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Task force recommends split role for Petro-Canada

Petro-Canada, the Calgary-based Crown corporation, should be divided into two parts, one to become a private company called Petro-Canada Exploration, the other to continue as a Government agency with direct responsibility for activities that appropriately remain with the Government, recommends the task force on Petro-Canada in its report published October 15.

One of the major purposes of restructuring the organization, says the report, is to contribute to the attainment of "desirable national objectives": one is "the assurance of secure and adequate energy in appropriate forms in all regions of Canada in the most efficient and economical way possible and with the least possible delay; the other is "reduced direct Federal Government involvement in petroleum-related production activities, and a correspondingly increased responsibility on citizens, whether as individuals or organized into business entities".

In the view of the task force, established in September under the chairmanship of Donald J. McDougall, citizens would be better off if their investments in energy lay with a private company. "The checks and balances will be known. The investor will have the democratic right to influence policy through the decisions of the annual meeting, or through the board of directors. As an alternative he can decide to dispose of his investment."

The task force recommends that the "privatization method" would be to distribute all the shares of the reorganized company to every Canadian citizen, as a gift of the Crown, the shares not taken up to remain with the Crown until it decided to make a secondary offering.

The Government agency will be charged with the responsibility of performing those "public policy activities previously vested in Petro-Canada in its role as an instrument of government", states the task force, which was guided by the principle that the public policy function of the organization would be more effectively performed by "persons dedicated solely

to the design of public policy and that the commercial responsibilities will be more efficiently performed by persons skilled in the private petroleum industry".

Petro-Canada's main activities are:

"(1) Frontier exploration primarily through the joint venture route in the frontier areas, which comprise the Arctic Islands and the East Coast offshore including Labrador and Scotian shelves. A large portion of the Arctic Islands program has been conducted through Pan-arctic Oils Limited.

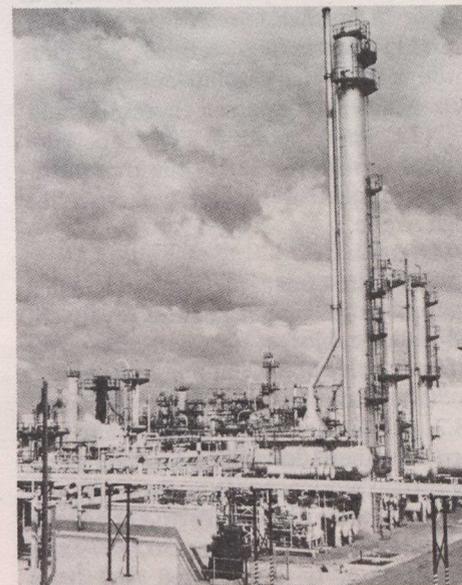
"(2) Exploration, development and production in Western Canada.

"(3) Exploration and developments outside Canada.

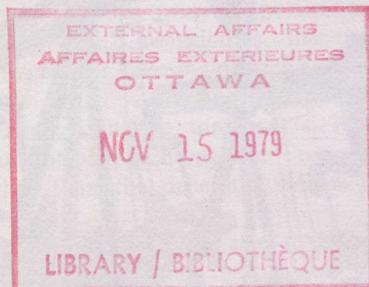
"(4) Participation as a joint venturer in the Syncrude oil sands project.

"(5) Participation in the Alsands Project in the oil sands which is operated by Shell Canada Limited and is in the early stages of development.

"(6) Research and development which has as its objective the improving of the technology for the extraction of hydro-

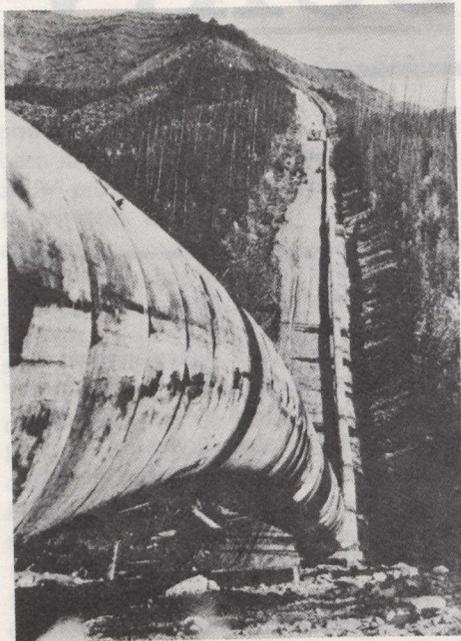


This petrochemical plant is an example of the industrial growth sparked by the discovery of oil and gas in Alberta.



