

# Canada Weekly

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## International Development Research Centre seeks new ways to make bread

The International Development Research Centre (IDRC) is supporting research aimed at making nutritious bread by methods easily used by people in developing countries, with ingredients grown in these countries.

Apart from rice grown in Southeast Asia, cereal grains and grain legumes constitute 75 to 80 per cent of the calories and proteins consumed in developing countries. But bread and bread products, as distinct from coarser homemade products such as the Indian chapati, are increasingly popular.

Joseph H. Hulse, Director of IDRC's Division of Agriculture, Food and Nutrition Sciences, says that bread consumption in Africa is up by 10 per cent each year. He points out: "At a certain stage people move toward bread but wheat often has to be imported because wheat just doesn't grow well in some tropical countries."

In a laboratory at the University of Manitoba, outside Winnipeg, flour from Canadian wheat is mixed and baked in varying proportions with flour from corn, sorghum or millets grown in developing countries. Experiments are starting on composite flours of wheat and high-protein legumes such as African faba beans and chick peas harvested in Asia.

This two-year IDRC project, involving a grant of \$20,000, will be extended six months to the end of 1973 so technicians from developing countries can start to be familiar with making bread from composite flours.

In related IDRC-aided projects, a special grain mill invented by a Canadian engineer was recently developed at the University of Guelph, Ontario, and it is being tested in Maiduguri in northeast Nigeria, turning out bread products for marketing in this rural area under a \$132,250-grant over two years.

"We had to find a method to make bread by hand or human power instead of machine power," says Mr. Hulse.

"The bread-making process is still in the laboratory stage and we're looking at application of it in developing countries."

He explains: "We use Canadian expertise to develop the underlying techniques but applying them takes place in developing countries. The old idea was to lift the complete technology one finds in a North American bakery and drop it into a developing country with all the North American recipes. Now we're trying to help the less-developed countries to produce new technologies — technologies better suited in scale and mode of operation to their own needs and resources."

### Request from Nigeria

In 1967, when he was working for FAO, the Nigerian Government approached him with a request for a Canadian-developed mill that could be used for a variety of grains. Most mills in developing countries are designed for wheat only.

Also in 1967, Maurice Strong, then head of the Canadian International Development Agency, showed Mr. Hulse the blueprint of a machine designed by Leslie Palyi, an engineer who had immigrated to Canada from Hungary. The mill employed two counter-rotating disks to take seed coats off grain by abrasive action without grinding up the germ and endosperm (protein and starch) inside. It could be used for several kinds of grain.

In the past year at Guelph, good flour was made by the Palyi mill using millet, sorghum, corn and legumes, including soybeans, grown in developing countries.

While working for the Food and Agriculture Organization, Mr. Hulse, in co-operation with a British group of scientists, had demonstrated that the "Chorleywood breadmaking process" could be adapted to produce bread from mixtures of Canadian wheat flour and

## Death of Mr. Louis St. Laurent

Louis Stephen St. Laurent, Prime Minister of Canada from 1948 to 1957, died at his home in Grande-Allée, Quebec on July 25 at the age of 91.

See tribute to Mr. St. Laurent in next week's issue.

flours derived from other cereals including sorghum, millet, maize and even cassava starch, supplemented with legume proteins. The Chorleywood process uses high energy mixing to replace natural fermentation in dough development. It occurred to the staff of IDRC that mechanized dough development might be achieved by employing sheeting rollers as are used in many bakeries in the Caribbean and in parts of Africa.

The idea was discussed with Dr. Walter Bushuk, Professor of Plant Science at the University of Manitoba, who had been exploring bread-making using composite flours. Dr. Bushuk, an outstanding cereal scientist, undertook to direct and elaborate upon a hand-operated mechanical development process using sheeting rollers.

"The idea is to use zero power to make bread from flour with locally available materials and as little wheat as possible," explains Dr. Bushuk.

#### Bicycle built for bread

This "practical mixing" method uses a hand-operated or bicycle-operated paddle mixer on flour made from wheat plus one other grain or legume (or possibly two others or even more). This is followed by developing the dough between special but simple "sheeters", and the baking of loaves.

In a demonstration, Linda McConnell, the single technician in the IDRC project, first churned for five minutes at 100 revolutions a minute a mixture of 60 per cent of a small amount of blended flour plus shortening, yeast, salt, sugar, water, malt, bromate and ascorbic acid. She added the balance of the flour and kneaded the resulting dough by hand. The dough was scaled off to 160 grams and left in a bowl covered with a damp cloth for a half-hour.

