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No agreement on oil prices at First Ministers' Conference

A proposed increase in the domestic price of oil was opposed by five provinces at the First Ministers' Conference in Ottawa on April 9. The Federal Government and the other five provinces favoured an increase from the well head price of \$6.50 a barrel.

At a press conference following the meeting on April 10, Prime Minister Trudeau stated that because no agreement had been reached, he and the provincial premiers would hold bilateral discussions soon in the hope of reaching a consensus.

Passages from Mr. Trudeau's opening address to the conference follow:

Through the latter part of 1973 and the first months of 1974, the world was confronted by a crisis of rising oil prices. Within a few short months, the OPEC countries which produce much of the world's petroleum had increased the price of crude oil four times over. Most countries in the world were in serious trouble finding the money to pay for the oil they needed. They are still in trouble. Much of the recession in the world today can be traced to this sudden upward change in the price of this basic commodity.

We in Canada were fortunate in 1974 to be producing enough oil to cover our own needs. We were exporting large quantities to the United States from our oil fields in the West and importing similar quantities to serve Eastern Canada. We were able to charge higher prices for our exports to cover the higher prices we had to pay for our imports. Thus we were able to keep the price of oil in Canada at a very low level. On the surface then, Canadians were hardly disturbed by the crisis in the world. The problem was and is, however, that our supplies of cheaper crude oil are limited. Over the next few years we will have to import more and more crude oil to fill our needs. We will become more and more dependent on what other countries overseas may do in controlling the price and even restricting the amount for sale.

We recognized a year ago that some increase in price was essential to encourage exploration for and development of oil reserves in Canada. We recognized too that the producing provinces were entitled to a reasonable price for their product which was by

then selling at much higher prices in the markets of the world. We First Ministers were able to reach agreement last March that a price for crude oil in Canada of \$6.50 at the well head, plus transportation costs, should prevail for a period of 15 months. At that time the world price was about \$10.50. Our agreement spared Canadians most of the sudden shock that hit other countries. The producing provinces made this possible, by accepting much less than the international price for their oil, a contribution to every Canadian consumer which is all the more important when we recognize that the supplies of low cost oil are diminishing rapidly.

Today, as the period of our current agreement draws to a close, we meet to consider what should be done about the price of oil. Over the past year, the price which we have to pay for our imports has risen further, from \$10.50 to something over \$12.00. No one can be sure what will happen to that price. It may rise a little further still. It may come down somewhat. Or, it might be tied to prices of food and other things the oil-exporting countries buy. But, for this year, it seems likely that the international price will not change very much from its present level.

Exploration costs up

We must also take into account that our own oil-supply situation is much less favourable than we thought it was a year ago. Those who are in the best position to know, now tell us our production, which has already begun to decline, will go on declining for five or ten years at least, while our needs

grow larger all the time. We will have to reduce our exports to the United States and increase our dependence on imports from overseas. We have now found out, as everyone knows, that the extraction of oil from our huge reserves in the oil sands will be much more difficult and more costly than we had all expected a year ago. Production from the big Syncrude project will cost much more than the price we now pay for crude oil in Canada. We don't know yet just when or by whom the next oil-sands project will be started. Meanwhile, we have not had big discoveries of oil in the Arctic or offshore and the estimates of cost of exploration and development have risen sharply. We are not as lucky as we thought we were last year.

Producing provinces' position

We cannot expect those who search for oil — whether they be Canadians or others — to look for it and develop it in Canada if our prices are far below

those in other countries. We cannot go on year after year being extravagant in our use of oil far beyond what almost every other country in the world consumes — mainly because it is being sold cheaply in Canada, a lot cheaper than elsewhere and a lot cheaper than our future supplies will cost. We cannot expect Alberta and Saskatchewan to go on year after year selling their oil to Canadians at a price which is far below what they could get by exporting it.

So my colleagues in the Government and I have come reluctantly to believe that the price of oil in Canada must go up — up towards the world price. It need not go all the way up. We should watch what happens to the world price and decide from year to year what we should do. But the price for the year beginning in July will have to be higher than it is now. How much higher, we should discuss. Whatever is done about oil will also affect the

price of natural gas. Gas and oil prices must be related and become competitive. The past year's experience has pointed up the need for higher gas prices to the producers in order to stimulate exploration and development.

In looking towards increased prices for oil and gas, however, we all have to bear in mind that any increases will add to the cost of living and have unpleasant consequences on the economy. The higher the increases, the worse the impact on the pocket-book of most Canadians and on the economy generally. For increases will make it harder to maintain production in other industries and to support the level of employment — because the extra money that consumers would have to pay for oil and gas would have to be diverted from buying other things. To find, in all of this, the price levels which will be a good Canadian solution, will require all our wisdom.

* * * *

Canada and Britain sign urban affairs agreement

Urban Affairs Minister Barney Danson and British Environment Minister Anthony Crosland signed a bilateral agreement in London, April 11, for co-operation and consultation on the urban environment.

The three-year agreement establishes a joint steering committee and outlines a program for co-operation and consultation in matters concerning the urban environment such as housing, transportation, management of urban growth, and new and expanded communities.