*One-hundred-and-twelve years ago today...
The first session of Canada's first Parliament opened; members received \$6 a day.*

Nov. 7/79



Pipelines move crude oil efficiently from the field to the refinery.

carbons from the oil sands and heavy oil deposits.

“(7) Participation in the Empress Plant which extracts natural gas liquids from the natural gas being carried out of Alberta by TransCanada PipeLines Ltd.

“(8) Participation in 17 hard rock mining projects comprising primarily uranium and coal prospects.

“(9) Ownership of minority share positions in various pipeline companies including Westcoast Transmission and Cochin Pipeline.

“(10) Ownership of a small refinery at Taylor in northeastern British Columbia.

“(11) Marketing refined products through 375 retail gasoline outlets and 55 bulk plants catering to all classes of trade.

“(12) Participating in the Arctic Pilot Project – with respect to the transportation of liquefied natural gas from the High Arctic.”

Assets:

“(1) Petro-Canada, in Western Canada, has proven gas reserves before royalty of 4.2 trillion cubic feet and crude oil reserves before royalty of 330 million barrels.

“(2) Petro-Canada has approximately 18.2 million net acres of land and can earn a further 12.9 million acres by meeting certain work commitments.

“(3) The net loss of Petro-Canada for the six months ended June 30, 1979 was \$7.6 million. It is estimated that there will be net earnings for the full year of \$3 million and the funds provided from operations will be \$253 million.”

Petro-Canada (as it now exists), explains the report, represents a \$1-billion investment and a \$1.5-billion debt guarantee by Canadians through their Government. It is wholly Canadian-owned and controlled. In its present capacity, it is a holding company, its main subsidiary being Petro-Canada Exploration Inc., which holds the assets acquired in the takeovers of Atlantic Richfield Canada Ltd., and Pacific Petroleum Ltd., or otherwise acquired or developed.

The Government agency

The task force recommends that the Government agency would be responsible for the assets and activities specifically assigned to it, including:

- some equity and role in Panarctic Oils Limited;
- some involvement and role in the Polar Gas Project;



Petroleum in mist form is distilled in a “fractionating tower”.

- participation in the Arctic Pilot Project;
- responsibility for the Lancaster Sound-Bylot Basin Project;
- activities definitively of a government nature including involvement in state-to-state negotiations, promotion of research and development and frontier activity.

Financial structure

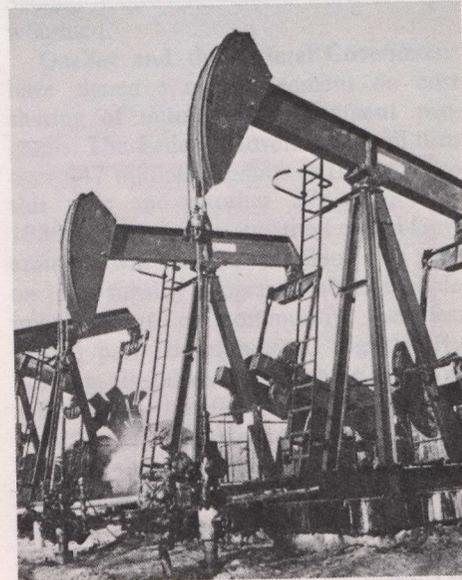
The 1978 Annual Report of Petro-Canada indicates that debt, including the term preferred shares of Petro-Canada Exploration Inc., exceeds 250 per cent of equity, states the task force report. This contrasts sharply with petroleum industry averages where, historically, debt for integrated companies has been approximately 25 per cent of equity and where debt for senior

producers has been approximately 40 per cent of equity.

In the judgment of the task force, restructuring the combined debt of Petro-Canada should be achieved by:

- Purchase of the term preferred shares of Petro-Canada Exploration Inc. by the Government of Canada.
- Conversion of the term preferred shares of Petro-Canada Exploration Inc. to fully paid common shares of Petro-Canada Exploration.
- Repayment of the \$210 million income debentures of Petro-Canada by the transfer of cash from Petro-Canada Exploration Inc., from existing resources or appropriate financing.
- Issue of fully paid treasury common shares in settlement of the net balance of advances payable by Petro-Canada Exploration Inc. to Petro-Canada after effecting the division of assets and income debenture repayment recommended by the Task Force.

