

Canada Weekly

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Ottawa, Canada.

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Voluntary conservation measures will avoid fuel rationing

Prime Minister Trudeau, in a statement on national television on November 22, urged Canadians "to study voluntary steps for conserving energy" and to support restraints suggested to them by their provincial governments.

Although oil rationing at the retail level would not be necessary, said Mr. Trudeau, a program of petroleum allocations and steps to save fuel, which would be announced in a few days by Energy, Mines and Resources Minister Donald Macdonald, would be needed to see Canadians through the winter. Mr. Macdonald was consulting the next day with provincial ministers of energy to seek their co-operation and advice in measures the Federal Government must take "to deal with the serious problem of oil supplies". The Prime Minister described as follows the background to the Government's policy on energy:

... Unless there is a sudden change for the better in the international oil situation, we think that such an allocations program will be required this winter. Its degree and duration will depend at least in some measure on the success of the voluntary restraints.

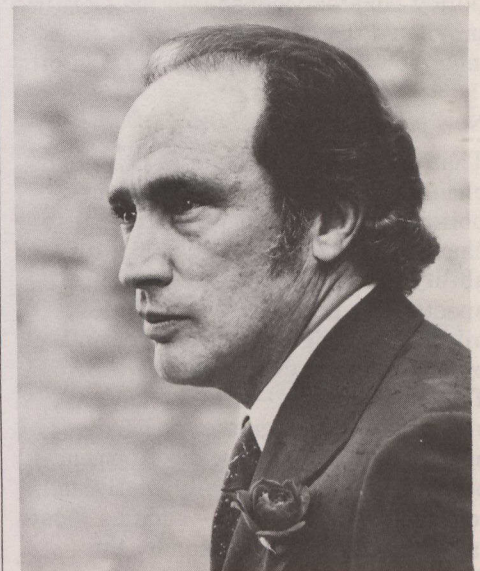
This does not mean, however, rationing books for you and your family. Our current assessment is that oil rationing at the retail level will not be necessary. I want to emphasize one other point: under no circumstances will the Government permit fuel to be diverted from those who need it most, to those who can pay the most.

I have asked the Minister of Health and Welfare to make sure that payments to people in need are sufficient to meet winter fuel costs.

If Canadians generously support the voluntary program — and I know they will — there is every prospect that shortages can be minimized throughout this winter....

Former energy policy

Perhaps I could explain some of what we've been doing by first describing the energy policy we began with. It was called the National Oil Policy — formulated by the Federal Government back in 1961 — to develop a strong, productive and profitable oil industry based in Western Canada. Remember in those days, overseas oil was so cheap and abundant, that a barrel of petroleum from Saudi Arabia could be delivered in Edmonton at a lower price



Prime Minister P.E. Trudeau

than a barrel of oil produced in an Alberta well just 40 miles away.

Nevertheless, the Canadian Government said: "We want a viable oil industry in Alberta — that is a national priority". So while allowing everyone east of the Ottawa Valley to continue buying cheap foreign oil, the Federal Government established a protected market for Alberta oil west of this Ottawa line. To the millions of people in Toronto and most of Ontario — to all of the West — the Canadian Government said: "You'll have to give up the cheaper foreign oil — to pay a bit more per gallon — so that Alberta can develop a market for its oil. That's a

Canadian oil industry, and it should have a Canadian market."

During the 1960s, consumers in Ontario and elsewhere paid at least \$500 million more than they would have paid for foreign oil supplies – in order to help Alberta develop her oil industry. Ottawa vigorously promoted Alberta oil exports to the United States; and provided many millions of dollars in incentives for the development of the industry.

The people of Alberta benefited: they have the lowest *per capita* provincial debt, and the lowest *per capita* tax load, in Canada. And all Canadians benefited. A strong Alberta has meant a stronger Canada – a Canada in which Albertans contribute generously to the welfare and progress of the country as a whole.

At the same time, the national oil policy enabled Quebec and the Maritime provinces to continue to benefit from much lower-priced imported foreign oil.

New policies for the 70s

That policy did for the 60s. But rapid changes of the 70s now demand new policies. The most important of these changes include doubts about availability of oil from foreign suppliers, spectacular price increases for that oil, and soaring new energy demands by our chief oil customer, the U.S. This combination – of less security, higher prices and greater demand – has led to exciting new development possibilities for relatively costly and remote energy sources – such as those in the huge Alberta oil sands, the Arctic and the Atlantic continental shelf....

