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Prime Minister attends Melbourne meeting and visits South Korea and Fiji

Prime Minister Pierre Trudeau recently returned to Canada following a trip that took him to South Korea, Australia and Fiji. The highlight of the trip was the Prime Minister's attendance at the Commonwealth Heads of Government meeting held in Melbourne, Australia, September 30 to October 7.

This biennial meeting of the Commonwealth Heads of Government focused on world political and economic developments, in particular providing a link between the talks at the Ottawa Summit and the upcoming North-South Summit to be held at Cancun in Mexico. The agenda also provided for discussion of Commonwealth programs of functional co-operation.

With regards to the Cancun conference, Mr. Trudeau said before the Commonwealth Heads of Government meeting that he thought the talks in Melbourne would be profitable if the participants could reach agreement on the establishment of an energy affiliate of the World

Bank and if the process of global negotiations could be accepted. The Prime Minister said he expected that the Melbourne conference would express the political will of the participants which would "influence other countries attending Cancun and not attending Cancun".

Urgent efforts required

In an address to the conference, attended by leaders from 41 Commonwealth countries, Mr. Trudeau called for urgent efforts to combat hunger and poverty in the Third World. The Prime Minister warned the Commonwealth Summit that not only poor countries but also the relatively rich now face "horrendous economic problems" and risks.

"There are no quick fixes or magic solutions," Mr. Trudeau told the conference. "Wisdom, compassion, co-operation and patience are required in the long haul ahead," he said. Prime Minister Trudeau added that history would judge 1981 as a watershed in North-South relations. The Prime Minister said it would be a year in which all countries either moved together in a concerted attack on economic disparities or allowed "a momentous opportunity to slip through our fingers".

Mr. Trudeau proposed a focus on four key issues affecting poor countries: improvements in food production, increased energy development with special assistance from a proposed new World Bank energy affiliate, better access to financing and a reduction in protectionism to improve the trade position of Third World countries.

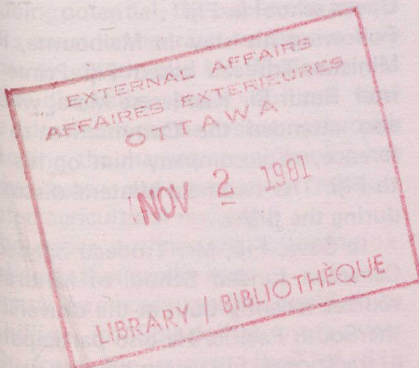
The Prime Minister added that Canada would make a major effort in the field of improved food production. Mr. Trudeau also called for major changes to create "an international system sensitive to the needs of all".

Constitutional talks

While in Melbourne Prime Minister Trudeau took the opportunity to meet



Prime Minister Pierre Trudeau (top right) stands with other Commonwealth Heads of Government following a dinner with Queen Elizabeth aboard the Britannia.



External Affairs
Canada

Affaires extérieures
Canada

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Prime Minister Trudeau meets with South Korean President Chun.

with British Prime Minister Margaret Thatcher to discuss the recently announced decision of the Supreme Court of Canada on the patriation and amendment of the Canadian Constitution. Mr. Trudeau also met with Queen Elizabeth on the royal yacht *Britannia* to discuss his plans and further steps considered by his government.

In a joint statement following the two Prime Ministers' talks, Mr. Trudeau said that he would invite the Canadian Parliament to approve a resolution and draft bill — basically the measure which is now before Parliament, subject to the possibility of modifications in light of new federal-provincial consultations. If the resolution and draft bill were approved by the Canadian Parliament they would then be sent to the British Parliament for passage.

Mrs. Thatcher indicated that any measure approved by the Canadian Parliament could be introduced at Westminster once the new session began in November. The British Prime Minister also expressed the concern of some British members of Parliament regarding the conventionality of the Canadian proposals.

Mr. Trudeau responded that the Canadian government, according to the Supreme Court of Canada decision, could legally proceed with its constitutional proposals. He added that the constitutional convention in question was a political matter and a convention of Canadian politics. Prime Minister Trudeau said that he hoped the concerned members of the British Parliament would recognize that it was for Canadian politicians to decide

whether the convention should be modified or overridden on this occasion.