Then Mrs. McConnell passed the dough between two metal sheeting rollers run by an electric motor. "Stronger" dough is subject to 40 sheetings, "weaker" dough to 20 to 30. The sheets were fermented for ten minutes at 80 percent relative humidity and 96 degrees Fahrenheit, passed through the sheeter three times more, rolled up and placed in a mold for 30 seconds.

The dough was put in "pup-loaf" tins, which went into the fermentation cabinet for proofing and then into a revol-

ving oven with a capacity of five loaves, Mrs. McConnell baked them at 430 degrees Fahrenheit for 25 minutes.

#### Availability of materials

All the ingredients are available in developing countries in one form or another except possibly bromate and ascorbic acid, which improve the dough but are unnecessary.

The sheeting rolls can be made of hard wood and turned by hand — or bicycle. An ordinary two-wheeler like those used by millions of people in developing countries is installed in the laboratory, and the rear wheel or possibly the sprocket can be used to turn the rolls. A bicycle can also be used to turn a churn or paddle for mixing flour.



*Passing dough through a roller run by a bicycle, a vehicle common in developing countries.*

Fermentation can be done naturally instead of in a cabinet, and a brick oven using wood as fuel can be used instead of an electric oven. Remixing is sometimes done in the laboratory after fermentation but hand methods are better in the sense that the dough structure is less likely to break down.

The experimental pup-loaves vary in quality depending on what is mixed with wheat and in what proportion. Dr. Bushuk said a mixture of 20 percent African millet and Canadian wheat produces a loaf up to Canadian standards. A loaf of 20 percent corn and wheat is also considered good, and a loaf of 20 percent sorghum and wheat almost as good. The amount of wheat varies from

60 to 80 per cent but in Nigeria a 100 percent sorghum loaf has been made.

Attention is being given now to mixing wheat and legumes in flour to bring the protein content up to 20 per cent or more, compared with 13.5 per cent in wheat loaves.

#### Widespread interest in experiment

Mr. Hulse stresses the importance of making practical use in developing countries of whatever new is learned about the age-old process of making bread. Brazil, Colombia, Ghana, India, Peru and Senegal as well as Nigeria, have expressed interest in new bread-making methods. Observers from research institutes in Lebanon and Nigeria, will visit the University of



*Technician Linda McConnell kneads dough made from composite flours at University of Manitoba laboratory.*

Manitoba this summer as a first step in training instructors from developing countries in the new processes. In Maiduguri, Nigeria, younger women have shown they are eager to buy in co-ops and bazaars a widening range of new bread products made from wheat, corn, millet and sorghum, all grown locally. University of Alberta research workers are assisting in this application of techniques developed in Canada.

"As more people move into urban communities and as women become emancipated, bread becomes more and more a convenience food," asserts Mr. Hulse. "We're encouraging new techniques to make subsistence grains more attractive in developing countries."

### STOLport construction begins

Construction of STOLports in Ottawa and Montreal have begun in preparation for the two-year short takeoff and landing (STOL) passenger aviation demonstration service to be inaugurated in March 1974.

The building of taxiways, a parking apron, a car park and related services at the Ottawa STOLport at Rockcliffe will cost over \$600,000, while similar work at Montreal is estimated at over \$1.5 million. The cost of STOLport buildings has not yet been announced.

Construction expenses at Rockcliffe are lower than at Montreal because part of the existing Rockcliffe runway will be used for the service, whereas at the Montreal site a runway must be built.

The Ottawa and Montreal STOLports are small complete airports, specially designed to suit the characteristics of STOL aircraft, and to fit into the environment of the downtown and suburban areas of modern cities and of smaller communities.

Runways will be 2,000 feet long and 100 feet wide – less than one-third the dimensions required for conventional medium jet aircraft such as the DC-9 and the 737.

The terminal buildings are relatively small, with 5,000 square feet of floor space to accommodate the expected 90,000 to 120,000 passenger trips a year during the two-year demonstration service. Although STOL systems are expected to have many applications in Canada and abroad, it is expected that the clientele during the peak hours of the two-year service, will be largely people on business trips.

In Ottawa and Montreal 220 car parking spaces are being provided for passengers. Access by taxi or bus also will be convenient, as the Ottawa STOLport is only 12 minutes from the central business district and the Montreal port five minutes from the city core.

