Grant to Lesotho

Canada will provide Lesotho with a \$6-million grant to support the first phase of an integrated rural development program in the central mountain region of the African country. The agreement marks the beginning of the first major Canadian assistance program with Lesotho, one of the world's least-developed nations.

Canadian aid will help improve living conditions and the quality of life in an area where many suffer from malnutrition, tuberculosis and other debilitating diseases. Plans call for new sanitary facilities and a gravity-fed system to pipe clean water to 16 villages. Also the residents will be instructed in medical care and nutrition.

Other projects cover agricultural upgrading and the creation of employment. More efficient measures for cattlefeeding, new facilities for stock-hand-



Rural area in Lesotho almost untouched by the modern world will soon be ling and disease-control, a soil-erosion

ling and disease-control, a soil-erosionprevention program and training in modern farming methods will all contribute to boost the farmers' incomes changed by an integrated rural development program.

and to increase the agricultural output. Road-building, the development of cottage industries and fish-farming will create employment for others.

Olympic coaches on film

With the approach of the Olympic Games in Canada next year and with hundreds of athletes in serious training, the National Film Board has turned its cameras on an important aspect of pre-Olympic activities — coaching. Shooting is now under way for a one-hour film taking a candid look at four coaches at work.

The film, according to director Paul Cowan, will show the relation between coaches and athletes under the demanding strains of competition and the process by which individuals are inspired to push themselves to their physical limits under frequently dangerous conditions.

The four coaches are Sheila Wilcox of the equestrian team at Toronto, Jack Donahue coaching the national basketball team in Ottawa, Bill Neville with the national men's volleyball in Montreal and Moo Park coaching women's volleyball at Vancouver.

The Coaches, which has a mid-winter completion deadline for television, is designed to put sports in a different context, emphasizing individual human development rather than winning or breaking records.

The French section of the NFB is shooting a film about the pre-Olympic spirit in Quebec.

Diplomatic relations established with East Germany

Following an exchange of notes on December 22, 1972 and January 3, 1973 and subsequent negotiations, the Government of Canada and the Government of the German Democratic Republic issued the following *communiqué* on August 1:

"Desiring to develop relations between Canada and the German Democratic Republic, in accordance with the aims and principles of the United Nations Charter, the Governments of the two countries have agreed to establish diplomatic relations between the two countries as of August 1, 1975 and to exchange diplomatic representatives with the rank of Ambassador Extraordinary and Plenipotentiary at a mutually convenient time.

"The Governments of the two countries will apply the provisions of the Vienna Convention on diplomatic relations of April 18, 1961 to the diplomatic relations between Canada and the German Democratic Republic. On the basis of reciprocity the two Governments will facilitate the establishment of their missions in accordance with their respective laws and regulations.

"The two Governments agree that, following the establishment of diplomatic relations, consultations shall begin as soon as possible on the question of trade relations between the two countries and the possible negotiation of a trade agreement. They also agree to open talks at an early stage on consular and related matters, such as citizenship, travel and associated humanitarian questions, bearing in mind particularly the terms and spirit of the Helsinki Final Act of August 1, 1975.

"Further talks will be held on other matters of joint interest at mutually convenient times."

Foreign investment rules extended

Rules for reviewing new investment and expansion into unrelated business by foreign-owned businesses in Canada will come into effect on October 15. This effective date of Phase II of Canada's Foreign Investment Review Act was announced in the House of Commons recently by the Minister for Industry, Trade and Commerce, Alastair Gillespie.

Phase I of the Act relating to takeovers of Canadian businesses by non-Canadians came into effect April 9, 1974. Phase II says how the Canadian Foreign Investment Review Agency is to be notified of a new foreigncontrolled business being established