Korean visit

Prior to his attendance at the Melbourne conference, Prime Minister Trudeau made a three-day official visit to the Republic of Korea where he met with Prime Minister Nam Duck-Woo and President Chun Doo Hwan. Their discussions encompassed Canada-Korea relations, including its dynamic trade element, North-South issues and defence and security matters. In talks with the Korean President, Prime Minister Trudeau pledged Canadian support for South Korean efforts to establish a dialogue with North Korea and for admission of both Koreas into the United Nations.

On his arrival in Seoul, Mr. Trudeau held a meeting with 16 Canadian businessmen, comprising resource and high-

This year's meeting of the Commonwealth Heads of Government was the first held in Australia and was the twenty-second since the biennial meetings began in 1944. The Heads of Government meeting is the most important of the several levels of Commonwealth conference. Unlike other international conferences, meetings of Commonwealth leaders are private and confidential gatherings for an informal exchange of views. The Commonwealth is a consultative rather than a negotiating forum, and it reaches its decisions by consensus; there are no votes or vetoes, no ideological or geographical blocks.

technology companies who have both a present and potential interest in trade and economic co-operation with South Korea.

Trade relations between Canada and South Korea have grown substantially since Canada opened its embassy in Seoul in 1973. Two-way trade increased by tenfold by 1980 to \$918 million. Canada is one of the world's highest *per capita* importers of Korean textiles and is an important market for light industrial goods. Korea is Canada's third largest Asian market importing coal, wood pulp and other raw materials, as well as important shipments of nuclear-related and other equipment. [At present Atomic Energy of Canada (AECL) has one CANDU heavy water nuclear reactor under construction and hopes to sell three more CANDUs to South Korea.] The considerable potential for increased activity in the fields of energy, high technology, telecommunications and grain sales, as well as other areas of economic activity, were discussed during the visit.

On the final day of his visit to South Korea, Prime Minister Trudeau flew to Pusan where he paid tribute to the 379 Canadians, who lost their lives in the Korean War and are buried at the United Nations Cemetery.

Mr. Trudeau also visited the CANDU reactor site at Wolsung, on the southern coast of the Korean peninsula, where the Canadian community turned out in strength to greet him. He also travelled to Kyongju, the ancient capital of the Shilla dynasty, and a cultural site of importance to all Koreans.

Opens school in Fiji

Following his stay in Melbourne, Prime Minister Trudeau asked Fiji Prime Minister Ratur Sir Kamiesese Mara, who had also attended the Commonwealth conference, to accompany him on his flight to Fiji. The two held bilateral discussions during the flight.

In Suva, Fiji, Mr. Trudeau opened the Canadian funded School of Natural Resources recently built at the University of the South Pacific. He also participated in a traditional Fiji ceremony of welcome and a feast held in his honour.

At the opening, Prime Minister Trudeau said that Canada favours an aid program that would make Third World states more self-sufficient. He said Canadian policy is to equip developing countries "with the ability to develop according to your own tradition, to your own lines, and to your own customs".

The University of the South Pacific is

a regional institution supported by most of the island countries in the region, including Fiji, the Cook Islands, Tonga, Nauru, Western Samoa, Vanuatu, Solomon Islands, Tuvalu and Kirilati.

The School of Natural Resources was constructed with \$8.03 million in grant funds from the Canadian International Development Agency and will provide space for 600 full-time and 200 other students.

The school will provide facilities for teachers and research in chemistry, physics and biology at three different levels. The preliminary level upgrades students to university admission requirement; diploma level studies in science are mandatory for a diploma in education for science teachers at elementary and lower secondary schools; and basic science graduates can enter the Fiji School of Medicine and the Fiji School of Architecture.

Food policy for the 1980s

Agriculture Canada has released a discussion paper which will serve as the basis for establishing national agriculture and food priorities for the 1980s.

"We know that Canada could increase its food production by two-thirds before the year 2000. Rising world population and rising income in many developing countries will ensure there is a strong demand for that higher level of production," said Agriculture Minister Eugene Whelan in releasing the paper.

If Canada is to achieve its food-producing potential, the public and private sectors must co-operate to remove constraints to growth, said Mr. Whelan.

The discussion paper outlines how those constraints can be overcome through developing the market, strengthening the supply base and preparing mission-oriented agricultural research.