“The designers of the STOLport have sought to mesh all the essential elements of a new and unique air service. Passenger convenience and low total trip time are fostered by the STOLport design and location. All the inherent characteristics of STOL aircraft – “quiet, steep, safe” – will be fully exploited for the first time in world-wide aviation history,” Transport Minister Jean Marchand stated.

### Oil spill clean-up expert to Chile

Canadian expertise in containing and cleaning-up after marine oil spills is being recognized far afield.

As a result of a call from the Government of Chile, following the recent grounding of a loaded oil tanker in Chilean waters, M.S. Greenham, Operations Officer with the Canadian Ministry of Transport, went to Santiago to advise Chilean Government staff on ways of coping with the resulting oil spill.

The vessel, S.S. *Napier*, of Liberian registry, 38,500 deadweight tonnage, ran aground on June 12 in a severe storm near Guambin Island, in the Chilean Archipelago. She was carrying a cargo of Bolivian crude oil.

Mr. Greenham has played an important part in clean-up of oil spills in Canadian waters in recent years.

### Energy Board chairman resigns

The resignation of Dr. Robert D. Howland as chairman of the National Energy Board was announced recently by Donald S. Macdonald, Energy, Mines and Resources Minister.

Dr. Howland, who has been a member of the Board since its inception in 1959, was appointed chairman for a five-year term in 1968.

The Minister stated that the past quarter-century had produced a remarkable development of the energy field in Canada and that Dr. Howland had made important contributions to Government policy-making.

Mr. Macdonald added that Dr. Howland's work with the NEB had been significant in establishing the regulatory patterns for the country's energy industries.

### Soviet agriculture specialists visit

*As part of the continuing co-operation engendered by the technology agreement between Canada and the U.S.S.R., a group of Soviet specialists visited Canada recently for a week to study farm machinery, specifically that used for grain production, and to discuss such matters as plant genetics, animal husbandry, cereal and oil-seed production and farm-mechanization systems.*

*The group was led by the Soviet Deputy Minister of Agriculture, I.N. Kuznetsov, seen in these pictures at the Massey-Ferguson combine-testing plant at Toronto and showing undivided attention to some of the mechanisms used in one of the company's newest combines being manufactured at Brantford, Ontario.*

*The group visited four provinces and came as a follow-up to the Canadian exhibits last September at the agricultural show in Moscow, which alerted Soviet technicians to Canadian expertise in agriculture.*

*The Agreement on Co-operation in the Industrial Application of Science and Technology was signed in Moscow in January 1971, and many exchanges have taken place since then between Soviet and Canadian experts. Eight working groups have been set up to cover various sectors of industry and to provide links between scientific and technological co-operation and trade.*



### Trade-mark registration agreement with China

Canada and the People's Republic of China signed on July 16 in Peking a reciprocal trademark-registration agreement.

The agreement provides that "persons, partnerships, companies, corporations and governmental enterprises of either country may apply for registration of trademarks in the other country in accordance with its law and be granted the right to exclusive use thereof".

### Trade with Britain

Canada's trade surplus with Britain reached its peak level since 1946 in 1970. The surplus stood close to \$750 million. Exports reached a record total of \$1,485 million in that year, but imports declined 7 per cent from 1969 to \$738 million. The course of trade changed subsequently, with imports increasing 13 per cent in each of the next two years and exports declining 7 per cent and 4 per cent. The trade surplus shrank to some \$380 million in 1972. At \$1,328 million, exports to Britain accounted for 6.5 per cent of Canada's total 1972 exports and, at \$949 million, imports from that country represented 5 per cent of all purchases from abroad. In 1960, these relative shares were over 17 per cent for exports and nearly 11 per cent for imports.

The commodity composition of trade has continued to shift towards a larger share of end products in both imports and exports, although end products account for only 12 per cent of exports compared to 72 per cent of imports. Fabricated materials account for about half of all exports and a quarter of imports.

The \$54-million 1972 decline in exports was largely due to a small group of commodities. Shipments of nickel metal were lower by \$48 million and nickel ores by \$21 million. Exports of aluminum decreased by \$18 million, those of aircraft equipment by \$13 million and those of trucks by \$2.5 million. Shipments of iron ore and barley were each lower by some \$14 million. Export of forestry products rose in 1972. Newsprint was up \$23 million,

pulp up \$12 million and plywood \$11 million.