Extension of pipeline

One major decision by the Government made before the Middle Eastern war was to extend the Edmonton-Toronto pipeline to Montreal. This decision means we will be much closer to having "one Canada" instead of "two" for oil purposes. It means that Western Canada can have a larger national market. That Quebec, and in an emergency the Atlantic provinces, could have year-round access to domestic oil. This will assure better security of supply for all Canadians – no matter how volatile the mixture of oil and politics abroad.

Guidelines to save energy

In a statement to the House of Commons on November 26, Energy Minister Donald Macdonald urged Canadians to voluntarily lower their thermostats and their driving speeds in an effort to reduce fuel consumption by 15 per cent. All oil companies east of the Ottawa Valley will be allowed to increase the price of heating oil by 4 to 5 cents a gallon and a new five-member energy allocation board will be established to regulate the supply of petroleum products and, if necessary, initiate a system of rationing.

Mr. Macdonald recommended that Federal Government buildings, which use some 2 per cent of all heating oil in Canada, reduce temperatures to 65 to 70 degrees between the hours of 8 a.m. and 5 p.m. and to 63 to 65 degrees between 6 p.m. and 5 a.m. He hoped that industry would follow suit.

For the time being Mr. Macdonald was hopeful that rationing would not be necessary but he stated that if the allocation system did not operate as expected "if there is going to be an interruption of more than 20 per cent into our market, then we would have to go to a documentary system of rationing of the kind we had during the Second World War".

A saving of 20 to 40 per cent of gasoline would result if driving speeds were reduced from 70 to 50 miles an hour, Mr. Macdonald stated.

In view of the progress made since my announcement, I am now confident we can complete the pipeline to Eastern Canada – and be in a position to provide better security of oil supplies for Canada – by the end of 1975....

Exports to the U.S.

Closely related to security and flexibility of our energy supplies is the question of our energy exports. I am deeply distressed – as I know many of you are – to hear charges that Canada has been "kicking the U.S. while it's down" – supposedly by reducing supplies and increasing our prices in order to profit from U.S. energy shortages.

These are the charges. Let's look at the facts. Far from reducing oil ex-

ports to the United States, Canada has been shipping to the U.S. more oil than ever before. Our projections for this year indicate we will ship to the U.S. 63 million barrels more oil than they purchased from us in 1972 – an increase of 18 per cent. By increasing Canadian production, we have been able to respond to our neighbour's needs – while at the same time meeting our first responsibility, which is to ensure basic fuel requirements for Canadians. Consistent with that responsibility, the Government's policy is – and will continue to be – to supply the U.S. from domestic oil production with all the help we possibly can. We are friends, and friends care about each other's problems.

I now want to clear up any misunderstanding that still exists about the purpose of the federal export tax on oil to the U.S. Last September, we asked Canadian producers to freeze their prices until January, thus helping protect Canadian consumers against inflation. But we did not want to oblige Western Canada to sell its oil to American importers at those lower, frozen prices. So we introduced an export tax to ensure that Canadians got a fair price for oil on the export market – the same price the U.S. was paying for other foreign oil – and not a cent more.

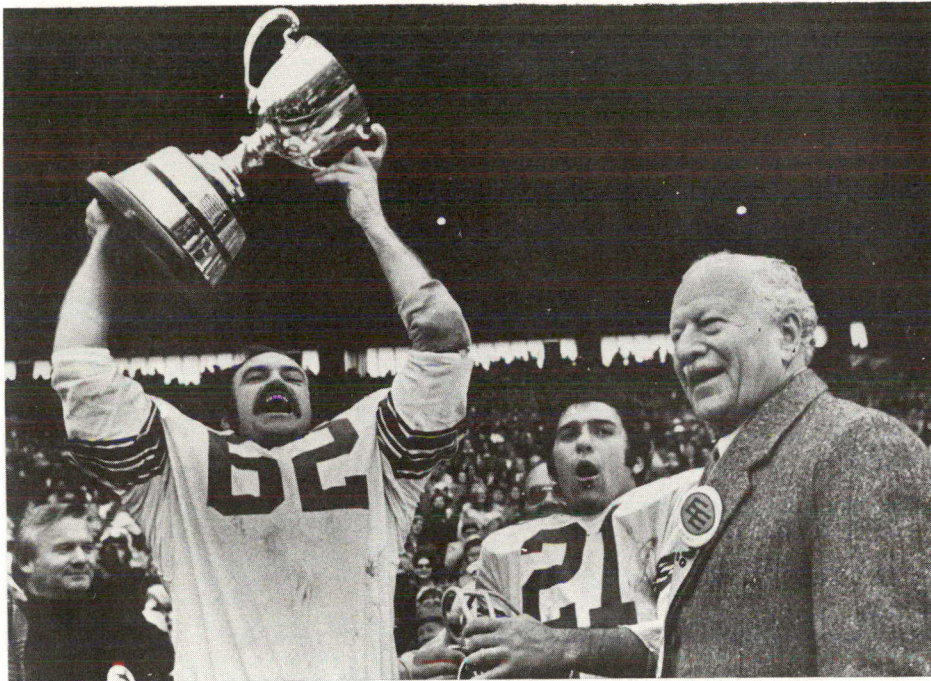
Without the tax, U.S. refineries could have bought oil from Western Canada at the frozen Canadian price – far below what they paid for their other foreign oil. This would have meant windfall profits for the U.S. oil companies – whereas our export tax meant that the windfall would go to the federal and Alberta treasuries.