The paper outlines the following national goals that can be met:

- annual farm cash receipts could go to \$35 billion, in 1980 dollars, by the year 2000, from the current level of \$15 billion;
- thousands of new jobs could be created in the agriculture, processing, distributing and supply sectors;
- Canada's balance of payments could be strengthened because most of the additional production would go into exports;
- Canadians would be assured of a continuous food supply; and
- each province and region would have

development opportunities in boosting production of commodities and processed foods for which it has a natural comparative advantage.

The agri-food strategy would also help Canada meet its obligations to the international community through increased food trade and agriculture development assistance.

ILO representative visits

Francis Blanchard, Director General of the International Labour Organization, a specialized agency of the United Nations with headquarters in Geneva, Switzerland, visited Canada, September 27-October 5.



Francis Blanchard

During his visit, Mr. Blanchard participated in the Copenhagen Group Meeting of Ministers of Labour in Halifax and presented a major address at a meeting sponsored by the University of Montreal.

While in Ottawa, Mr. Blanchard attended a tripartite dinner which included representatives of government, labour and employers. On the following day he held a working session with representatives of the Department of External Affairs, the Canadian International Development Agency and Labour Canada to discuss technical assistance to developing countries and the North-South dialogue.

Mr. Blanchard also travelled to Alberta where he toured the syncrude plant at Fort MacMurray, visited Banff and attended a working dinner hosted by the Alberta government.

The ILO's Director General visited British Columbia where he met with representatives of organized labour and management representatives in the province.

Funds to Red Cross

The Canadian government is providing funds to the Red Cross for assistance in El Salvador, Djibouti and Nicaragua.

The Canadian International Development Agency (CIDA) is providing \$200,000 to the International Committee of the Red Cross to assist victims of civil unrest in El Salvador.

The funds will help the International Red Cross to provide protection and assistance for prisoners and political detainees as well as basic food, clothing and medical care for an estimated 150,000 people.

In addition, CIDA is contributing \$82,000 to the League of Red Cross Societies (LRCS) for a medical team and a relief delegate for Djibouti, which has suffered two years of drought.

In December 1980, the Canadian Red Cross, with CIDA funding, supplied a medical team of a doctor and three nurses to work in southern Djibouti, where the greatest number of refugees is concentrated. The current contribution will allow the medical team to be replaced, while the relief delegate will oversee refugee camps on behalf of the LRCS.

Canada is also providing a \$50,000 grant to the LRCS for assistance to Indians suffering from famine in Nicaragua.

Increased wheat exports forecasted

The Canadian Wheat Board has announced that it will strive to export a record 26 million metric tons of grain and oil seeds during the current crop year.

The board does not usually announce publicly its export targets but said it is doing so in this case because the grain handling and marketing system faces the challenge of delivering a record harvest.

The target of 26 million metric tons for the crop year ending next July 31 is worth more than \$5 billion. It is more than 13 per cent higher than previous record exports of 23 million metric tons in 1979-80 and compares with 22.5 million metric tons delivered last year. This figure includes processing grains such as flour.

The federal government has set a long term objective of increasing exports to 30 million metric tons by 1985-86. The board said it has heavy sales commitments and expects near capacity rail movement of grain to all major Canadian ports during the winter.

Canada and U.S. must not be distracted from achieving common goals

Canada and the United States have followed distinct paths from their beginnings and the challenge of Canadian-American relations has been to contain and channel disagreements so that they do not weaken the friendship between the two countries, said Secretary of State for External Affairs Mark MacGuigan in a speech to the Centre for Inter-American Relations in New York, September 30. Excerpts from the address, which discussed Canadian investment and energy policies, follow:

...Clearly, important elements of the U.S. private sector, Congress, and Administration see a disturbing change in Canadian economic policies. In addition to the words "nationalist" and "short-sighted", the terms most often used to characterize this supposedly sudden shift in direction are "interventionist", "restrictive", and "discriminatory". In the view of some prominent Americans, at least, it is no longer possible to look northward and "recognize" the Canada they thought they knew.

Accompanying this generalized concern in some quarters is a more specific complaint, voiced mostly by corporate spokesmen, that the "rules of the game" have been abruptly changed in Canada, and that this amounts to unfair treatment. The companies involved have not hesitated to act on their convictions and seek support in this country, often from their friends in Congress.

