reasonably permanent nature.

Major-General R.L. Walsh,  
U.S.A.F. and Steering Member,  
U.S. Section,  
Permanent Joint Board on Defence,  
2 A 878, Pentagon Building,  
WASHINGTON 25, D.C.

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- 2 -

I have been wondering further whether the best course would be to proceed through our Embassy and the State Department or whether it would be appropriate to approach you directly and whether you could obtain the information for us without too much difficulty or too much work. I have finally come around to the view that the best course would be to approach you directly, hence this letter. If, however, you feel that it would be inappropriate for you to give us the information or that it would involve too much work for you personally or for your organization, or if for one reason or another you are unable to give us the information, please do not hesitate to say so.

I attach a list of questions on which we would like information. The answers need only be in round figures since we are not interested in details but in the general situation.

I can assure you that any figures you give us will not be released to the public and will, if you wish it, be treated as classified information.

I am sending this letter by Diplomatic Bag to Washington with the request that the Embassy deliver it. If you wish to use this channel for reply, it will be available.

Yours sincerely,

R. A. MacKAY

R.A. MacKay,  
External Affairs Member, P.J.B.D.

CONFIDENTIAL

CAPITAL INVESTMENT

1. What was the approximate capital investment in each of the leased bases as at the time of Union (March 31st, 1949)?
2. What was the approximate U.S. capital investment at Goose Bay as of March 31st, 1949?
3. What has been the approximate U.S. capital investment since March 31st, 1949:
  - (a) each of the leased bases;
  - (b) at Goose Bay;
  - (c) elsewhere in the northeast area (e.g. radar stations)?
4. What appropriations for capital construction are planned for the fiscal year, 1953-54:
  - (a) each of the leased bases;
  - (b) at Goose Bay;
  - (c) elsewhere in the area?

LOCAL PROCUREMENT

1. What has been the approximate U.S. expenditure by years since March 31st, 1949, for local procurement (supplies, materials and services, other than labour) in the area since March 31st, 1949?

EMPLOYMENT PAYROLLS

1. What has been the approximate yearly expenditure for civilian employment of Canadians by the U.S. Government in the area since March 31st, 1949?

- 2 -

2. What has been the approximate yearly expenditure by contractors for civilian employment of Canadians in the area? (It is appreciated this question may be very difficult to answer and if so please disregard.)

EXPENDITURES BY PERSONNEL

If any estimates of yearly expenditures by U.S. personnel for personal supplies or services outside the bases have been made, we would greatly appreciate this information as well.



IV. PERMANENT JOINT BOARD ON DEFENCE; JOURNAL OF THE SECRETARY OF DEFENCE  
1952; U.S. FORCES IN NEWFOUNDLAND; GOOSE BAY LEASE

18. The Secretary submitted the Journal of the Permanent Joint Board on Defence for September, 1952.

11  
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19. The Secretary of State for External Affairs said that he had shared with the Minister of National Defence serious concern over the problems arising from the development of plans of the U.S. forces in Newfoundland. It appeared that the U.S. Navy wished to take over from the U.S. Air Force McAndrew Air Force Base and that the U.S.A.F. wished to develop substantial new airhead facilities at Torbay. The U.S.A.F. had also referred to plans for the stationing of four squadrons in the Newfoundland area, two at Goose Bay, one at Harmon Air Force Base and one at Torbay. In particular substantial development of facilities at Torbay in the area of St. John's would have far-reaching consequences. It would be necessary to consider whether it would be desirable to station more Canadians in the area of these U.S. activities and possibly to establish some form of combined command. Combined command would, of course, be practicable only if the present Canadian forces in Newfoundland were increased. He had also suggested that consideration might be given to a third course, the creation of a NATO command. He thought that the public might find it difficult to understand why Canada was sending 12 squadrons to Europe while the United States was sending four into Canada.

An explanatory memorandum had been circulated.

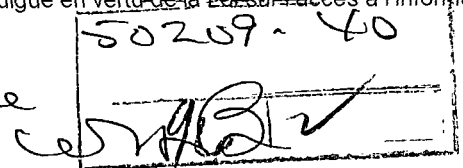
(Minister's memorandum, Oct. 3, 1952 - "U.S. military activities in the Newfoundland area" - Cab. Doc. D-363).

20. The Minister of National Defence said that the Canadian Section of the P.J.B.D. was now awaiting information from the U.S. Section which was to be submitted in justification of the U.S. desire to build and maintain an airhead at Torbay and to station an interceptor squadron there.

21. The Prime Minister said that it was important that we should maintain in Canada only those forces which the Chiefs of Staff considered necessary. Once the necessity of maintaining any military facilities in Canada had been established, it would then be necessary for us to decide by whom and in what manner those facilities should be provided.

Extract from  
Cabinet Defence Committee  
October 9, 1952

File



22. Mr. Pearson recalled that a lease of part of the R.C.A.F. station at Goose Bay had been approved by Cabinet on February 21st, 1951. Signature had been postponed in order that it might be considered whether the proposed agreement by implication would give to the United States the right to station fighter squadrons for the air defence of the base. Since there was some doubt about the meaning of the proposed lease in this connection, he thought that it would be desirable to record the understanding of the Canadian government that the lease agreement did not make any provision for the defence of Goose Bay and that arrangements for defence should be the subject of discussion and agreement between the two governments.