The “privatized” Petro-Canada Exploration would retain 100 per cent of the assets gained in the takeover of Atlantic Richfield Canada Limited and Pacific Petroleum Limited, (which included the involvement in the proposed Alsands Project), the Syncrude investment, and any activity or investment not specifically reserved for the Government Agency, states the report. Further, Petro-Canada Exploration should retain 10 per cent of the interest in the Arctic Pilot Project and the task force recommends that Petro-Canada Exploration retain 15 per cent of Panarctic Oils Limited.



Production of heavy oil requires expensive lifting techniques.

A bill to change the Bank Act introduced in Parliament

Finance Minister John Crosbie introduced in the Commons on October 23 a bill revising legislative proposals to govern Canadian banking for the next ten years, with the main object of increasing competition in the financial system.

The bill, which includes the main points of Bill C-15 that was before Parliament in the last session of Parliament, also embodies several proposals of the Government following recommendations of Committees of the House of Commons and Senate.

Revisions

The broad principles of the current revision, which were first expressed in the white paper on banking of August 1976, include:

- an increase in the competitiveness of the banking system, including easier entry to the banking system by new or existing Canadian-owned financial institutions;
- establishment of a Canadian Payments Association to provide a common clearing facility for banks and all other financial institutions offering chequing facilities to depositors;
- provision, for the first time under the Bank Act, of rules governing activities of foreign banks, permitting them to set up bank subsidiaries in Canada;
- restriction of banks' powers in certain areas such as securities, portfolio management, data processing and investments in Canadian corporations, and broadening their scope of operation into new fields of leasing and factoring.

Foreign bank subsidiaries

To allow the Government to maintain a tighter control over the performance of foreign bank subsidiaries, the new bill provides for licensing of such subsidiaries, with initial and renewal licences for periods of up to three years. Bill C-15 had not proposed any licensing or review other than the decennial review of the Bank Act.

The new measure also re-defines the proposed limit on the over-all size of foreign bank subsidiary operations in Canada; their total actual domestic assets would not be permitted to exceed 8 per cent of all actual domestic assets in the banking system.

It strengthens the prohibition against foreign banks operating in Canada except

as subsidiaries, so as to encourage them to bring their Canadian operations under the supervision of the Bank Act.

It would remove the C-15 ceiling limiting a foreign bank subsidiary to no more than five branches, but any branches in addition to the first would require ministerial approval to ensure the protection of small Canadian-owned banks and promote a wider regional distribution of such branches.

It would increase the amount of assets which a foreign bank subsidiary would be required to hold in Canada against its deposit liabilities to Canadian residents.

It would permit foreign bank subsidiaries, in certain circumstances, to have associated non-financial companies in Canada.

Bank reserves

As in C-15, the cash reserves requirements would be reduced, but the phasing-in period for this reduction would be shortened by a year to three-and-a-half years.

A proposal in C-15 for a reserve requirement of 3 per cent against foreign currency deposits used in Canada was amended to avoid placing Canadian banks at a competitive disadvantage to foreign banks. The new bill would limit the 3 per cent reserve requirement to foreign currency deposits of Canadian residents booked in Canada.

Disclosure, business and powers

Banks would be required to disclose the names of companies in which they own an interest of 10 per cent or more.

Banks wishing to enter the financial leasing and factoring fields would be required to set up subsidiaries for those purposes. They would continue to have an option whether to establish subsidiaries to carry out mortgage lending and venture capital businesses. A bank's subsidiaries in all four fields would have to be majority-owned by the bank, and identified with the bank.

While lifting the existing ban on financing the leasing of equipment, the new bill specifies that banks may not direct proposed lessees to obtain the equipment at specific dealers.

The new bill would continue the present Bank Act limitation on a bank's holdings of conventional residential mortgages to 10 per cent of its Canadian de-

posit liabilities and debentures. C-15 had proposed removing this limit.

It would increase the amount of the priority claim allowed for producers of perishable farm products who seek to make recoveries from bankrupt food processors.

It would extend Section 88 lending (Section 177 in the new bill) to include retail goods, wares and merchandise.

Trust companies which convert their operations into banks would be allowed five years, instead of two, to divest themselves of non-allowable business activities.