Alarm unjustified

This level of alarm is unjustified, but to a degree it is understandable, since the commercial and economic stakes are high. Over 21 per cent of U.S. foreign direct investment world-wide is in Canada; according to the latest available figures, this amounted to more than \$38 billion. So there is a strong degree of exposure involved. But be reassured that it is two-way. In 1980, two-way trade between the two countries totalled some \$90 billion, the largest trading relationship in the world between any two countries. The point is that neither side wishes to jeopardize economic links of such importance.

A key to ensuring that damage is not done is knowledge. I would like Americans to know more about Canadian realities. They would then recognize that these realities are not threatening to U.S. interests but reveal a country in the process of strengthening itself, not at the expense of others, and in a way which will in fact result in a more capable neighbour and ally for this country....

Our Prime Minister summed it up as he

introduced President Reagan in the House of Commons on March 11 this year. "In the years to come the United States will be looking at a dynamic neighbour to the north. By putting its own house in order, Canada will grow confident in itself. We will establish more clearly where our interests lie and we will pursue them with renewed vigour. One thing will remain unchanged, however: our deep friendship for the United States."

Clarifying Canadian interests

What we hope our American friends will realize is that, in economic terms, this clarifying of national interest is based on political traditions and economic structures different from their own. More than 200 years ago our paths diverged, although our goals remained much the same. The parting of the ways led to different political institutions and when compared with different geographic circumstances as well, even a different attitude towards the role of government.

A good example is the degree to which Canadian governments have historically felt the need to intervene in national life to knit together and develop a huge, under populated and, in some cases, forbidding land. Among the results are national television and radio networks, national airlines, the Canadian National Railway family of companies and a host of other government undertakings, meant to mobilize capital, technological, and human resources in a scale of effort and risk which some of the challenges of our national development call for. The need for and familiarity with government intervention in the Canadian economy remain to this day.

I should point out that government involvement of this sort represents a pragmatic Canadian response to a particular set of circumstances, and by no means reflects any philosophical discomfort with the role of private enterprise. The private sector has been and will remain the driving force behind Canada's economic development. We share with you the perception that one of the best



guarantors of a free society is a free economy. But Canadian economic development needs to be as coherent as possible and as forward-looking as possible in terms of overall benefits to Canadian society. And for those reasons, Canadian governments, at the provincial as well as federal levels, are at ease with their responsibilities for judicious intervention in the development process.

In part, this is directly due to a second fundamental difference between the two countries, the structure of the two economies. Canada's economy is a tenth the size of yours, and is more heavily dependent on primary resource industries. The manufacturing base in Canada is narrower and is significantly foreign-controlled. Although in many respects general Canadian and U.S. economic interests are parallel, in some important specific ways they diverge. In the past 20 years, the public debate on the degree to which such a divergence was desirable or possible has centred on the question of foreign ownership.

Foreign ownership

While Canadians acknowledge the benefits which foreign investment has brought them, it became clear by the beginning of the 1970s, after a decade of study, of the very high degree of foreign ownership and control and that there were very significant costs involved as well. These are well known; they relate to the negative effects on the performance of the economy of locating so many of its command centres outside Canada, on the social development of Canada, which needs more research and development for our engineers and scientists; or the effects of the branch-plant phenomenon on the Canadian potential for developing interesting trade prospects. And so on. And the events of 1971 left us feeling suddenly vulnerable.

Accordingly, in 1974, the government established a foreign investment review process whose task is to screen foreign investment for "significant benefit" to Canada.



You will notice that I used the word "screen", not "block". As of August 1981, the Canadian government had an approval rate for applications by American investors of 90.5 per cent, hardly grounds for suggesting that they have been subjected to harsh treatment.

In view of the litany of complaints about the Foreign Investment Review Agency (FIRA), I would like to point out a few facts. Even now, after seven years of the FIRA regime, foreign ownership figures in Canada are at a level which I am sure you will agree would simply not be tolerated in the U.S. For example, according to latest available figures (1978), foreign investment in the United States accounted for 5 per cent of the mining industry and 3 per cent of the manufacturing sector. The comparable Canadian levels are 37 per cent and 47 per cent. The contrast is stark.

Furthermore, in 1978, non-residents controlled about 30 per cent of all non-financial industries in Canada; the comparable U.S. figure was about 2 per cent. Finally, while only two of the 50 largest firms in the United States are foreign-controlled, 19 of the 50 largest firms in Canada are foreign-controlled.