An explanatory memorandum had been circulated.

(Secretary's memorandum, Oct. 8, 1952 - "Background note: Goose Bay lease" - Cab. Doc. D-364).

He said that it had always been the Canadian view that there should be joint agreement on the defence of Goose Bay. Our views could be clarified either by an amendment to the lease or by a separate exchange of notes; the second course seemed more satisfactory.

23. The Committee, after further discussion:

- (a) noted the Journal of the Permanent Joint Board on Defence of September, 1952;
- (b) noted the report of the Secretary of State for External Affairs on U.S. military activities in the Newfoundland area;
- (c) agreed that the Secretary of State for External Affairs be authorized to conclude an exchange of notes with the United States constituting a lease of part of the R.C.A.F. station at Goose Bay: the exchange of notes to be accompanied by a separate note stating that it is the understanding of the Canadian government that the lease agreement does not apply to any arrangements for the defence of Goose Bay or other new developments which would continue to be dealt with by the appropriate agencies of the two governments.

TOP SECRET

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Extract from  
Cabinet Defence Committee  
October 9, 1952

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IV. PERMANENT JOINT BOARD ON DEFENCE; JOURNAL OF SEPTEMBER, 1952; U.S. FORCES IN NEWFOUNDLAND; GOOSE BAY LEASE

" 50209-19-40  
50216-40

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An explanatory memorandum had been circulated.

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21. The Prime Minister said that it was important that we should maintain in Canada only those forces which the Chiefs of Staff considered necessary. Once the necessity of maintaining any military facilities in Canada had been established, it would then be necessary for us to decide by whom and in what manner those facilities should be provided.

22. Mr. Pearson recalled that a lease of part of the R.C.A.F. station at Goose Bay had been approved by Cabinet on February 21st, 1951. Signature had been postponed in order that it might be considered whether the proposed agreement by implication would give to the United States the right to station fighter squadrons for the air defence of the base. Since there was some doubt about the meaning of the proposed lease in this connection, he thought that it would be desirable to record the understanding of

-2-

the Canadian government that the lease agreement did not make any provision for the defence of Goose Bay and that arrangements for defence should be the subject of discussion and agreement between the two governments.

An explanatory memorandum had been circulated.

(Secretary's memorandum, Oct. 8, 1952 - "Background note: Goose Bay lease" - Cab. Doc. D-364).

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23. The Committee, after further discussion:

- (a) noted the Journal of the Permanent Joint Board on Defence of September, 1952;
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- (c) agreed that the Secretary of State for External Affairs be authorized to conclude an exchange of notes with the United States constituting a lease of part of the R.C.A.F. station at Goose Bay: the exchange of notes to be accompanied by a separate note stating that it is the understanding of the Canadian government that the lease agreement does not apply to any arrangements for the defence of Goose Bay or other new developments which would continue to be dealt with by the appropriate agencies of the two governments.

FILE COPY

Defence Liaison / WHBarton/prc

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Ottawa, October 8, 1952.

xRef. 50216-40  
50216-A-40  
The Deputy Minister,  
Department of Transport,  
O t t a w a .

U.S. Military Activities in Newfoundland

At the September 1952 meeting of the Permanent Joint Board on Defence there was considerable discussion of the problems arising out of U.S. military activities in the Newfoundland area, particularly with respect to Goose Bay and Torbay. Attached for your information is a copy of sections 10 and 11 of the Board's Journal dealing with these items.

BENJAMIN ROGERS

Under-Secretary of State  
for External Affairs

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S E C R E T

October 8, 1952.

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MEMORANDUM FOR THE MINISTER

Item No. 4 on Cabinet Defence Committee  
for October 9, 1952.

orig. in 50046-40

in 50216-40

Permanent Joint Board on Defence; SEE 50216-A-40  
Journal of September 21-26, 1952 NB / estimate

You already have a copy of your own memorandum to Cabinet Defence Committee on U.S. military activities in the Newfoundland area (Cabinet Document No. D363), and a copy of the PJBD Journal.

The agenda calls for consideration of two subjects:

(a) U.S. Forces in Newfoundland

I attach copies of the following documents;

- (i) my memorandum of September 27 on posting of U.S. fighter squadrons to Goose Bay, with your underlining, (Annex A); and
- (ii) your letter of October 3 to Mr. Claxton suggesting that Command arrangements in the Newfoundland area might be discussed at this meeting. (Annex B).

(b) Goose Bay Lease

Under this heading there are two matters which may be discussed, namely, defence of the base and, if you or Mr. Claxton so desire, the question whether we should require the United States to consult us regarding proposals substantially to increase the numbers of its forces at the base or to station units whose presence would alter the character of the base. We have learned indirectly that Mr. Claxton discussed the question of the Lease with the U.S. authorities in Washington last week but we do not know what he said.

NB: 50046-40 P  
50216-40  
contains complete  
set of documents

-2-

I attach a copy of my memorandum of October 3, which deals with the two questions (Annex C) and a copy of the draft Exchange of Notes (Annex D).