Share ownership

So as to avoid concentrated ownership of a bank, a general rule limits to 10 per cent the number of a bank's voting shares which any person or associated group may hold. The bill clarifies this rule in the case of co-operative credit unions or *caisses populaires* and their provincial centrals or federations. The 10 per cent limit would apply to the combined holdings of all credit union locals, centrals and federations that are linked by membership and operate within a single province. A "grandfather" clause would permit continuation of existing holdings by a credit union group, but the group would not be able to purchase further shares until its holdings fall below 10 per cent of the bank's outstanding voting shares.

Mr. Crosbie emphasized the urgency of passage of the bill, to conclude a long-delayed decennial revision of the Bank Act. The operating authority of the banks under the Bank Act was originally scheduled to terminate on June 30, 1977. Three subsequent bills have been required to provide successive extensions of that authority pending parliamentary revision and the latest is scheduled to expire April 1, 1980.

As in the case of Bill C-15, the new bill is an omnibus measure providing for a new Bank Act, amendments to the Bank of Canada Act and Quebec Savings Banks Act, a new Canadian Payments Association Act, and consequential amendments to other legislation.

In addition to the banking legislation, the Minister of Finance released draft regulations which would take effect in three fields once the bill is enacted. The regulations apply to leasing, guarantees by banks, and cash reserve requirements. Other draft regulations were released in the last session of Parliament.

Renewed trade note highlights visit of Chinese Minister

The 1973 Canada/China Trade Agreement was extended for another three years recently, when Canada's Minister of Industry, Trade and Commerce Robert de Cotret and China's Foreign Trade Minister Li Qiang signed an exchange of notes in Ottawa.

The signing was the highlight of a nine-day tour of Canada by the Chinese Trade Minister made October 14-22, during which he visited industrial sites in four provinces. The Minister also visited the Vancouver grain terminal, attended a luncheon hosted by Alberta Premier Peter Lougheed, and was a guest at a dinner in Quebec City given by the Quebec government.

While in Ottawa, Mr. Li met Prime Minister Joe Clark, held discussions with Senator Robert de Cotret and was a guest at a luncheon hosted by Canada's Secretary of State for External Affairs, Flora MacDonald.

The Chinese Trade Minister also signed a "Protocol on Economic Co-operation" outlining areas where trade and economic co-operation might take place such as telecommunications, forestry, mining and metallurgy, agriculture, light industry and transportation. The Protocol also provides for joint ventures, compensation trade, trade offices and financing as methods of trade expansion between Canada and China.

Trade between the two countries in



Secretary of State for External Affairs Flora MacDonald meets with Foreign Trade Minister Li Qiang (left) at a luncheon in his honour. Ho Yu-Lin (centre), an interpreter from the Secretary of State looks on.

1978 totalled \$598 million, comprising \$503 million in exports to China and \$95 million in Canadian imports from China. Canadian exports to China consisted primarily of grain sales and other semi-processed raw materials.

The Canadian Government, while recognizing the importance of these sales,

hopes that Canadian sales to China can be diversified to include high-technology manufactured items and technical services. The Government also indicated that it would assist Chinese marketing efforts in Canada by designating China as a beneficiary of the Canadian General Preferential Tariff.

Canadian exhibit at world conference in Munich

Canadian tourist attractions were featured in an exhibit at the forty-ninth World Travel Congress of the American Society of Travel Agents (ASTA) in Munich, West Germany, October 21-26.

Theme of the exhibit, co-ordinated by the Canadian Government Office of Tourism (CGOT), was "Canada - We reach out a friendly hand".

Tourism industry representatives from every major country on five continents were vying for the attention of the 7,500 ASTA members expected to be on hand for the world's largest gathering of travel agents. Last year U.S. travel agency sales totalled \$19.4 billion.

American travel agents are especially important to Canada's tourism industry.

Of the 33 million visitors to Canada from other countries in 1978, 31.5 million came from the U.S. and spent \$1.6 billion. Canada's exhibit was designed to persuade ASTA members that Canada has the attractions, facilities and services their clients want.

Sergeant Carl Stoski of the Royal Canadian Mounted Police; Nick Schweizer, Chef Garde Manger at Toronto's Royal York Hotel, and member of Canada's Culinary Olympic Team in 1972, 1976 and 1980 (to date the team has won 40 gold medals); Arnold Anderson, a doorman at the Four Seasons Hotel in Ottawa and Edward C. Mitchell, Superintendent, Customs Operations for Canada in Europe, met delegates at the Congress.