The 13 per cent rise in imports of \$112 million in 1972 was concentrated in manufactured goods – personal and household goods, \$19 million; motor vehicle engines, \$15 million; ships and aircraft, \$11 million; mining, oil and gas machinery, \$9 million; telecommunication and related equipment, \$8 million.

With renewed expansion in economic activity in the two countries, Canadian exports rose nearly 8 per cent to \$580 million in the first five months of 1973 from \$538 million in the same period of 1972. Imports from Britain increased 3 per cent to \$425 million from \$413 million.

Contributing prominently to the cumulative increase in exports of \$98 million to Britain for the first four months of 1973, for which detailed commodity information is available, were: metal ores, \$27 million; wheat and tobacco, each \$11 million; and nickel metal, \$10 million.

The rise in imports of 4 per cent to \$327 million in the first four months of 1973 from \$314 million a year earlier was due to small and generally offsetting changes covering many commodities, except for a \$10-million decline in imports of passenger cars, partly owing to production problems.

### Assistance for B.C. Indian fishermen

The British Columbia Indian Fishermen's Assistance Program has been renewed for another five years with a budget of \$10,196,000, Jean Chrétien, Minister of Indian and Northern Affairs and Jack Davis, Minister of Environment announced recently.

Financed by the Department of Indian Affairs and administered by the Department of the Environment, the program provides loans and grants to Indian fishermen for the construction, purchase, conversion and modification of fishing vessels, equipment and shore facilities.

The program, in revised and strengthened form, will emphasize on-the-job and institutional training.

To help Indian fishermen now renting vessels to purchase their own vessels or upgrade present equipment, the minimum down-payment for loans has been reduced. The eligible age for

borrowers has been lowered from 21 to 19 to allow younger Indians entry into the industry as owner-operators.

From 1968 to 1973, the program proved successful in increasing versatility, productivity and earning-power for Indian fishermen. Work of the Fishermen's Assistance Board has brought Indian fishermen closer to the economic level of non-Indian members of the B.C. fleet.

### Canada/U.S.S.R. co-operation in civil aviation

Increased co-operation between Canada and the U.S.S.R. is expected following signing of a document on the civil aviation section of the Canadian-Soviet Transportation Working Group, according to a joint announcement by Jean Marchand, Minister of Transport, and Alastair Gillespie, Minister of Industry, Trade and Commerce. The Transportation Working Group was formed under the Canadian-Soviet Agreement on Co-operation in the Industrial Application of Science and Technology, signed in Moscow on February 1, 1971.

The document includes a record of proceedings, terms of reference and plan of exchanges between the two countries on a variety of matters of mutual interest.

Following nine days of discussions of draft proposals, the Working Group agreed on a plan of Canadian-Soviet co-operation in design, construction, equipment and maintenance of airports. Areas discussed included airport complexes, airport lighting, air-traffic control, air navigation and landing aids, maintenance and repair of runways, taxiways and aprons, air terminals, aircraft-handling and servicing, STOL systems equipment including DHC-7 aircraft, plus airborne navigation, landing, take-off and communications systems.

The Canada-U.S.S.R. co-operative arrangements include meetings, seminars and exchanges of correspondence reports and technical information.

The Soviet delegation was headed by A.P. Zhuravlev, Chief of the Department of Capital Construction, Ministry of Civil Aviation of the U.S.S.R., and the Canadian delegation was headed by M.M. Fleming, Deputy Administrator, Canadian Air Transportation Administration, Ministry of Transport.

### Recent diplomatic appointments

The Secretary of State for External Affairs, Mr. Mitchell Sharp, has announced the following appointments, which will take effect during the course of the next few months.

Mr. Robert McDonald Adams, Assistant Deputy Minister (Immigration) in the Department of Manpower and Immigration, to be Consul General in San Francisco, California. He succeeds Mr. J.S. Nutt who is returning to Ottawa.

Mr. J. Alan Beesley, Director General of the Bureau of Legal Affairs, to be Ambassador to Austria, Permanent Representative to the United Nations International Atomic Energy Agency and to UNIDO. He succeeds Mr. N.F.H. Berlis who is returning to Ottawa.

Mr. Georges Henri Blouin, Director General of the Bureau of Personnel, to be Ambassador to Spain. He succeeds Mr. J.E.G. Hardy who is returning to Ottawa.

Mr. Malcolm Norman Bow, Director of the Latin American Division, to be Ambassador to Cuba. He succeeds Mr. K.C. Brown who is returning to Ottawa.