TORBAY

The memorandum for Cabinet Defence Committee summarized the discussions in the PJBD on Torbay. As we are awaiting further information on U.S. requirements at Torbay, I suggest that it would be undesirable to come to any decision at this time.

L.D.W.

SECRET

September 27, 1952.

MEMORANDUM FOR THE MINISTER

Posting of U.S. Fighter Squadrons to Goose Bay

You will recall that during your absence the USAF, through the U.S. Air Member of PJBD, notified the Canadian Air Member that they proposed to station an interceptor squadron at Goose Bay as of October 1 and that they assumed that no further notification of the Canadian Government was required. The Canadian Air Member of PJBD advised this Department that National Defence agreed with this assumption. Officials of the Department were inclined to agree that on the basis of the draft Goose Bay lease we could not object. However, Mr. Claxton felt strongly otherwise. His interpretation of the lease agreement was that it merely provided for the lease of land within the RCAF air base to the U.S. for the construction of their facilities and permitted the U.S. use of joint facilities such as the runways. The USAF were so advised although after a considerable lapse of time. In the meantime they had been given to understand through Service channels that there would be no objection and they had accordingly gone ahead to advise the squadron of the posting and make necessary arrangements including shipping arrangements. MacKay informs me that the Canadian Section of the PJBD, at its recent meeting, held firmly to the interpretation of the lease agreement in accordance with Mr. Claxton's views and as instructed by him. The American Section, however, did not fully agree with this interpretation. The conclusion of the meeting was that the draft lease should be clarified either by amendment or by exchange of correspondence so as to make more precise the U.S. rights at Goose Bay. MacKay feels strongly that there was no intention on the part of the USAF to "put anything over us" about posting a squadron there and that they quite sincerely felt that they were entitled to do so without special approval from us and that notice through Service channels was all that was required.

2. MacKay also feels strongly that, on military grounds, there is a strong case for stationing a fighter squadron at Goose Bay. Although there may be no immediate threat to the base, it might be difficult to get a squadron there in time



- 2 -

should a threat develop. Further, the strategic concept on which SAC operations are planned is that SAC should be in a state of instant readiness to strike should occasion require. SAC operations over the northeast would be staged through or over Harmon and Goose and should an operation be decided on, fighter protection as far outward as possible would be a requirement. On these assumptions, there would appear to be a strong case for having a fighter squadron based at Goose, both for defence and for the protection of SAC operations. There is reason to believe the U.S. would be quite prepared to accept a Canadian squadron but it is quite clear that no Canadian squadron is available at present or will be for some time unless we reduce our NATO commitments in Europe.

3. A U.S. fighter squadron stationed at Goose would, of course, raise for us certain complications. It would be of little value for defence purposes if it could not intercept incoming planes. Under the present agreement with the U.S., interception by U.S. planes over Canadian territory can only be carried out under Canadian rules and, when over Canadian territory, U.S. interceptor planes come under Canadian command. There are no facilities at Goose for establishing a Canadian operational command. Communications with Goose are uncertain and sometimes there are blackouts of as much as twenty-four hours' duration. In practice, interception could only be carried out under U.S. command although we might insist on a U.S. squadron there following Canadian rules. However, there are not a great many commercial flights into Goose. TCA is the only commercial line scheduled for stop-overs; other lines use it only as a weather alternate to Gander. Further, trans-Atlantic commercial flights are always carefully flight-planned and there would be little occasion for interception of commercial planes. Under these circumstances, the danger of incidents would appear to be slight.

4. In view of all the circumstances, MacKay feels that we cannot very well refuse the stationing of a U.S. fighter squadron at Goose at an early date. It is suggested, however, that our consent might be made on the following basis:

- (a) that it should be without prejudice to a decision on requirements to be taken following a re-examination of the needs by the Chiefs of Staff of each country;

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- (b) that it should be without prejudice to a decision on command of forces for the defence of Newfoundland - northeast area;
- (c) that it should be without prejudice to a decision as to whether fighter defence forces at the base should be Canadian or U.S.;
- (d) that in the meantime interception by fighter forces stationed at Goose Bay should be conducted strictly in accordance with Canadian regulations.

(Sgd.) L.D. Wilgress

cc. to: General MacNaughton  
American Division  
Defence Liaison (1) Division

DEPARTMENT OF EXTERNAL AFFAIRS

S E C R E T

Ottawa, October 3, 1952.

My dear Colleague,

In recent correspondence you expressed your concern about the expanding U.S. defence activities in Northeastern Canada. I fully share your concern and think the situation which is developing there is one which requires urgent attention.

I do not suggest that the U.S. authorities have gone beyond their rights under the Leased Bases Agreement of 1941 or other arrangements which we have made, or that their activities in the northeastern area of Canada are unwarranted in the light of the current international situation. I recognize also that the U.S. has special responsibilities under NATO for the strategic air arm and that Canada, along with other NATO members, is under obligation to facilitate the fulfilment of these responsibilities. I think you will agree with me, however, that we should not be oblivious to the serious political implications arising from the extent and character of U.S. defence activities in Northeastern Canada.