Defence board chairman named

Progressive Conservative member of Parliament George Hees, a former Cabinet minister, has been named chairman of the Canadian section of the Canada-United States Permanent Joint Board on Defence.

The board was established in 1940 to make recommendations to the U.S. and Canadian Governments on joint military issues and to oversee current defence programs. It now is a largely advisory group.

The 69-year-old member of Parliament served in former Prime Minister John Diefenbaker's Cabinet as Minister of the Transport and Trade Departments before resigning in 1963. He succeeds John Aird as chairman.

Women and poverty

The majority of Canadian women, whatever their background, are vulnerable to becoming poor overnight, according to a report by the National Council on Welfare.

The report says women are financially vulnerable because most still believe that they will always have a father or husband on whom they can count.

In reality, one man in ten cannot support his family and almost three women in four find themselves alone some time in their adult lives.

The largest group of poor women in Canada are wives living in traditional two-partner households with inadequate family incomes, says the report.

The 51-page report, says 16 per cent of adult Canadian women are living in poverty. Married women have a much lower chance of being poor than do women who remain single or are separated, divorced, or widowed.

However, says the report, because more than 90 per cent of Canadian women marry, a small percentage of wives adds up to more people, making them the largest group (500,000) of the 1.22 million poor women in this country.

Working wives

Although only 9 per cent of the two-partner families are shown in the council's report to have incomes below the poverty line, the figure would be 14 per cent if the wife did not work outside the home, according to the report.

A couple that may have relied on two incomes before the arrival of their first child will be living below the poverty line if the wife leaves work to care for the child and the husband is earning the minimum wage.

An important influence on the families is the employment status of the husband. Fewer than a third of low-income husbands are employed on a full-time, full-year basis, says the report. A further 20 per cent have occasional, part-time or seasonal employment that does not adequately support their families. Others are disabled or over the age of 65.

Increasingly, family incomes are the product of the work of both partners and it is when their combined efforts fail that couples find themselves poor. Largely because of the increased participation of married women in the labour force, the relative economic position of Canada's

middle- and low-income families has remained stable instead of getting worse in the past 25 years, the report notes.

In families in which the total income before the wife's earnings is under \$5,000, 67 per cent of married women hold paid jobs. In contrast 57 per cent of wives are in the labour force when their family income apart from their earnings is between \$15,000 and \$20,000 and only 46 per cent have jobs when that income is over \$25,000.

"One dangerous current myth," the council says, "is that the situation of women has greatly improved in the last few years and will continue to do so unassisted in the years to come."

Situation unchanged

"In spite of the dramatic rise in the labour force participation of women in the last ten years, the proportion of

female workers occupying low-paying clerical and sales and service jobs has remained unchanged.

"Education statistics show a similar picture. Even though women's education level is higher, the vast majority continue to be streamed into traditional women's jobs," it says.

"Unless governments vigorously intervene to stop the damaging effects of sexual stereotyping in our schools and media, to reform family law to make the spouses more equal, to pursue employment policies aimed at advancing women's position in the labour market, to give more support to day care, other measures of assistance to parents and to improve income-security programs, there is no reason to believe future generations will be less vulnerable to poverty," the council said in a brief to Health and Welfare Minister David Crombie.

Canadian destroyers take part in NATO exercises



Four Canadian Forces helicopter-equipped destroyers, an operational support ship and several anti-submarine patrol aircraft participated in Exercise Ocean Safari 79, a major NATO exercise which took place over the North Atlantic and the Norwegian Sea, September 24-October 5. The ships, part of Maritime Command's Fifth Destroyer Squadron, included HMCS Iroquois, Annapolis and Fraser, as well as HMCS Nipigon, which recently joined the Standing Naval Force Atlantic (shown in photo). A key part of the exercise was the passage of military supply and reinforcement shipping from North American ports, across the Atlantic to the Norwegian Sea in the face of "enemy" attacks from surface ships, submarines and aircraft. The shipping was protected by warships from several navies, as well as by aircraft operating from bases in Iceland, Norway and Britain. Belgium, Canada, West Germany, the Netherlands, Norway, Portugal, Britain, and the United States took part in the exercise with over 17,000 men, 70 ships and 200 aircraft.