Mr. Frank B. Clark, formerly of the Trade Commissioner Service and now Chargé d'Affaires in Manila, to be Canada's first Ambassador to the Philippines.

Mr. Jean-Louis Delisle, Director of the Academic Relations Division, to be Consul General in Boston, Massachusetts. He succeeds Mr. J.F.-X. Houde whose appointment as Consul General in Marseilles is announced below.

Mr. Ormond Wilson Dier, Director of the Caribbean Division, to be High Commissioner to Guyana. He succeeds Mr. J.A. Stiles whose appointment as Ambassador to Korea is announced below.

Mr. Robert Elliott, formerly Director of the Middle Eastern Division and at present on the bicultural program in Quebec City, to be Ambassador to Algeria. He succeeds Mr. Christian Hardy who is returning to Ottawa.

Mr. Klaus Goldschlag, Director General of the Bureau of Western Hemisphere Affairs, to be Ambassador to Italy and High Commissioner to Malta. He succeeds Mr. Benjamin Rogers whose ap-

pointment as Chief of Protocol was announced earlier.

Mr. Harry J. Horne, Consul and Senior Trade Commissioner in Sydney, Australia, to be Canada's first Consul General in Atlanta, Georgia.

Mr. Joseph François-Xavier Houde, Consul General in Boston, to be Consul General in Marseilles. He succeeds Mr. Eugène Bussière, who is retiring.

Mr. R. Harry Jay, Director General of the Bureau of United Nations Affairs, to be Ambassador to Sweden. He succeeds Miss B.M. Meagher who will be a University Visitor at Dalhousie University.

Miss Marion Adams Macpherson, Director of the United Nations Political and Institutional Affairs Division, to be



Miss Marion Macpherson (above) who will arrive in Colombo, Sri Lanka about the middle of September, is looking forward "very much" to her new assignment as Canadian High Commissioner. She is the third Canadian woman to be appointed head of post. Miss Pamela McDougall, currently seconded to the Privy Council, was the Canadian Ambassador in Warsaw. Miss Margaret Meagher, who will be a Dalhousie University Visitor, was formerly the High Commissioner in Kenya and Uganda and Ambassador to Sweden. The first Canadian woman Chargé d'Affaires was Miss Elizabeth MacCallum (retired), who served in that capacity in Beirut in 1954-56.

High Commissioner in Colombo, Sri Lanka. She succeeds Mr. R.M. Macdonnell who died recently.

Mr. Robert W. McLaren, of the Canadian International Development Agency and at present on executive development leave at Oxford, England, to be Canada's first resident High Commissioner to Bangladesh.

Mr. Lawrence A.H. Smith, Director of the Aid and Development Division, to be Canada's first High Commissioner to Barbados.

Mr. John Alexander Stiles, formerly of the Trade Commissioner Service and now High Commissioner to Guyana, to be Canada's first Ambassador to Korea.

Mr. Paul Tremblay, Associate Under-Secretary of State for External Affairs, to be Ambassador to the Holy See. He succeeds Mr. J.E. Robbins who has retired.

Mr. Pierre Trottier, Minister-Counselor at the Canadian Embassy in Moscow, to be Ambassador to Peru and Ambassador to Bolivia. He succeeds Mr. Pierre Charpentier who is returning to Ottawa.

### Canada/U.S. air negotiations extended

The deadline to terminate the United States preclearance program for transborder flights from Canada to the United States has been extended from July 29 to September 10, Transport Minister Jean Marchand announced recently.

The Minister explained that since substantial progress had been made in the air negotiations, it had been decided to grant such an extension to allow time to complete the complex air-route negotiations with the United States, which began over three years ago.

This air-route negotiation, the largest and most complex in the history of Canadian civil aviation, has also included discussions of charter issues as well as negotiations of a revised and expanded route package for scheduled flights. These have proved to be difficult and time-consuming negotiations. Canada's aim has always been to achieve a major expansion of routes of benefit to all parts of Canada, particularly Western Canada, where several requests for routes had been outstanding from the 1966 negotiations.

The issue of preclearance has become associated with the air-route negotia-

tions because preclearance permitted U.S. air-carriers to operate what is virtually a domestic air network starting from Canadian gateways. By being precleared in Canada, U.S. air-carriers could then fan out to other destinations beyond the first stop in the U.S., where it was then not necessary to undergo customs and immigration inspection.