I do not regard the export tax as permanent; we have begun discussions with the producing provinces to work out an alternate arrangement for exports. I want to emphasize one other point. The federal export tax does not divert a single nickel of oil revenue from the government of Alberta. On the contrary, the Federal Government has said it will return at least enough of the tax revenue to the producing provinces to compensate them fully for any lost royalties. And, of course, consumers in all parts of Canada, including Alberta, will have benefited because Canadian companies agreed to freeze their prices.

Ottawa Rough Riders defeat Edmonton Eskimos to win 1973 Grey Cup

Ottawa Rough Riders, who lost their first few league games, went on to win eleven of their next twelve games including the last game of the season, the Grey Cup final. The Rough Riders won the Canadian Football League championship by defeating the Edmonton Eskimos, 22-18 in Toronto on November 25.

cracked ribs. Without Wilkinson's exciting scrambling, the Eskimo offence sputtered for the rest of the game. His replacement Bruce Lemmerman, severely handicapped by a deep gash in his throwing arm sustained during Edmonton's last-minute win the previous week over Saskatchewan Roughriders in the Western final, was able



Canadian Press

Mo Racine, co-captain of the victorious Ottawa Rough Riders, triumphantly displays the Canadian Football League's national trophy the Grey Cup, won on November 25 at Toronto in the final game against Edmonton.

The Eskimos took a 7-0 lead early in the first quarter when fullback Roy Bell, the leading ground-gainer in Canada this season, scored on a 39-yard touchdown run. Ottawa was able to score a few minutes later when Rick Cassata, taking advantage of good field position after a short Edmonton punt, found Rhome Nixon in the open and threw him a 38-yard touchdown pass.

Before the first quarter was over Tom Wilkinson, who had started as quarterback for the Eskimos and who had led the team to the early touchdown, was hit by two members of Ottawa's touch defensive line and was forced to leave the game with two

Presentation of the Grey Cup was made by Governor-General Roland Michener, (right). William Davis, the Premier of Ontario (left) and No. 21 Wayne Giardino, the other Ottawa captain, look on.

to finish off a scoring drive started by Wilkinson with a field goal by Dave Cutler. But the three points so earned were the only ones scored by Edmonton until the last minute, when Wilkinson came back to direct a final touchdown by throwing a short pass to Gerry Lefebvre. Lefebvre, who also kicked a single and made two interceptions, was voted the top Canadian player in the game and won the Dick Suderman Award, which is given in memory of a Calgary player who died last year.

Ottawa dominated the rest of the scoring. Gerry Organ, named the best Canadian player this year, kicked two field goals, including one in the dying seconds of the first half from the

46-yard line to set a Grey Cup record for the longest field goal and to give Ottawa a 12-10 lead at half-time.

The Rough Riders opened up their lead in the third quarter when Jim Evenson, who had come to Ottawa from B.C. Lions at the beginning of the season, scored on an 18-yard run. Jerry Keeling, who had been Ottawa's regular starting quarterback since the early season losses, was unable to play because he had injured his knee in the Rough Riders' victory over the Montreal Alouettes in the Eastern final. Rick Cassata, who had been booed by the Ottawa supporters early in the season, was a capable leader of the Ottawa attack.