Ontario tourism gains

The number of tourists travelling in Ontario rose 5 per cent in the first five months of 1979, reports Ontario Minister of Industry and Tourism Larry Grossman.

Visits from the United States were up by 2 per cent from those of last year, compared with a 1 per cent decline in 1978, said the Minister. Overseas visits to Canada rose 25 per cent, compared with a 16 per cent increase in 1978.

Mr. Grossman said gas shortages in the United States and the discount in the Canadian dollar had helped increase U.S. travel to Canada.

The strength of foreign currencies, such as the Japanese yen and the West German mark, relative to the Canadian dollar, has made Canada more attractive to overseas visitors.

Preliminary results for June and July indicate that the trends of the first five months are continuing. The improvement in the number of U.S. visitors reflects real tourist business and not just people crossing the border for gas, says Mr. Grossman.

The number of Ontario residents travelling to the United States was down by 3.7 per cent during the first five months.

More Canadians are travelling in Ontario instead of to the United States because of gas shortages and the devalued dollar, said the Minister.



A young visitor to the Ontario Science Centre in Toronto touches the static electricity dome and her hair stands on end. Visits there increased by 15 per cent in the first five months of 1979.

Stamp honours Diefenbaker

Former Prime Minister, the late John G. Diefenbaker, will be honoured with a postage stamp to be issued next June.

"His personal courage and determination were an inspiration to all Canadians, particularly the young people in whom he took such an interest," said Postmaster General John Fraser. "Mr. Diefenbaker's many achievements and pursuits, particularly in the fields of human rights and northern development, have been recognized both in Canada and around the world. The stamp is a small token to honour a man of such stature, but it is one which will be available to all Canadians. I believe it is a fitting memorial," concluded Mr. Fraser.

The stamp will be issued as Canadians prepare to celebrate the one-hundred-and-thirteenth anniversary of Confederation and the twenty-third anniversary of the date on which Mr. Diefenbaker became a member of the Queen's Privy Council for Canada. He became Prime Minister one day later.

High school teaches native culture

Calgary has opened its first native high school enabling native teenagers to learn their own customs and at the same time meet the academic requirements of the provincial school system.

Ninety pupils are enrolled at Plains Indians Cultural Survival School, and vice-principal Howard Green says his story is typical. More than 80 per cent of the pupils were school drop-outs, some of them for years.

In Canada, 94 per cent of natives who start junior high school do not graduate and 83 per cent drop out by Grade 9. At Plains, less than a third dropped out last year and for many the problems were financial, Mr. Green said.

The school provides the basic academic program for junior and senior high, but it is the cultural side that is the key to its success. Students study traditional native crafts such as teepee-making, tanning and beadwork, as well as language studies in Cree, Blackfoot and Sarcee.

While the school's purpose is to preserve Indian culture, the school's survival is by no means ensured. The academic program is financed by the Calgary Board of Education but the cultural component

relies on private and corporate donations.

The school is housed in the basement of a public school but Mr. Green hopes for larger facilities and a more central building promised by the school board.

The atmosphere at the school is relaxed. There are no bells, pupils can smoke and drink coffee in class, and teachers are called by their first names. Cultural teachers are recruited from the city and neighbouring reserves and many are parents of students.

Grace Daniels, for example, learned teepee-making from her mother and grandmother: "I've taught my family, but who will teach these kids? If I hadn't learned these things I might have been roaming the streets, too."

Grade 12 student Rod Scout says it's the first time he's felt comfortable in any school and predicts that he will be better prepared for life outside.

Utility tool cuts repair bills

Hydro-electric utilities throughout the world could save millions of dollars by using a device developed by the Canadian Electrical Association.

Expected to be available commercially by Christmas, the generator diagnostic tool detects deterioration of insulation in a hydro plant generator in time to save the equipment, says the association's public relations director, Robin Palin.

When a generator's rigid foam-core insulation cracks, bills for replacement and repair can mount as high as \$10 million and the generator can be out of service for three months.

Until now it was impossible to tell whether the insulation was likely to break, making preventative maintenance useless, Mr. Palin explained. The device is attached permanently to each generator at a hydro-electric installation.

Mr. Palin said that while tenders for a licence to manufacture the box had not yet been called, manufacturing costs were estimated at \$3,000 and the selling price, about \$10,000.

Hydro-Quebec already has the research model installed at four Outardes power stations. Manitoba Hydro uses it at Long Spruce and Saskatchewan also has some for its installations, he said.