In parallel with the recent air-route negotiations, talks on preclearance have been held with the U.S. and will continue to be held. Transport Minister Jean Marchand has previously stated that if preclearance was going to remain in Canada it must be on a non-discriminatory basis and be available at all Canadian trans-border gateways where there was a reasonable demand for preclearance to be instituted. The Transport Minister also said that, to be truly non-discriminatory, the U.S. Government must be able to offer reciprocity and agree to preclearance taking place in the U.S. on flights to Canada, should Canada wish to exercise such an option.

### Fishermen urged to catch more fish

Fisheries Minister Jack Davis has asked Canadian fishermen to catch more fish in the North Atlantic.

Quotas for more than 20 stocks were set by the International Commission for the Northwest Atlantic Fisheries (ICNAF) at its annual meeting in Copenhagen, Denmark, in June. Canada's allotment was increased by 50,000 metric tons. Its estimated landed value is \$8 million and processed value, \$20 million.

"Canada's larger share is in waters fished by Canadians for years, mainly off southern Labrador, Newfoundland and Nova Scotia," Mr. Davis said.

"Other countries are backing off. The fish are there. We must go and get them or our credibility will be strained

especially in the eyes of all the 15 other nations fishing in the North Atlantic.

"It's up to our fishing industry to confirm our faith in its ability to catch more fish out over our continental shelf. We've been saying for years that they are our fish. Now we've got to prove it by showing the world that we have the capacity to take all the fish which are allocated to us under this new international agreement."

In return for higher allocations of cod and herring, Canada accepted a reduction in species in which Canadians have little or no interest — for example, silver hake on the Nova Scotia Banks.

Canada's share of cod catches in the areas under ICNAF quota for 1973 will total 193,000 metric tons, 80,000 more than Canadians took in these areas in 1972.

In the Labrador and Eastern Newfoundland area, Canada's allocation is 110,000 tons, compared to a catch of 66,000 tons in 1972.

Northwest Atlantic catches of all species by all ICNAF member nations in 1972 totalled 4,210,000 tons, almost the same as in 1971. Marked reductions recorded in catches of haddock and herring were offset by increased landings of mackerel, menhaden and other species. Catch-limitation measures aimed at reducing the intensity of fishing activity and the improvement in the depleted state of fish stocks were continued.

The United States proposed a 25 percent reduction in catch off its own coast, which was not accepted by the other member nations of ICNAF. To resolve this impasse, Canada proposed a special meeting at a later date, which will probably be held in September or October.

### Other highlights of the meeting

The Commission accepted proposals for a total prohibition of haddock fishing on the Nova Scotia Banks except for regulated amounts taken incidentally in other fisheries.

Quotas were set for the first time on redfish (ocean perch) stocks in four areas. Canada is allocated 16,500 tons of the total 109,000 tons.

Canada received substantial allocations in quotas for several species

of flounder, American plaice and pollock.

A quota of 250,000 tons was established for capelin taken in 1974 in the Labrador-Newfoundland-Grand Banks areas.

Allocations of capelin catches to national fleets, and quotas and allocations for herring in 1974, are to be set at a mid-term meeting of the Commission expected next January. A 45,000-ton quota was decided for herring in the Chedabucto Bay area off Nova Scotia, including 39,800 tons for Canada.

Canada accepted a 2,000-ton share of a silver hake quota of 100,000 tons.

In summary, Canadian allocations resulting from the ICNAF meeting are highly satisfactory to Canada, Mr. Davis said, although there was no formal acceptance of the Canadian position that the coastal state should be given first claim on the allowable catch.

### Monetary crisis produces trade gains

The July 16 issue of *Canada Report* claims that the Canadian dollar, linked closely with the declining U.S. dollar, is going through an effective devaluation of its own in relation to some important trade partners. The latest revaluation of the West German mark and the continued decline of the U.S. dollar in Europe mean that Canada has actually begun to gain a competitive advantage in its trade position from the long-running international monetary crisis. The advantage amounted to 2.7 per cent against Canada's main trade rivals at the end of June, according to calculations by federal Finance Department experts. This is the amount of the total trade-weighted devaluation in the Canadian dollar against the currencies of the major industrial countries that make up the Group of Ten. As recently as May 30, this figure showed at 4 per cent increase. The devaluation becomes 13 per cent when the United States is excluded from the comparison. Since the Canadian dollar was freed to float in June 1970, it has risen more than 8 per cent against the U.S. dollar.

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