

the United Nations; the Prime Minister's visits to 12 countries and the visits of the Secretary of State for External Affairs to 13 countries.

The office of the Chief of Protocol co-ordinated Canada's participation in the Fifth National Conference of Protocol Officials, held in Edmonton. At these conferences, federal and provincial authorities exchange views on questions of common interest.

Privileges and immunities

The Department is responsible for the interpretation and application, in Canada and abroad, of the principles contained in international agreements on privileges and immunities affecting diplomatic missions, consular posts and international organizations.

The *State Immunity Act*, which provides for immunity of foreign states in Canadian courts came into force on July 15, 1982. It incorporates into Canadian law the principle that a foreign State may be brought before the courts of Canada in respect of its commercial acts and activities. Thus it restricts their immunity in certain respects so as to place them in a legal position that more readily approximates that of the ordinary Canadian citizen. There has been considerable uncertainty in the law about the immunity to which foreign states are entitled in Canadian courts, which have tended to apply the principle of absolute immunity. This principle, which developed in another time and under other circumstances, has gradually been abandoned over the years by most states. The *State Immunity Act* brings the Canadian approach in line with general international practice.

Budgetary estimates

Departmental estimates for fiscal year 1982-1983 totalled \$634.3 million. This includes operating and capital expenditures as well as grants and contributions.

Operating and maintenance expenditures are used for the management and co-ordination of operations at home and abroad, including salaries, wages and other personnel costs, rental properties abroad, travel and communications and costs for the conduct of foreign operations. Capital expenditures are for the long-range capital program to increase Crown ownership of office and living accommodation abroad as an economical alternative to escalating rental costs. Capital funds also are necessary for replacement of vehicles and of security, communications and other equipment abroad.

Expenditures for grants and contributions are non-discretionary for the most part. They arise from Canada's membership in international organizations such as the UN,

NATO, OECD, the Commonwealth, the Agency for Cultural and Technical Co-operation and the like; from relations with intergovernmental institutions; international trade development and information and cultural relations.

Physical resources

The Physical Resources Branch provides all accommodation and supporting material assets for the Department's overseas operations. The branch is also responsible for the Long-range Capital Program, the object of which is to increase Crown ownership of office and living accommodation abroad. This program is currently funded at over \$26 million annually. The estimated value of the Department's real property is over \$500 million. During this period, the branch completed the superstructure of a new chancery in Belgrade (Yugoslavia), and the excavation for the Riyadh (Saudi Arabia) embassy complex as well as major renovations to the Paris chancery and Canada House in London. Extensive renovations continued on the future official residence in Rome, and began on a major project to modernize MacDonald House, the principal chancery in London. Planning continued on the construction of new chanceries in Peking, Lagos (Nigeria) and Washington. Smaller construction projects in Peking, Brasilia and Port-of-Spain (Trinidad) and minor alterations at a number of posts abroad were completed at a cost of \$2.2 million. A property maintenance program of \$9 million was implemented during the year.

A major challenge for the branch was the provision of office and residential properties for recently-opened diplomatic and consular posts in Perth (Australia), Amman (Jordan), Munich (West Germany), Kigali (Rwanda) and Conakry (Guinea). Purchases included a chancery in Rio de Janeiro (Brazil), official residences for heads of post in the Vatican and Chicago, additional space for the residence of Ambassador to the United Nations in New York City, and staff quarters in Bangkok (Thailand), Singapore, Cleveland, the Hague (Netherlands), Harare (Zimbabwe) and Kingston (Jamaica). New chanceries in Lagos, Atlanta and Yaoundé (Cameroon), in addition to the chancery in Bangkok, and an official residence in Quito (Ecuador) were leased during the year.

For the first time, the Department appointed a professional curator to administer its fine arts program. The departmental collection of some 3,000 Canadian works of art, displayed in public areas of chanceries and official residences at diplomatic posts abroad as well as in the headquarters building and at 7 Rideau Gate in Ottawa, now benefits from professional maintenance, documentation and conservation on a full-time basis.