...No country could allow these levels of foreign involvement to continue indefinitely. No country ever has. I do not have to remind this audience of the more recent reaction in this country to a degree of foreign penetration much, much lower than that occurring in Canada.

The essential point is that, having determined that the amount of foreign ownership and control was a concern, Canada chose to deal with the problem totally in accordance with our international undertakings. There has been no question of nationalization, confiscation or forced sale. Foreign investors have simply been told the conditions under which they would be welcome.

And I should emphasize the notion of welcome. Canada needs and wants foreign investment which will benefit all parties concerned. Foreign companies and individuals will continue to do business profi-

fitably in Canada. I do not believe that those who are complaining about our policies are in fact arguing that they have lost money on their investments. Certainly not. And by comparison with other countries, there are very few more secure places to invest money than Canada.

Energy issues

Let me now turn to the vexed question of energy. In the energy field, the cause of much recent anxiety has been Canada's National Energy Program (NEP). Within the context of the obviously special significance the energy sector has for Canadian economic development, that program is founded on three basic principles — security of supply and ultimate independence from the world oil market; opportunity for all Canadians to participate in the energy industry, particularly oil and gas, and to share in the benefits of its expansion; and fairness, with a pricing and revenue-sharing regime which recognizes the needs and rights of all Canadians, with respect to the development of all of Canada's regions.

From where I sit, one aspect of the NEP which has been much misunderstood is "Canadianization". The Canadianization objective is really very simple: it is to increase the share of the oil and gas industry owned and controlled by Canadians — to 50 per cent of the industry a decade from now. In the strategy adopted to achieve this utterly legitimate objective, the emphasis is on making room for Canadian oil and gas companies in the industry in Canada, not on forcing out foreign companies. There is no question that we intend to give Canadian companies the opportunity to grow more quickly. What we have not intended or done is to make the operations of large international oil firms unprofitable. For example, the net cost to U.S. firms exploring in Canada will remain lower than in the United States.

But we are dealing with an extraordinary situation. Throughout the 1950s and 1960s, non-residents owned nearly 80 per cent and controlled over 90 per cent of Canadian oil and gas assets. They also controlled nearly 100 per cent of the assets employed in refining and marketing operations. Canada did not have a single Canadian multinational oil company, not even a small one. We did not have a vertically integrated domestic company, until Petro-Canada acquired Pacific Petroleum in 1978.

Before the NEP, an unintended by-product of government policies was in-

creased foreign ownership. New windfall profits due to increases in oil and gas prices favoured the firms already in the business with the largest production. Most of these were foreign-owned. These same foreign-owned firms were also the main beneficiaries of the earned depletion allowance, since this deduction from taxable resource income was available only to firms whose principal business was resources and who had existing resource income. The pre-NEP policy framework virtually guaranteed that the big (and the foreign-owned) would get bigger.

No other developed country faced this predicament. Indeed, as I look around, it is a predicament tolerated by no country, period. By 1980, the 74 per cent foreign-owned and 81.5 per cent foreign-controlled Canadian oil and gas industry generated almost a third of all the non-financial sector profits in Canada. Without changes, enormous power and influence in Canada was destined to fall into a few foreign hands. We simply decided that we had to act and had to act now.

But, unlike some other countries, Canada has preferred the carrot to the stick. The operations of foreign firms in Canada are still very profitable and, to the extent that they increase Canadian ownership, they can now be even more so.

I want to dispel any impression that the NEP has suddenly made the role of foreign firms in the Canadian hydrocarbon industry uncertain and unpredictable. Certainly the rules of the game have changed from 10, 20, or 30 years ago. Perceptions change; needs change; situations change. Where do they not change? But the changed rules are clear. They can be ignored to the detriment of future balance sheets. Or they can be used advantageously by foreign-owned corporate citizens of Canada who are sensitive to the Canadian environment and to the opportunities there for profitable investment.

Incentives for owners

I should add that the NEP gives foreign companies an incentive to acquire Canadian shareholders and partners. To the extent that they do, they can benefit from higher exploration grants just like firms which are already more than 50 per cent Canadian-owned. Let's not forget the many foreign-controlled companies who are quietly rearranging their affairs in Canada to take advantage of the NEP,

(Continued on P. 8)

Communications network planned

The federal government will use Telesat Canada's *Anik B* satellite to provide communications services between some government offices in Canada.