Perhaps the questions of most immediate concern are those of defence of the area and command of defence forces deployed there. Under the Leased Bases Agreement, the U.S. has clearly broad powers of local defence of the bases including emergency powers to take action outside the leased areas. The recent proposal of the U.S. to station an interceptor squadron at Goose Bay has raised the question of defence of the complex of defence facilities located in that area. Under conditions of modern warfare, it would seem impracticable to restrict the exercise of defence rights to a leased area or base. In any event I doubt if the U.S. would be prepared to confine its defence activities in the northeast to areas under its exclusive control. It would seem therefore that in fact U.S. defence forces deployed in the area will, indirectly, participate in the defence of Canadian territory outside areas exclusively under U.S. control.

The Honourable Brooke Claxton,  
Minister of National Defence,  
Ottawa, Ontario.

- 2 -

This situation seems to me to pose two important questions: first, whether we should not consider stationing more Canadian forces in the area; secondly, whether we should not consider proposing to the U.S. the establishment of a combined command for the defence of the area, possibly with a Canadian commander. We could scarcely expect the U.S. to agree to a combined command, and much less a Canadian commander, unless we were prepared to contribute substantially to the total forces assigned to the defence of the area.

A third question might also be worth consideration - whether, assuming a combined command were established, it should not be a NATO command. Such an arrangement would have the obvious advantages that we could probably more easily justify U.S. activities in the area to the Canadian people and we could get credit in NATO for forces allocated to such a command. There would no doubt be disadvantages to establishing a NATO command, and these may well outweigh the advantages. Nevertheless, the question would appear to be worth examination.

I understand that the Journal of the last meeting of the PJBD is on the agenda for the next meeting of the Cabinet Defence Committee. It occurs to me that this might be a convenient occasion to raise in a general way questions about the northeast such as I have suggested above. If you have no objection, I therefore propose to raise them at the forthcoming meeting. It would, of course, be premature for the Cabinet Defence Committee to reach any decision at this time on such questions but if the Committee feels they are worth further examination, the Chiefs of Staff Committee might be asked to study them and report back at an early meeting of the Defence Committee.

Yours sincerely,

(Sgd.) L.B. Pearson

October 3, 1952.

SECRET

MEMORANDUM FOR THE MINISTER:

Goose Bay Lease

Defence of the base

The Canadian Section of the PJBD discussed the matter of the proposed Goose Bay Lease with the U.S. Section during the meetings of the Board in Newfoundland last week. The U.S. Section had apparently assumed that the lease did not restrict the right to station forces, and were surprised when the point was raised, but did not contest the Canadian view that the proposed lease does not confer on the U.S. the right to station a fighter squadron at the base. The U.S. Embassy has not contested our interpretation: Mr. Bliss by implication accepted our view when he told Mr. Wershof that he hoped we would be satisfied with a collateral letter rather than an amendment to the lease itself.

2. The question now arises whether we should ask the U.S. authorities to accept an amendment to the proposed lease or merely a collateral letter. An amendment might read somewhat as follows:

"Notwithstanding any rights granted to the lessee by this agreement, arrangements for the sea, air and land defence of Goose Bay shall be the subject of discussion and agreement between the two Governments".

A collateral letter would record the understanding of the Canadian Government that the lease does not make any provision for the sea, air or land defence of Goose Bay and that arrangements for the defence of the base should be the subject of discussion and agreement between the two Governments.

3. There are several objections to an amendment to the lease itself:

- (a) It would draw public attention both in Canada and in the United States to the problem of the defence of U.S. installations in Canada.

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- (b) It would certainly involve a considerable delay in the signing of the agreement and might lead to an effort on the part of the United States to open up other provisions of the agreement.

4. I do not think that, if the United States authorities are willing to accept a collateral letter, the absence of a safeguarding clause in the agreement itself would prejudice our rights under the agreement. In the implementation of Canada-U.S. defence arrangements so much depends on the good-will of the parties that it is not necessary to spell out everything in formal agreements.

5. In the circumstances I recommend that the Department be authorized to take up with the United States authorities a proposal that we sign the lease and accompany it with a collateral letter along the lines set forth above (in paragraph 2).

#### Stationing of forces

6. I understand that Mr. Claxton considers that the United States should be under an obligation to notify us from time to time of substantial changes in the character or numbers of U.S. forces to be stationed at Goose Bay. Under paragraph 6 of the proposed agreement,

"the Lessee shall have ... such rights as are necessary to support the operation of United States military aircraft at Goose Bay, including the right (a) to station personnel within the Leased Areas ...".

The Lease also gives the United States the right to construct various kinds of facilities, including communication and navigation facilities, storage facilities, etc. It is therefore clear that the United States will have the right under the agreement to station personnel in quite large numbers. It is reasonable, however, to interpret the agreement as not conferring on the United States unlimited rights to station troops at the base. It would not be proper, for instance, for the U.S. to use its leased areas as a place in which to train land forces in Arctic warfare.

3.

7. The U.S. has at our request supplied quarterly reports on the numbers of its forces at U.S. installations in Canada, including the Leased Bases, although it is under no obligation to do so in so far as the Leased Bases are concerned.