It was along the line, however, that the game was won by Ottawa. The defensive play of Wayne Smith, Rudy Sims, Tom Laputka and Charlie Brandon, backed up by Mark Kosmos and Jerry Campbell, rendered the Edmonton offence almost totally ineffective. Brandon who played both offence and defence was named the outstanding player of the game in a poll of the football reporters of Canada.

Summary

First quarter

Edmonton, touchdown (Bell)	3:29
Edmonton, convert (Cutler)	
Ottawa, touchdown (Nixon)	7:34
Ottawa, convert (Organ)	
Edmonton, field goal (Cutler)	11:26

Second quarter

Ottawa, safety touch	0:21
Ottawa, field goal (Organ)	14:57

Third quarter

Ottawa, touchdown (Evenson)	9:45
Ottawa, convert (Organ)	

Fourth quarter

Ottawa, field goal (Organ)	7:08
Edmonton, single (Lefebvre)	9:21
Edmonton, touchdown (Lefebvre)	14:53
Edmonton, convert (Cutler)	

Statistics

	Edmonton	Ottawa
Total offence	298	269
First downs	19	12
Yards rushing	92	119
Yards passing	208	161
Passes attempted	42	23
Passes completed	20	11
Fumbles	5	2
Fumbles lost	2	1
Penalties	4	10
Yards lost by penalty	29	101

Pearson papers presented to Public Archives

The personal papers of the late Prime Minister Lester Bowles Pearson, have been donated to the Public Archives of Canada by the Pearson family.

The "Lester B. Pearson Papers" include correspondence, memoranda, working files, speeches, clippings, photographs and tapes documenting Mr. Pearson's career as a public servant, diplomat, politician and statesman.

Documents related to the pre-1948 years, and all speeches and clippings, are immediately open to researchers. More recent material will become accessible in subsequent years.

The presentation of the Pearson Papers to the Archives follows a tradition begun by former Prime Minister William Lyon Mackenzie King, who stipulated that his papers be preserved for future generations by the Public Archives.

The "Prime Ministers Papers Collection" of the Archives now contains original or microfilm records of almost all former prime ministers, as well as the majority of federal Leaders of the Opposition. They form a unique body of information related to Canada's social and political history.



Mrs. Maryon Pearson, widow of Prime Minister Pearson, listens to a tribute to her late husband by Dr. W.I. Smith,

Dominion Archivist, when she recently presented the "Lester B. Pearson Papers" to the National Archives.

Suspended injunction gives go-ahead on James Bay project

As a result of a suspended injunction, construction has resumed on the James Bay hydroelectric power project in northwestern Quebec (see *Canada Weekly*, dated November 28, P. 1).

The injunction that had been granted to halt the work was suspended on November 22 by a panel of three judges of the Quebec Court of Appeal who ruled unanimously that the bill establishing the James Bay Development Corporation (JBDC), the developers, was constitutional until ruled unconstitutional or repealed. The court ruled that the legislation was passed in the general and public interest of Quebec and that the public interest outweighed the interest of "2,000 native peoples in the James Bay region".

The temporary injunction granted by

the Quebec Superior Court to cease work will now remain suspended until the appeal is decided or until the court decides otherwise.

James O'Reilly, lawyer for the native people, stated that he would ask the Supreme Court of Canada for permission to appeal the suspension which, if granted, means that the injunction would go into effect and work would again cease.

The developers had appealed the injunction of the Quebec Superior Court on the grounds that a halt in construction was a serious and costly delay in harnessing the hydroelectric potential of La Grande River, 600 miles north of Montreal. They said the work stoppage was costing the JBDC and its subcontractors some \$500,000 a day with a lay-off of about 3,000 workmen.

Canadian ice-skaters in Moscow

Canada will send a team to the Moscow Figure Skating competition, to be held from December 9 to 14.

Ron Shaver is entered in the men's singles event; Marian Murray and Glenn Moore will compete in the pairs.

Toller Cranston, Canada's top contender for the world championships, and Sandra and Val Bezic, the 1973 senior Canadian pair champions, will not be competing but will take part in the exhibition program.

Mrs. Joan MacLagan of Calgary was named for a position on the judges' panel; Stanley L. Allen of Kanata, Ontario, vice-president of the Canadian Figure Skating Association, will be the team's representative.

The Moscow Skate is a senior international competition for ladies and men's singles, pairs and ice dancing.