The field trial will start in late 1981 with completion scheduled for September 1982. It will test the application of the most up-to-date satellite technology to government operations. The Government Telecommunications Agency will connect an experimental communications network already established within the Department of Communications.

The field trial will evaluate electronic distribution of documents and messages and will test satellite services for voice, computer communications and teleconferencing. The trial will also involve the Atmospheric Environment Service (AES) of Environment Canada and the Canada Employment and Immigration Commission.

AES will evaluate the cost-effectiveness of transmitting weather maps between weather centres and of providing access by satellite to data stored in a central computer. The CEIC will evaluate the effectiveness of using satellite systems for improving its own administrative communications and its service to the public.

Earth stations, to be used in the system, will be erected in Toronto, Montreal, Ottawa, Kitchener (Ontario) and Bathurst (New Brunswick).

Home computer for blind

A Quebec inventor is working on a home computer terminal that will allow blind Canadians to gain access to the same kind of information banks that will be available to the rest of Canadians in the next decade.

Roland Galarneau of Hull is developing a computer terminal with a braille printer that will allow blind people to receive information from basic sources such as dictionaries and from data banks such as Telidon, which includes news stories, advertising and educational services.

His Microbraille terminal is the culmination of 20 years of work on various computer systems. Galarneau, who has just two per cent vision, developed a high speed computer in the 1960s to convert English and French into braille.

Galarneau's company — Services Convert-Braille-Cypihot-Galarneau recently received \$250,000 in federal grants to develop the Microbraille terminal. The terminal resembles a regular computer terminal without the viewing screen. Connected by phone to a data bank, it prints the same information in braille — at about one line per second.

Ten such terminals are being tested by blind people in Ottawa and five Quebec cities. If the trial is a success Galarneau hopes to begin production next year, using as many handicapped workers as possible.

Funds help refugees adapt

The federal government will provide an additional \$4.3 million to help integrate Indochinese refugees into Canadian society as quickly as possible. The funds will assist 60,000 Indochinese refugees already in Canada and another 10,000 this year.

Of the total announced \$3.37 million is allocated to fulfilling the basic needs of newly-arrived refugees until their incomes can do this.

The remaining \$927,000 will fund the activities of various voluntary community organizations, contracted by the Canada Employment and Immigration Commission to provide such services as reception, information, referral, translation, interpretation, orientation and counselling under the immigrant settlement and adaptation program.

More than 120 voluntary organizations are currently under contract to provide such community-based settlement services.

During the 1981-82 fiscal year, \$8.86 million has been approved for the adjustment assistance program, and \$1.67 million has been allocated to the immigrant settlement and adaptation program. Under the Indochinese refugees settlement grants program, which began in February 1980 and ended in March 1981, voluntary organizations across Canada were given \$710,000 in grants.

Austrian minister visits Canada

Austrian Foreign Minister Willibald Pahr paid a visit to Canada, October 4-6.

Dr. Pahr met first with Austrian officials in Toronto before travelling to Ottawa where he met first with Secretary of State for External Affairs Mark MacGuigan and later with Minister of Trade Edward Lumley.

Drs. MacGuigan and Pahr discussed bilateral issues in addition to the North-South dialogue and the Middle East. The two also attended a working luncheon.

During their talks, Mr. Lumley and Dr. Pahr discussed trade and economic bilateral relations which they said were very good.

Dr. Pahr later toured Ottawa, visiting the Currency Museum and the National Gallery of Canada. The Austrian minister also visited with members of the Canadian Austrian community at the Maple Leaf Almrausch Club outside Ottawa.



(From left to right): Secretary of State for External Affairs MacGuigan, Austrian Foreign Minister Pahr, Austrian Ambassador August Tarter and Finance Minister MacEachen.

Weaving treated as art in new National Gallery exhibit



A Ukrainian tapestry made in 1930 by Mrs. Ktory of Hairy Hill, Alberta.

The first exhibition to treat Canadian weaving as an art form is on display at the National Gallery of Canada in Ottawa until November 22.

The Comfortable Arts: Traditional Spinning and Weaving in Canada was organized by Dorothy Burnham, an expert in the field of Canadian textiles, an author and researcher. The travelling exhibition, which illustrates a wide variety of Canadian weavings embracing the entire country, comprises weaving from the early eighteenth century until the 1940s.

