

diately so that you may name my successor well before the House of Commons reconvenes. As I indicated to you, I shall retain my seat in the House of Commons until there has been ample opportunity for an orderly transition and to ensure that the electors of my riding retain a voice in Parliament.

I should like to thank you for the opportunity you have given me to serve Canada in two of the principal ministries of government. I am equally indebted to the electors of Ottawa-Carleton and of the former historic riding of Montreal-St. Lawrence-St. George for the confidence they placed in me during six general elections. Only one who has enjoyed the privilege of representing his fellow citizens in the Parliament and Government of Canada knows what deep satisfaction that brings. I have relished every moment in the House of Commons and have welcomed the rich experience of doing my best for the country and my constituents.

Yours respectfully,
John N. Turner"

Mr. Trudeau's reply:

"Dear John,

It is with deep regret that I accept your resignation from the Cabinet. While I understand your desire to return to private life after nearly 14 years of public life — ten in the Government — I must tell you that I will miss your firm hand and shrewd judgment in our private meetings and at the Cabinet table.

I remember well when I entered Parliament and you were already a three-year veteran of the House, how helpful you were to me as a new member. You have demonstrated this helpful and supportive attitude throughout the last ten years. After a spirited leadership race, you were amongst the first to close ranks and ensure that a united party would go on to form a strong and progressive government. In the new administration, we worked together closely on matters of justice, where you served in your first portfolio in my Government. As we went on to tackle the difficult issues of Canadian unity, you were a most valuable and loyal colleague. Indeed, in every way, you have accepted the most difficult tasks, often at great personal sacrifice to you and to Geills (Mrs. Turner).

You accepted the finance portfolio at a difficult time in the world's economy and have given most valuable leadership nationally and internationally. The economy is still the problem that looms largest in my mind and the Government must continue its efforts to fight inflation and unemployment. Since you did not base your resignation on any policy disagreement, I will not hesitate in the months ahead to seek your good counsel as a private member of the House and as a most knowledgeable Canadian.

With all good wishes to you and your family in all future endeavours, I remain,

Yours sincerely,
Pierre E. Trudeau"

Canada/Britain films agreement

An agreement on film co-production, which is expected to encourage the production of more feature films by Canadians both in Canada and in Britain, was signed by Secretary of State J. Hugh Faulkner and Britain's Minister of State for Foreign and Commonwealth Affairs, Lord Goronwy-Roberts, in London on September 12.

"This agreement will permit both Canadian and British artists to benefit from each other's experience and expertise without having to leave the mainstream of their respective country's film industries," said Mr. Faulkner. "I am optimistic that we are creating an enlarged scope for development of Canadian talent within our own industry."

Provisions in new pact

Persons involved in the production of a film under the new agreement, unless approved as an exception, must be nationals or residents of either country.

Co-production films must be made, processed and dubbed in Canada or Britain. The competent authorities have the power to approve location filming and dubbing in a third country when necessary to meet the requirements of the film, but nationality requirements of all participants remain unchanged under these circumstances. Under the agreement, all participants in the production of a film must be accorded the same working conditions

they would receive in Canada or the United Kingdom.

The total production cost of a co-production film cannot be less than \$350,000 or £150,000, whichever is the greater at the prevailing rate of exchange, and the share of costs borne by the co-producer from one country cannot be less than 30 per cent. Receipts from exhibition of the film in Canada will go to the Canadian co-producer and receipts from exhibition in the United Kingdom to the British co-producer. Receipts from exhibition in other countries will accrue to the two producers in proportion to their respective contributions.

Over the three-year period of this agreement balance is to be achieved with respect to the contribution of each country to production costs of all films and to the use of studio laboratories and the employment of all creative, craft and technical personnel.

Films made under the agreement will qualify in Britain as British films and in Canada as Canadian films, and will thus be eligible to apply for funding by the appropriate government agencies in their respective countries (the Canadian Film Development Corporation for example). These films will also qualify as Canadian content for television purposes, and as Canadian quota films for exhibition by theatre chains in Canada.

A Mixed Commission composed of government and film industry representatives from Canada and Britain will supervise and review the working of the agreement and, where necessary, make proposals for modification. The agreement remains in force for three years and is automatically renewed for successive periods of three years unless it is terminated by either country.

Mr. Schlesinger in Ottawa

James Schlesinger, the United States Secretary of Defence, visited Ottawa earlier this month to discuss the North Atlantic Treaty Organization and defence matters with Canadian officials.

He discussed matters of mutual interest with Defence Minister James Richardson, the Chief of the Defence staff, General J.A. Dextraze, other defence department officials and representatives of the Department of External Affairs.