The association includes all 33 utilities in the country, including Alcan Aluminium Ltd., which generates 16 per cent of the power available to Quebec.

News of the arts

John Hall: paintings and auxiliary works 1969-1978

While the Sixties introduced paintings of flamboyant, over-sized, vividly coloured images of the ephemera of popular culture: pop bottles, plastic roses, kewpie dolls and tire ads, the Seventies' interpretation can be seen in an exhibit entitled, *John Hall: Paintings and Auxiliary Works 1969-1978* on view at the National Gallery in Ottawa until December.

John Hall works very much like a still life painter. He first constructs an assemblage of everyday items — trinkets, wire, ribbons, cloth, flowers. This maquette — itself a finished work — then becomes a model for a much larger painting, executed in "hyper-realist" style. As with most contemporary figurative painting based on a literal subject, Hall's work is "frontal, photographic", and highly coloured. His craftsmanship is evident in both the construction of the maquettes and their transition into paintings.

The artist's originality comes in the transformation of these banal objects into



Two panels of John Hall's, acrylic on canvas entitled, Doll.

gigantic *tableaux*. In these large detailed canvases, which are raked by painted "studio" light, the image is considered to transcend the model, acquiring a meaning larger than its material existence. "I believe that the artist projects himself, reveals himself not through subject matter or form, but through surface. It is the

touch, the caressing of the surface by the artist that results in meaning...the other aspects are simply conduits," says Mr. Hall.

In the exhibition, maquettes for many of the 24 large paintings included will be shown with the finished canvases and related sketches.

French films in Boston

Recent consolidations in Canada's film program in the United States have resulted in the transfer of a major collection of French-language films to the film library at the Canadian Consulate in Boston, U.S. Added to the existing number of over 350 French films, this move has created a major resource for the Franco-American community and French-language teachers in New England.

The latest additions bring the total collection size up to about 1,500 prints, making it the largest of the eight Consulate film libraries maintained by the Canadian Government in the United States.

Of the approximate 100 film libraries in over 80 countries maintained by the Department of External Affairs, Boston ranks third in size behind the High Commission in New Delhi, and the Embassy in Bonn.

Sixty years of film

The Canadian Government was one of the first groups involved in film-making. In 1914, the Department of Trade and Commerce set up a film unit to promote tourism and investment, depositing such

titles as *Where The Moose Run Loose*, in embassies and trade missions abroad.

By the 1920s, these activities had been centralized in the Canadian Government Motion Picture Bureau, which soon became the most visible government film unit during the silent film era. The reputation of the Motion Picture Bureau declined during the 1930s, however, as a depression budget restricted its activities and lack of sound-film equipment led to the gradual obsolescence of its production.

NFB born

Following a study of film in Canada by John Grierson, the National Film Board of Canada was created on May 2, 1939. This institution, which absorbed the Motion Picture Bureau in 1941, remains what is believed to be the largest government film studio in the world.

Today, of the titles found in the free-loan Consulate collections throughout the world, most deal with Canada, its history, resources, and people. Other films deal with subjects of universal concern such as the sciences, human behaviour, the environment, and world affairs. Still others, from producers other than the Film

Board, have no Canadian content at all, but have been included because of artistic quality or technical excellence.

A catalogue of films from the Canadian Consulate in Boston will be provided on request to the Film Librarian, Canadian Consulate General Film Library, 500 Boylston Street, Boston, MA 02116, U.S.

Arts briefs

Mezzo-soprano Irene Welhasch of Winnipeg has been named the outstanding performer at the National Competitive Music Festival. Ms. Welhasch won a \$1,000 scholarship.

Forty-nine musicians have won awards totalling \$430,000 in the Canada Council's recent competition for musical performances. The awards, worth up to \$10,000 plus travel allowance if necessary, may be used in Canada or abroad. Applicants must have at least completed basic training.

Astral Bellevue-Pathé, Canada's largest motion picture organization, will complete five feature films this year and start pre-production on another four. The

combined budgets of the nine pictures is \$37 million. Already completed this year are *Death Ship* and *Crunch* with three more films to be shot before the end of the year: *French Kiss*, *Tulips* and *Terror Train*. Going into pre-production, with principal photography in early 1980, are *Empire*, *Freaks*, *Gold Train* and *The Power Barons*.