Representative selection

For the National Gallery's exhibition, Mrs. Burnham has selected a representative exhibit of significant textiles and related objects such as spinning wheels and graphics. The 162 textiles and 41 other items begin with those of Canada's native peoples and continue on with those of early pioneers and settlers in both the east and west to reflect a varied textile tradition in Canada.

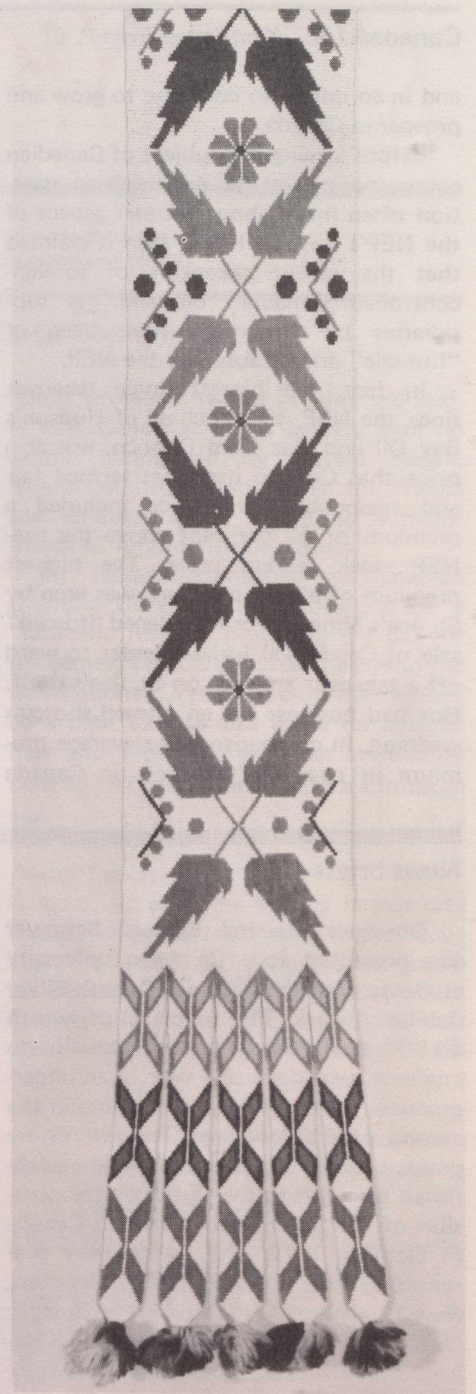
"Life was not easy for those who settled this land, but even while performing the mundane tasks of spinning and weaving for the essential purposes of covering the body and warming the pioneer bed, there was a reaching out for beauty...a well-spaced border was added to a plain blanket, heavy woollen work clothes were made of carefully designed checks rather than of plain sheep's gray, a subtle pattern was worked into the weave of a shawl..." said Mrs. Burnham.

Textiles being exhibited have been drawn from the collection of the National Gallery of Canada and the National Museum of Man. Other works have been borrowed from both public and private collections across Canada. These include: the Royal Ontario Museum, Toronto; Musée du Québec; the "New Village" Museum of the Kootenay, Doukhobor Historical Society, Castlegar, British Columbia; Musée de Saint Boniface, Manitoba; Doon Pioneer Village, Kitchener, Ontario; and Newfoundland Museum, St. John's.

After its showing in Ottawa, the exhibition will travel next year to the MacDonald Stewart Art Centre, Guelph,



Doukhobor carpet, c. 1925 by Helen Hancheroff, Brilliant, British Columbia.



A neck band with beads was woven by a Cree Indian at Lake Athapapuskow on the Saskatchewan, Manitoba border, provided by the Museum of Natural History, Regina, Saskatchewan.

Ontario; Norman Mackenzie Art Gallery, Regina, Saskatchewan; Vancouver Centennial Museum; and Confederation Centre Art Gallery, Charlottetown, Prince Edward Island.

In connection with the exhibit, the National Gallery has published a book entitled, *The Comfortable Arts: Traditional Spinning and Weaving in Canada*, by Dorothy Burnham.

Canada/U.S. (Continued from P. 5)

and in so doing, to continue to grow and prosper in Canada.