8. It would be technically difficult to write into the Goose Bay Lease a provision requiring the United States to consult us before making substantial changes in the character and numbers of forces stationed in the leased areas: It would involve recasting some of the principal provisions. What we wish, as I understand it, is to be consulted before the U.S. makes such substantial increases in the numbers of its forces, or stations such operational units, as would change the character of the air base. In the circumstances, if the matter is to be mentioned at all, it should be sufficient to say in a collateral letter that the Canadian Government expects to receive quarterly reports on the numbers of its forces stationed at Goose Bay (as at other U.S. installations), and to be consulted with regard to proposals to make such substantial increases in the numbers of its forces, or to station such operational units, as would alter the character of the air base. Do you agree, and if so, may we inform the U.S. Embassy accordingly?

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9. Both the matters treated in this memorandum might be covered in a "Dear Mr. Woodward" letter to the U.S. Ambassador.

10. Do you think it necessary to obtain the approval of Cabinet Defence Committee or, in view of the recent discussion in Cabinet, of full Cabinet? As you know, Cabinet Defence Committee will probably meet on October 8 (possibly, October 7).

11. I am sending a copy of the foregoing to Mr. Claxton, who is in Washington, and am asking him to let us have his views.

12. Annexed for reference is the memorandum which I sent you on September 23.

L.D.W.

000573

Defence Liaison 1/WHBarton/pre

Ext. 179B

FILE COPY

OTTAWA FILE
No. 50221-A-40
SECURITY CLASSIFICATION
TOP SECRET

Despatch No. 1553

Date October 6, 1952

FROM: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

TO: THE CANADIAN AMBASSADOR, WASHINGTON.

Reference

Subject: September 1952 meeting of the Permanent Joint Board on Defence

**DOWNGRADED TO SECRET**  
**REDUIT A SECRET**

Enclosed for your information is copy No. 11 of the Journal of the September 1952 meetings of the PJBD. I would draw your attention particularly to Sections 10 and 11 which deal with the problems arising from U.S. military activities in Newfoundland. No doubt the Minister of National Defence discussed these with you during his recent visit to Washington. They are to be further considered at a meeting of the Cabinet Defence Committee to be held later this week. Also enclosed for your records is a set of the briefs used by the Canadian Section at the meetings.

BENJAMIN FORTUNE

Secretary of State  
for External Affairs

Copies Referred  
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Post File  
No.....



Subject file copy

Defence Liaison (1) /M.H. Barton /pre

S E C R E T

October 6 , 1952.

Heads of Divisions Meeting, October 6, 1952

September 1952 meetings of the Permanent Joint Board on  
Defence.

Mr. Wersner

The Permanent Joint Board on Defence,

after visiting Pepperrell Air Force Base, Torbay Airport, Argentia Naval Base, McAndrew Air Force Base and Ernest Harmon Air Force Base from September 21 to 24, 1952, met at the RCAF station, Goose Bay, on September 24, 25, and 26, 1952. There were three principal subjects for discussion:

1. U.S. Military Activities in Newfoundland

This subject was dealt with under

two headings:

(a) Goose Bay

General McNaughton, the Canadian Chairman, explained that the recent statement of intention by the U.S. Air Force to locate an interceptor squadron at Goose Bay for local defence of the Base had indicated that the Canadian interpretation of the proposed Goose Bay

- 2 -

Lease did not accord with the apparent U.S. interpretation as indicated by the USAF action. For this reason Canada had deferred signing the agreement. The External Affairs member suggested that in order to remove doubts as to the meaning of the Goose Bay Lease, an interpretation might be recorded through an appropriate procedure which would make it clear that notwithstanding rights granted to the United States under the Lease agreement, arrangements for the sea, air and land defence of the Goose Bay area should be the subject of discussion and agreement between the two Governments. The U.S. Section noted the Canadian position and stated that it would refer the matter to the appropriate U.S. authorities for their consideration.

(b) Torbay

50216-A-40  
There was considerable discussion of the U.S. proposals for the expansion of facilities at Torbay to provide for:

- (1) a fighter interceptor squadron;
- (2) an airhead for depot and base support;

- 3 -

- (3) military air transport service  
lines of communication (peace and  
war;
- (4) airways and air communications  
service and weather detachments.

The Canadian Section made it clear that the briefings given to the PJBD by officers of the U.S. Northeast Command did not give the information which the Canadian Government required if it were to have a full understanding of the reasons which precluded putting the facilities proposed for Torbay on one of the leased bases. The Canadian Chairman emphasized the desirability of planning being carried out on a joint basis between the U.S. and Canadian armed forces for all activities in northeastern Canada. He urged that as a preliminary the appropriate military planning agencies should make a study of the forms and scales of attack expected in the area and the military measures required to meet the estimated threat. In dealing with the question of the location of an interceptro squadron at Torbay, he

- 4 -

considered that the approval of the Canadian Government was dependent upon prior agreement by the U.S. and Canadian Chiefs of Staff that this was necessary to meet the defensive requirements of the area. When or if such an agreement was reached by the Chiefs of Staff, Canada would be in a position to determine whether it would prefer to provide the necessary forces itself or to permit the United States to do so.