Japanese scientists visit

Continuing co-operation between Canadian and Japanese science and technological experts was agreed upon last month during a visit of six officials from five Japanese government organizations, led by Mr. Shun Yasuo, Science Councillor of the Japanese Science and Technology Agency. The mission included members of the Japanese Ministry of Foreign Affairs, the Ministry of Education, the Ministry of International Trade and Industry and the Environment Agency. A similar visit to Japan by a Canadian group headed by A.W. Gillespie, then the federal science minister, was made in March 1972.

In Ottawa, the group held discussions with scientists in various government departments and visited the National Research Council and the Canadian Centre for Remote Sensing. They reviewed Canadian scientific activities in certain areas and defined the subject matter of mutual interest in an effort to promote bilateral scientific and technological exchanges.

After a stay in the capital for a few days the guests travelled to Toronto, Montreal, Burlington and Victoria, where they visited such establishments as the Pickering Nuclear Reactor, the Canadian Centre for Inland Waters, Burlington in Ontario, the Transportation Development Agency and the CN Research Centre in Montreal and the Victoria Marine Science Directorate of the Department of the Environment in British Columbia. The group also paid an unscheduled sightseeing visit to the Ontario Science Centre.

Canada/Venezuela trade

The *modus vivendi* covering trade between Canada and Venezuela was renewed on November 20 through an exchange of notes by Alastair Gillespie, Minister of Industry, Trade and Commerce and Ambassador Jesus Carbonell Izquierdo of Venezuela.

The pact, first signed in 1941 and renewed annually, guarantees most-favoured-nation tariff treatment for the goods of both countries.

In conjunction with the renewal of the bilateral agreement, informal discussions were held between Canadian and

Venezuelan officials with a view to broadening the base of trade between the two countries. Venezuela, which ranks fifth among Canada's trading partners was last year Canada's largest market and supplier in Latin America. Canadian exports to Venezuela in 1972 amounted to \$145 million — a record — while imports from Venezuela reached \$410 million, the bulk of which was in petroleum and petroleum products.

About 50 per cent of Canadian shipments to Venezuela consists of automotive products. Venezuela has also been a traditional market for Canadian newsprint, woodpulp and a wide variety of other industrial equipment and materials.

Christmas stamps

For the tenth consecutive year the Canada Post Office has marked the Christmas season with a special issue of stamps.

The new 6-, 8-, 10- and 15-cent issues, which went on sale on November 7, depict four aspects of the Christmas spirit. The skate on the 6-cent issue symbolizes recreational activities; the bird on the 8-cent stamp represents the dove of peace; Santa Claus on the 10-cent stamp symbolizes the joy of giving; and the shepherd on the 15-cent issue depicts the Nativity two thousand years ago.



Enlarged Canadian contingent in the Middle East

Canada has increased the size of its contingent in the United Nations Emergency Force (UNEF) in the Middle East.

In response to the request of the Secretary-General of the United Nations, Canadian Defence Minister James Richardson announced on November 23 that Canada would provide an aviation unit, a supply company, a maintenance company, a movement control unit, a postal detachment, a military police detachment and a Canadian national administrative unit. A Canadian communications unit, already in the Middle East, will continue to provide field communications for the UNEF.

Other logistics support for the multinational force are provided by Poland. These comprise engineer, medical and road transport units, including a maintenance element.

Fifty-nine vehicles and 14 trailers, along with several tons of stores, including hygiene and sanitation equipment, were added to the 126 Canadian vehicles and 57 trailers already with the force in the Middle East.

Roles to be performed by the Canadians involve the receiving, storing, issuing and accounting of all UNEF supply items, including spare parts, radios, vehicles, food, furniture, construction materials and clothing.

Comédie-Française to tour Canada

The Comédie-Française, the national theatre of France, will tour six Canadian cities beginning in February for six weeks, under the auspices of the Touring Office of the Canada Council.

For their fourth visit to Canada, the Comédie-Française will bring four productions: *Le malade imaginaire* (Molière); *On ne saurait penser à tout* (Muset); *La station Champbaudet* (Labiche et Marc Michel); and *Mais n'te promène donc pas toute nue* (Feydeau).

The Comédie-Française (originally a combination of Molière's troupe and the troupe of the Hotel de Bourgogne, the most ancient Paris company, was organized in 1680 by decree of Louis XIV. The Comédie has been the

home of French classical theatre for nearly 300 years, though it has also produced modern plays. In their 1972-73 season the Comédie gave over 800 performances, both classical and contemporary. The company, whose fare is international, is regarded by the people of France as a cultural and educational institution.

