

Federal government reorganizes

The federal government has announced changes in its structure designed to put greater emphasis on regional economic development.

The reorganization includes the redesign of two economic ministries and the expansion of the Department of External Affairs.

The changes represent a major redistribution of responsibilities in the economic and foreign policy spheres with accompanying organizational and personnel changes. Prime Minister Pierre Trudeau in announcing the changes said "the government is taking action to promote economic development and generate employment in the medium and long term in every region of Canada. This reorganization is a necessary response to changing regional and industrial circumstances and a more competitive and complex trading world".

The reorganization which has begun is expected to be finalized by an Act of Parliament in the spring.

New agency set up

Under the reorganization, the Ministry of State for Economic and Regional Development is being created by adding regional policy and co-ordination functions to those of the existing Ministry of State for Economic Development. The new agency will have direct input into the Cabinet and the budgetary process.

The government's industrial policies and programs which support regional development strategies will become the responsibility of the new Department of Regional Industrial Expansion. It is being established through the amalgamation of the regional programs of the Department of Regional Economic Expansion and the industry, small business and tourism aspects of the Department of Industry, Trade and Commerce.

Recognizing that trade encompasses all sectors of the Canadian economy, the Department of External Affairs is being greatly expanded to pursue international export markets for resource products, manufactured goods, and services produced in all regions of Canada and give greater priority to economic matters in the development of foreign policy. All the trade functions formerly performed by the Department of Industry, Trade and Commerce are being transferred to the Department of External Affairs along with responsibility for the Export Devel-

opment Corporation and the Canadian Commercial Corporation.

Bud Olson, currently Minister of State for Economic Development, will become the new Minister of State for Economic and Regional Development. The ministry will allow for direct and convenient access to the federal government by provincial and municipal representatives in order to provide immediate information on regional needs and opportunities.

Regional development

The Department of Regional Industrial Expansion will be headed by the current Minister of Industry, Trade and Commerce Herb Gray, who is also Minister of Regional Economic Expansion during the interim. This new department will focus the government's industrial policies and programs in support of regional development strategies.

A triumvirate of ministers share responsibility for the operation of the expanded Department of External Affairs. The Secretary of State for External Affairs Mark MacGuigan retains his position and is being joined by Pierre De Bané as Minister of State for External Relations whose responsibilities include international social, cultural and humanitarian affairs, relations with francophone Africa, the Agency for Cultural and Technological Co-operation and related assignments, and Ed Lumley as Minister of State for International Trade, who will be responsible for the department's trade and export development activities.

Free trade seen as positive solution to recession

Trade ministers of the major industrial powers decided at a meeting held recently in Key Biscayne, Florida, to encourage freer trade as a long-term response to recession.

Japanese Trade Minister Shintaro Abe, U.S. trade representative William Brock, the European Economic Community representative Wilhelm Haferkamp and the Canadian Minister of State for Trade Ed Lumley, all agreed to strengthen the General Agreement on Tariffs and Trade (GATT).

The ministers acknowledged in a joint statement that it will be "difficult for some in the near term" to lower trade barriers amid rising unemployment and demands back home to reduce competing imports.

In the long run, though, freer trade

will help promote prosperity for all, they agreed. "Reduced impediments to international trade," their final statement said, "will lead to increased employment, lower inflation and improved productivity in all our countries".

The ministers look ahead to broader ministerial talks next November in Geneva under GATT.

Relief agency founder retires

Lotta Hitschmanova, a familiar face among the world's poor, is stepping down as executive director of the Unitarian Service Committee (USC), an international relief agency based in Ottawa.

She has been appointed founding director of the agency and will write a history of the commission.

Miss Hitschmanova founded the USC Canada organization in 1945 to bring food and security to children left abandoned and hungry in areas devastated by the Second World War.

Since then the 72-year-old organizer has campaigned for funds to help the hungry and poor in underdeveloped countries around the world.

In 1980, she was appointed Companion of the Order of Canada by Governor General Edward Schreyer — the country's highest honour given in recognition of outstanding service to Canada.

The year before she was honoured by the Royal Bank of Canada for her "outstanding contribution to human welfare and the common good".



Lotta Hitschmanova