At the request of the Canadian Chairman it was decided that the essential information with respect to Torbay would be prepared by the U.S. Northeast Command in two memoranda, one dealing with the airhead and the other dealing with the interceptor squadron. The U.S. Section of the PJBD would submit this information in about three weeks to the Canadian Section for its use in presenting the U.S. case for consideration by the Canadian authorities.

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2. Proposed Establishment of Six Additional  
Temporary Radar Stations in Canada

50210  
The U.S. Section at the June meeting had proposed the establishment of six additional temporary radar stations in Canada to be located at Trenton, Wiarton, Sultan, Mattawa, Peninsula and Fire River Ontario. These stations were to form part of a double perimeter chain, the other links of which were to be in the United States, and were intended to improve radar coverage primarily against aircraft flying at low altitude. At the time the U.S. proposal was presented, the Canadian Chairman requested certain additional information. This was supplied at the September meeting. The Canadian Chairman said that with the information provided it would now be possible for the Canadian Government to study the U.S. proposal and in due course to reach a decision on it.

3. Interceptor Flights

10820  
At the June meeting of the Board the U.S. Section had proposed certain modifications

- 6 -

to PJBD Recommendation 51/4 which gave the existing procedures with respect to the interception of unidentified aircraft by USAF aircraft over Canada or RCAF aircraft over the United States. The USAF considered the existing procedures to be too restrictive since it would be possible under these procedures for an obviously hostile aircraft to approach and even to bomb U.S. targets from Canadian territory without the U.S. Air Force aircraft being able to engage it. At the September meeting of the PJBD the RCAF submitted a counter proposal which, while it did not go as far as that proposed by the USAF, should nevertheless meet its requirements. The Canadian Chairman indicated that approval of any modification to Recommendation 51/4 by the Canadian Government would most likely be conditional upon a requirement that all incidents involving breaches of interception procedures should be reported periodically to the PJBD together with an account of the disciplinary action taken in each case. This subject is to be considered further at the next meeting of the PJBD. ( S E C R E T ).

BENJAMIN ROGERS

000580

*In Bator C. W. B.*  
*sfll*  
*M*

SECRET

Ottawa, October 4, 1952.

SENT

E. B. BRARSON

MEMORANDUM FOR THE MINISTER

U.S. Military Activities in the  
Newfoundland Area

50209-40  
5752-

In a letter to Mr. Claxton which was sent to you for signature yesterday, you proposed that the question of U.S. military activities in the Newfoundland area should be discussed when considering the Journal of the September meetings of the Permanent Joint Board on Defence at the meeting of Cabinet Defence Committee to be held on October 9. Attached hereto for your signature, if you approve, is a memorandum for Cabinet Defence Committee referring to the discussions on this subject in the PJBD Journal and summarizing them for the convenience of those who will be attending the meeting. Also attached is your copy of the PJBD Journal (copy No. 7)

*on agenda*

*Copy on  
50216-40  
Reference  
on  
50216-40*

*L. D. W.*

L. D. W.

*M*  
6-10-6 (SS)  
6.10.5/US1

000581

S E C R E T

October 3, 1952.

MEMORANDUM TO CABINET DEFENCE COMMITTEE

U.S. Military Activities in the  
Newfoundland Area

I wish to draw to the attention of the members of the Committee the discussion reported in Sections 10 and 11 of the Journal of the Permanent Joint Board on Defence of September, 1952 (copies of which have been circulated) with respect to Goose Bay and Torbay, which have a bearing on the general problem of U.S. military operations in the Newfoundland area. The discussions at the September meeting of the PJBD are summarized as follows:

(a) Goose Bay

The Canadian Chairman drew attention to the necessity of planning on a joint basis at all stages in the development of Canadian - U.S. defence arrangements. He then pointed out that the recent statement of intention by the U.S. Air Force to base an interceptor squadron at Goose Bay for the local defence of the base indicated that the Canadian interpretation of the proposed Goose Bay lease did not accord with that of the United States. He thought that the difficulty had arisen primarily through the lack of any joint study on the forms and scale of attack to which Goose Bay might be subjected and to the absence of any agreement on the defensive measures required. He pointed out that there was at present no authority for the stationing of USAF interceptor aircraft in Canada other than at the 99-year leased bases. He suggested that even in the case of the leased bases it would be advantageous if the U.S. Government were to inform the Canadian Government through diplomatic channels of important changes which might be contemplated in the numbers, types and roles of units located there. He reiterated his view that Canada found it difficult to approve U.S. proposals because of lack of knowledge of the specific requirements and what these requirements were based upon.

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He proposed that the appropriate joint planning agencies make a detailed study of the military needs in the Northeast area of Canada and how they might be met.

The External Affairs member suggests that, in order to remove doubt as to the meaning of the Goose Bay lease, an interpretation might be recorded through an appropriate procedure which would make it clear that, notwithstanding rights granted to the United States, under the lease, arrangements for the sea, air and land defence of the Goose Bay area should be the subject of separate discussion and agreement between the two Governments.

The U.S. Chairman said that the U.S. Section would refer the Canadian position to the appropriate U.S. authorities for their consideration. He urged that the External Affairs member's suggestion of an interpretation regarding defence should be broadened to define more precisely the authority of the United States to station operational units at Goose Bay either for local defence or for other purposes.