After opening at the National Arts Centre in Ottawa (February 25 to March 2), the company will play *Le Grand Théâtre du Québec* (March 6 to 9), the Arts and Culture Centre in St. John's, Newfoundland (March 11 to 12), O'Keefe Centre in Toronto (March 14 to 16), the Manitoba Theatre Centre in Winnipeg (March 18 to 19), *Théâtre Maisonneuve* in Montreal (March 21 to 30), and the National Arts Centre again for the final week (April 1 to 6).

The 1974 visit will be the most extensive tour of Canada ever undertaken by the company, and the first time it has come to North America to play in Canada exclusively.

Travel industry healthy

Canada's international travel industry showed a healthy increase in the first six months of 1973 but Canadians continued to spend more money abroad than tourists brought into the country.

Preliminary estimates for the first half of the year show Canadian receipts of \$467 million from international travel up 15.9 per cent from the same period last year. But spending by Canadians abroad reached an estimated \$836 million, setting a deficit of \$369 million on the international travel account, up from \$296 million for the same period of last year. The travel deficit with the United States rose \$54 million and that with other countries rose \$19 million.

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Canada's travel earnings in the six-month period showed \$365 million from United States visitors and \$102 million from other countries. Estimates of Canadian spending abroad showed a total of \$555 million in the U.S. and \$281 million in other countries.

Unemployment insurance to cost more

The Minister of Manpower and Immigration, Robert Andras, has announced higher rates for unemployment insurance contributions effective January 1. The new premium for employees will be \$1.40 for each \$100 of insurable earnings, compared to the present rate of \$1. The employer contribution will go to \$1.96 from \$1.40. A deficit of \$335 million is expected this year in payments into the employer-employee account.

Canadian Football League awards

Edmonton Eskimos' pass-catching end, George McGowan, was named the Canadian Football League's most valuable player for the 1973 season. He defeated the Eastern candidate for the award, halfback John Harvey of Montreal Alouettes, in the voting conducted by football writers across Canada. McGowan gained 1,123 yards on 81 receptions for 9 touchdowns. The winning of the Schenley award earned him \$2,000 in Canada Savings Bonds.

The award for the best Canadian player went to Gerry Organ, the Ottawa Rough Riders' talented placement-kicker, who was the leading scorer in the Eastern Conference with 123 points in 14 games. Dave Cutler of Edmonton Eskimos, another good placement-kicker, was runner-up as best Canadian. He led the scoring race in the West with 133 points in 16 games.

Linebacker Ray Nettles of B.C. Lions was named the best lineman, beating out Ed George of Montreal Alouettes.

Johnny Rodgers, the self-styled "ordinary superstar" that Montreal Alouettes recruited from the University of Nebraska, where he had won the Heisman Trophy in his last year of college football, was judged to be the CFL's best rookie in 1973. He beat out rookie Lorne Richardson, defensive halfback of Saskatchewan Roughriders.

Soviet emigrants

Canadian Immigration Department figures show that last year 315 emigrants from the Soviet Union came to settle in Canada, compared to 155 the year before. For the first six months of this year the total was 113. Issuing of exit permits has speeded up since a personal appeal by Prime Minister Pierre Trudeau to Premier Alexei Kosygin in 1971. Many of the emigrants have come to join relatives.

Fuel conservation (Cont'd from P. 2)

Price freeze

The price freeze in its present form will end in January. But the end of the freeze will not mean the Government is going to allow Canadian oil prices to be identical with world prices, no matter how far up world prices go.

However, we have to recognize that nearly all new oil and gas production for our future needs will now come from frontier or unconventional sources. The most important of these sources are the huge reserves of the Alberta oil sands. Their rapid development is essential to the continued economic growth of Alberta and Western Canada.

Projects like the oil sands — and others such as off-shore oil development in our Atlantic region — require expensive new technologies and unprecedented investment capital, whether the funds are provided by the public or private sector. Development costs are far higher than for the conventional energy of the past — and inevitably, these costs will be reflected in higher prices for energy. So, the days of cheap and abundant energy are over.

New energy office

The Federal Government is creating a permanent Office of Energy Conservation, to advise governments and the public on practical measures for more efficient energy use. I also hope that the voluntary conservation measures we will ask you to adopt next week will make each of us personally more aware that future economic growth — and the quality of life we bequeath to our children — need not be based on reckless or inefficient use of our energy resources....