Before leaving the subject of Canadian energy policy, let me deal with an assertion often made about another aspect of the NEP's impact. I have seen it claimed that the recent takeovers of foreign-controlled Canadian oil and gas subsidiaries by Canadians have been at "fire-sale" prices caused by the NEP.

In fact, the biggest single takeover since the NEP, the purchase of Hudson's Bay Oil and Gas from Conoco, was at a price that Conoco itself has termed fair and reasonable. The price included a premium of 52 per cent above the pre-NEP stock market price. The highest premium of all, 67 per cent, was won by St. Joe's Minerals for the alleged "forced" sale of Candel Oil Ltd., in order to ward off a takeover attempt on St. Joe's itself. Not bad business for an alleged shotgun wedding. In comparison, the average premium in over 60 takeovers in Canada

since 1978 was 35 per cent.

Indeed, the government in Canada has consistently been criticized for Petro-Can purchases on the grounds that the premiums paid have been too high. One last note — the takeover fever in Canada began long before the NEP. It has had involved Canadian as well as foreign firms and sectors beyond energy. I suggest that some recently interested observers of Canada step back a bit for a little perspective.

Perspective on bilateral issues

...The United States' own record on trade and investment is not unblemished. Measures have been taken, for example, to assist industrial sectors having difficulty meeting international competition. Buy-America preferences abound. There are sectors of the U.S. economy from which foreign investors are excluded. We are still awaiting action on shared environmental and fisheries issues. Raising these problems gives me no pleasure. It does, however, help to put the bilateral situation into better perspective....

News briefs

Governor General Edward Schreyer has presented four Canadian university students with the Queen Elizabeth Silver Jubilee Awards. The scholarships, worth \$4,000 each, are presented annually to students, who take one year of an undergraduate degree program studying in the second official language. The awards are granted under a federal program established by a gift to the Queen on the occasion of her Silver Jubilee visit to Canada in October 1977. The awards were presented to Andrew Bartlett of Fredericton, New Brunswick; Bill Fairbairn of Guelph, Ontario; Lison Fougère of Luceville, Quebec and Douglas Sparks of Penticton, British Columbia.

A Canadian lawyer has been awarded the Albert Lilar prize for his "outstanding contribution to international maritime law" in the last three years. William Tetley, a law professor at McGill University in Montreal received the award which is made every three years by a jury of ten Belgian jurists in memory of the late Senator Albert Lilar, former Belgian Minister of Justice and President of the International Maritime Law Committee. Professor Tetley was cited for his book, *Marine Cargo Claims*, which has gone into its second printing and has been translated into Russian and Japanese.

Canadian universities granted 113,000 degrees, diplomas and certificates to students in 1980, reports Statistics Canada. A total of 97,000 undergraduate qualifications were granted with an additional 16,000 at the graduate level. The number of males receiving qualifications decreased by 2 per cent, while the number of females graduating remained much the same. Significant increases were recorded in the number of females receiving graduate degrees: more than 4 per cent at the masters level and 8 per cent at the doctoral level.

A two-year delay of exploration activity on land covered by seven new exploration agreements in the Northwest Territories concluded with Petro-Canada, has been announced by the federal government. The delay has been instituted to help facilitate land claims negotiations with the Dene and Métis of the Mackenzie Valley and responds to their wish to limit exploration activities until aboriginal claims have been resolved. The seven new exploration agreements cover approximately 6.1 million hectares (15 million acres) of land in the Mackenzie Valley region.

The federal government has given its approval for the use of a new, low-calorie sweetener called aspartame. Use of the sweetener will be permitted in table-top sweeteners, breakfast cereals, beverages,

beverage concentrates and beverage mixes, desserts, dessert mixes, toppings, topping mixes, fillings, filling mixes, chewing gum and breath freshener products. Other artificial sweeteners currently permitted on the market such as saccharin and cyclamates can be sold in table-top form only.

General Motors of Canada Limited has announced the sale of 92 railway locomotives to Egypt. Valued at \$100 million, the contract also includes spare parts. Delivery is scheduled to begin during the last quarter of the year. This order marks the fourth time the Egyptian Railway Organization has chosen GM locomotive power and will bring to almost 200 the number of units supplied from the London, Ontario plant.



The corn is growing high on the Teepell farm near Kingston, Ontario this year. Shirley Teepell and her son Eric seem pleased at the 15-foot high corn which grew from a special open-pollinated seed.

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