(b) Torbay

The United States has proposed the expansion of facilities at Torbay to provide for

- (a) a fighter squadron
- (b) an airhead for depot and base support
- (c) MATS LOC (Military Air Transport System Line of Communication) - (peace and war)
- (d) Airways and Air Communications Service (AACS) and weather detachments.

The Canadian Chairman stated that while the briefings presented at U.S. Northeast Command Headquarters had been useful, Canada would have been in a much better position to consider the U.S. proposal if Canadian military planners had participated in the staff studies leading to the proposal and as a consequence were familiar with the considerations which had led to the stated conclusions. He pointed out that the U.S. had been energetically developing facilities at Torbay although the lease for the buildings which they were occupying was for one year only and subject to termination on 30 days notice, and although

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- 3 -

the Canadian Government had previously indicated that it was most reluctant to increase the scale of U.S. activities in the St. John's area with respect to the location of an interceptor squadron at Torbay. He considered that the approval of the Canadian Government was dependent upon the prior agreement by the U.S. and Canadian Chiefs of Staff that this was necessary to meet the defensive requirements of the area. When or if such an agreement was reached by the Chiefs of Staff Canada would be in a position to determine whether it would prefer to provide the necessary forces itself or to permit the United States to do so.

The U.S. Chairman emphasized the attitude of the United States that all military agencies should as far as possible be in a state of readiness. In short, the United States was endeavouring to be in a position whereby it was ready for "action at the drop of a hat". This meant that essential defence forces must be "on station" now, rather than brought in after the outbreak of hostilities.

At the request of the Canadian Chairman it was decided that the essential information, upon which the United States based the view that it was not feasible to locate the facilities proposed for Torbay at one of the leased bases, should be provided by the U.S. Section in the form of two memoranda, one dealing with the airhead and the other with the interceptor squadron.



Secretary of State  
for External Affairs

R.A. MacKay/PW/ Defence Liaison (1)/M.H. Wershof/elb

SECRET

*File GMB*

Ottawa, October 3, 1952

50209-40  
*[initials]*

My dear Colleague,

In recent correspondence you <sup>cc</sup> expressed your concern about the expanding U.S. <sup>50221</sup> defence activities in Northeastern Canada. I fully share your concern and think the situation which is developing there is one which requires urgent attention.

I do not suggest that the U.S. authorities have gone beyond their rights under the Lensed Passes Agreement of 1941 or other arrangements which we have made, or that their activities in the northeastern area of Canada are unwarranted in the light of the current international situation. I recognize also that the U.S. has special responsibilities under NATO for the strategic air arm and that Canada, along with other NATO members, is under obligation to facilitate the fulfilment of these responsibilities. I think you will agree with me, however, that we should not be oblivious to the serious political implications arising from the extent and character of U.S. defence activities in Northeastern Canada.

Perhaps the questions of most immediate concern are those of defence of the area and command of defence forces deployed there.

2 . . .

The Honourable Brooke Claxton,  
Minister of National Defence,  
O t t a w a , Ontario.

- 2 -

Under the Leased Bases Agreement, the U.S. has clearly broad powers of local defence of the bases including emergency powers to take action outside the leased areas. The recent proposal of the U.S. to station an interceptor squadron at Goose Bay has raised the question of defence of the complex of defence facilities located in that area. Under conditions of modern warfare, it would seem impracticable to restrict the exercise of defence rights to a leased area or base. In any event I doubt if the U.S. would be prepared to confine its defence activities in the northeast to areas under its exclusive control. It would seem therefore that in fact U.S. defence forces deployed in the area will, indirectly, participate in the defence of Canadian territory outside areas exclusively under U.S. control.

This situation seems to me to pose two important questions: first, whether we should not consider stationing more Canadian forces in the area; secondly, whether we should not consider proposing to the U.S. the establishment of a combined command for the defence of the area, possibly with a Canadian commander. We could scarcely expect the U.S. to agree to a combined command, and much less a Canadian commander, unless we were prepared to contribute substantially to the total forces assigned to the defence of the area.

A third question might also be worth consideration -- whether, assuming a combined command were established, it should not be a NATO command. Such an arrangement would

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- 3 -

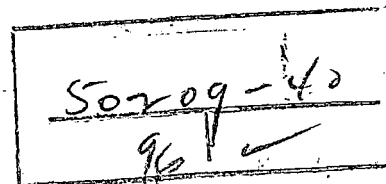
have the obvious advantages that we could probably more easily justify U.C. activities in the area to the Canadian people and we could get credit in NATO for forces allocated to such a command. There would no doubt be disadvantages to establishing a NATO command, and these may well outweigh the advantages. Nevertheless, the question would appear to be worth examination.

I understand that the Journal of the last meeting of the PJBD is on the agenda for the next meeting of the Cabinet Defence Committee. It occurs to me that this might be a convenient occasion to raise in a general way questions about the northeast such as I have suggested above. If you have no objection, I therefore propose to raise them at the forthcoming meeting. It would, of course, be premature for the Cabinet Defence Committee to reach any decision at this time on such questions but if the Committee feels they are worth further examination, the Chiefs of Staff Committee might be asked to study them and report back at an early meeting of the Defence Committee.