Readership survey results

Close to 10 per cent of *Canada Weekly* readers returned the questionnaire published in the issue dated January 31, 1979. Since prepaid return envelopes or cards were not supplied, market specialists judge the percentage of return as excellent.

Replies were received from all parts of the world — a total of 72 countries. Over 50 per cent came from the U.S., where some 60 per cent of the copies are distributed. The second highest return was from Britain, followed by West Germany, Australia and Switzerland.

Repeater effect

One of the most interesting facts emerging from the survey resulted from replies to Question 4, "How many people read your copy?" Based on the number of editors and journalists who state they reprint material, and on the number of copies that respondents place in libraries, circulate in organizations and use in education, a total of 2,479,761 people (actually counted on the questionnaires) have access to material printed in, or reprinted from *Canada Weekly*. In other words, for every reader who returned the questionnaire, 2,350 others see copies or reprints of the publication.

Some 58.4 per cent of respondents use it in their work; 72.3 per cent retain it for future reference.

The majority of respondents (65 per cent) are members of the media, business

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people and educators, while others in government, librarians, public administration, science and technology and professions formed over 25 per cent. Students, retired people and housewives make up the remainder of the respondents.

Canadians who responded are lecturers, missionaries, media people, employees of international organizations, business people, students as well as retired persons or ex-patriots living permanently abroad. The view was expressed repeatedly that the publication helps them to discuss their country with non-Canadians and that it provokes interest in Canada. Many state that *Canada Weekly* is their sole source of Canadian news. Sixty per cent of respondents are non-Canadian.

Preferences

In answer to the questions on periodicity (prefer retention as a weekly, change to biweekly or a monthly publication), 72.6 per cent of replies opt for a weekly, 15 per cent biweekly (many for reasons of economy) and 12.4 per cent of respondents ask for a monthly publication but in an enlarged format containing more in-depth articles.

Under "Likes", the main replies were:

- Conciseness (briefness, to the point, overview, summary, succinct) 210
- Informative (well-researched, good information, topical, keeps one abreast) 255
- Variety (scope, spectrum, comprehensiveness, wide range) 150
- Timeliness (current, up-to-date) 163
- Format (size, layout, printing, illustrations, photos, maps) 137
- Writing style, editing (clear, readable, good English) 120
- Choice of subjects (subject matter, good selection, newsworthy, "no junk", specific topics of interest) 93
- Objectivity (factual, accurate, reliable, honest) 5
- Information not available in foreign press 50
- Helps explain Canadian viewpoint 77

Under "Dislikes", the main comments were:

- Presents only Government view (no editorializing, or press comments) 51
- Speech excerpts too long 22
- Slow mail delivery 21
- Too technical 7
- Not enough current news 8
- Not enough references, i.e. addresses for follow-up 5
- Impersonal 2

- Too short 32
- Typography 1

Subjects of interest

The most popular subject of interest was "political" (624), with "economic" second (550). Next was "historical" (457); then "technological" (383); followed by "all" (252); "arts" (228); "sports" (89); and "news briefs" (43). Education, particularly university affairs, was the next chosen (41), together with general news (including the Canadian way of life, Canadiana, human interest, housing and urban affairs (also 41). Environment (wildlife, climate, conservation) came next (34); followed by science (26); foreign aid (22); medicine, health (22); geography (21); religion (19); stamps (19); and personalities (15). Other subjects were listed.

Comments

Replies under the "comments" heading were a combination of laudatory remarks (449), thanks, and the following suggestions for improvement:

- Colour photos
- A letters-to-the-editor column
- An index
- A CBC shortwave information schedule (this was published in the issue dated January 10)
- A monthly quiz on Canada, with books as prizes
- A pen pal column

Various other comments appeared, including: "People in New Zealand think of Canada as Mounties or Eskimos"; and "Better than nothing, but not in the same league as the *Manchester Guardian Weekly*"!

The publication, which is intended primarily for a non-Canadian audience, aims to inform readers of Government policy and major events and developments in Canada. Because of the time involved in production and receipt abroad, it should not be compared with — nor does it attempt to be — a newspaper.

Constructive suggestions will, if possible, be incorporated. However, budget restrictions preclude items such as colour photos, or any others that would increase costs.

The time and effort taken by respondents in completing and returning the questionnaires is sincerely appreciated, as are all the complimentary remarks, which are most encouraging. Thank you.

Ed.