Yours sincerely,

SECRET

October 3, 1952.

MEMORANDUM FOR THE MINISTERU.S. Air Operations in  
Newfoundland - Command Relations*Reign on*

As you suggested on October 1, we have *50209-40*  
prepared for your signature a letter to Mr. Claxton.

If Defence Committee decides to ask  
Chiefs of Staff to report on the idea of a combined  
command in this area (perhaps under NATO), no  
doubt Chiefs could at the same time be asked to  
explain why the U.S. and Canada have, in the past,  
kept away from the idea of any NATO command in  
North America. You asked this question at the  
meeting in your office on October 1.

(SGD) L. D. WIEGERS

L.D.W.

~~M.B.~~  
~~M.B.~~  
~~B. Brackley~~  
to see  
file  
in

TOP SECRET

File No. 50209-40

October 3, 1952.

MEMORANDUM FOR FILE

~~DOWNGRADED TO SECRET~~  
**REDUIT A SECRET**

U.S. Military Operating Requirements in  
Canada.

At a meeting of the M.C.C. in May 1952 the Chairman of the U.S. section reported that the U.S. Joint Chiefs of Staff had authorized the U.S. section to forward to the Canadian section, for information only, a list of all U.S. Military Operating Requirements in Canada, not as yet approved by Canada, and in the future to forward any additional requirements that might arise. It was noted that the recognition of the M.C.C. as an information channel did not in any way supersede the channels recommended by the P.J.B.D. and approved by the two governments for processing military operating requirements through diplomatic channels.

2. Copies of the following telegrams from CJS(W) which give the first list of U.S. Military Operating Requirements in Canada, as yet not approved by Canada, are attached:

- (1) CJS(W)317 - Aug. 1, 1952 - U.S. Army Requirements.
- (2) CJS(W)509 - Aug.28, 1952 - USAF Requirements.
- (3) CJS(W)623 - Sept.17, 1952 - U.S. Navy Requirements.

3. The original of these telegrams, received under cover of memoranda from the Secretary, JPC, are filed on file 50212-40 (M.C.C. file).

Encs.

J.M. Cook  
Per M.P.  
(J.M. Cook)

**Pages 590 to / à 592  
are withheld pursuant to sections  
sont retenues en vertu des articles**

**13(1)(a), 15(1)**

**of the Access to Information Act  
de la Loi sur l'accès à l'information**



*file*  
TOP SECRET

October 1, 1952.

MEMORANDUM OF MEETING IN MINISTER'S OFFICE  
WEDNESDAY, OCTOBER 1

The following were present:

Mr. Pearson  
Mr. Wilgress  
Mr. C.S.A. Ritchie  
Mr. MacKay  
Mr. Wershof  
Mr. Davis

Canada-U.S. Defence

The Minister raised the question of the defence of bases in Eastern Canada by the United States and whether this should not be considered a NATO responsibility.

2. The Minister concluded that we should study seriously and speedily:

- (1) The total extent of the United States effort in the Canadian Northeastern area;
- (2) Arguments for and against taking up at the next NATO Ministerial Council (or through the Standing Group or Military Committee), the establishment of a North-eastern Command under NATO. We should trace the history of the Canadian-U.S. Regional Planning Group and the reason it has been kept apart from other NATO plans.

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- 2 -

3. Mr. MacKay expressed the view that the United States would not be seriously opposed. They would welcome a Canadian contribution to defence, but would expect to hold the overall command.

4. The Minister favoured a letter from him to Mr. Claxton to suggest that Chiefs of Staff examine the question of Eastern defence, and to inform Mr. Claxton that Mr. Pearson would mention the question at Cabinet Defence under the P.J.B.D. item.

5. The Minister agreed to Mr. Ritchie's proposal that we should examine whether this was an opportune time to issue another general statement on Canada-U.S. defence arrangements.

6. The Minister, in referring to U.S. establishments in Canada, mentioned specifically the offices opened in three Canadian cities to handle accounting questions arising out of the radar stations. He expressed the view that these could very well have been made special sections of existing Consulates, and thus have been less conspicuous and less liable to attract press comment.

#### NATO

The Minister referred to the serious reaction of both the Schumans to his Toronto speech. He explained that he was stressing the defence angle for its Canadian effect, not for its effect abroad.

2. Mr. Ritchie attributed the interest of the French Government in this speech to the report sent by Mr. de Laboulaye. The Europeans are watching closely for the development of this sort of line which they would interpret as an indication that we are falling into the American camp.

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- 3 -

3. The Minister referred enthusiastically to the leading article in the ECONOMIST "Farewell to Arms". He thought the time was ripe for NATO to consider the part it could play in political warfare. He suspected that the Foreign Office would react unfavourably to the suggestion that the fourteen NATO powers act together in this sphere. However, he might write personally to Mr. Eden from whom he would expect more support.

4. Mr. Heeney might bring up the question at an informal Council meeting, and preparations might be begun on something which could be considered at the December Ministerial meeting.