It is aimed at achieving an exchange of experience in specified areas and includes provisions for exchange of information and possibly staff for the purposes of consultation and joint research projects.

Ten-day European visit

Mr. Danson, who spent ten days in Europe, visited Paris, Amsterdam, The Hague, Stockholm and London, where he also discussed Habitat: United Nations Conference on Human Settlements, to be held in Vancouver in 1976.

"This is the first time we are officially meeting with our European counterparts to compare the experience Canada has gained from a relatively

short, but dynamic urban history with the longer history that has shaped European cities. We hope this first meeting will result in a continuing exchange of urban information," Mr. Danson said.

In Paris, the Minister spoke with French Public Works Minister Robert Galley on the possibility of an agreement for co-operation and regular exchanges on urban problems and experience between Canada and France — similar to the one signed in London.

In the Netherlands, Mr. Danson visited the capital, The Hague, and the City of Amsterdam, which is celebrating its seven-hundredth anniversary this year. Amsterdam is the international twin city of Toronto.

In Sweden — a country with climatic conditions similar to Canada's — he spent some time in Stockholm and adjoining satellite towns. Rapid transit was a subject of interest, as 70 per cent of the city's population uses public transportation.

Mr. Danson was accompanied by J.W. MacNeill, Secretary of the Ministry of State for Urban Affairs; William Teron, President, Central Mortgage and Housing Corporation; and Edgar Gallant, Chairman, National Capital Commission.

France/Canada teleconferences

An audio-visual link was established on April 3 between Minister of Communications Gérard Pelletier and Aymar Achille-Fould, Post and Telecommunications Minister of France, to inaugurate the first of a series of teleconferences between France and Canada using the new French/German *Symphonie* satellite.

The two ministers spoke for about ten minutes before the first experimental teleconference began between the University of Montreal and the University of Paris.

During the next few days, four teleconferences using the new satellite were held between France and Canada, each allowing participants to see and hear their counterparts on television monitors. The public were able to see the teleconferences on a large screen.

The series was arranged as part of a general program of co-operation between the two countries. During a trip to France last October, Prime Minister Pierre Trudeau expressed an interest in the possibility of Canadian participation in the *Symphonie* satellite project.

The first teleconference, linked together participants at the University of Montreal and their counterparts in Paris. Jean Cloutier, director of the

Canadian paintings in China

An exhibition of Canadian paintings is currently being held in the People's Republic of China as part of the Department of External Affairs' program of cultural exchanges with China, resulting from the Prime Minister's visit to that country in October 1973.

The Canadian Landscape in Paintings, organized by the National Gallery of Canada, opened at the Peking Art Gallery from April 16 to 30 and will be displayed at the Shanghai Art Gallery from May 13 to 27 under the auspices of the Chinese People's Association for Friendship with Foreign Countries.

The exhibition depicts Canada through the eyes of its traditional landscape painters from the late



Kaslo on Kootenay Lake (*British Columbia*), by E.J. Hughes (1969).

eighteenth century to the middle of the twentieth century. Represented are unique characteristics of the Canadian landscape in seven geographic regions: the Atlantic Coast, the St. Lawrence and Lower Great Lakes, the Pre-Cambrian shield, the Prairies, the Rocky Mountains, the Pacific Coast and the Arctic.

The Group of Seven – a national school of painters which first exhibited in Toronto in May 1920 – and other artists in these regions, reflect in their art various backgrounds. Forty-four painters are represented in 69 paintings from the National Gallery collection.

André Bachand, Vice-Chairman, Board of Trustees, National Museums of Canada; C.M. Ruggles, Head, Restora-



Landscape of Ahuntsic, by Marc-Aurèle Fortin (circa 1935).

tion and Conservation Laboratory, National Gallery of Canada; and Walter Tovell, Director, Royal Ontario Museum, Toronto were present at the opening of the exhibition in Peking.

A delegation of museum officials from the People's Republic of China came

to Canada as guests of the Canadian Government to attend the opening of the exhibition of archaeological finds of the People's Republic of China, which was held at the Royal Ontario Museum in Toronto from August 8 to November 16, 1974.



Late May, Labrador Coast (*Newfoundland*), by Albert Cloutier (1947).

New federal budget in May

Finance Minister John Turner plans to present a new budget to the House of Commons before the end of May. The last budget was tabled on November 18, 1974.

Mr. Turner said that he wanted to study three factors before announcing the date of the budget: the directions of United States economic policy; the impact of proposed increases in the prices of oil and gas; and the possibility of reaching a consensus on holding down prices and incomes to fight inflation.

The Finance Minister said he considered that inflation and recession were equally important problems "but if inflation isn't brought under control, the prospects of...growth are impaired and growth is necessary for employment".

His announcement followed reports that the national unemployment rate in March had risen to 7.2 per cent – the worst it had been for 14 years – and that housing construction was below that expected, with starts on new dwellings only half of what they had been in March last year.

Stamps honour authors

Two 8-cent stamps will be issued on May 15 in honour of Lucy Maud Montgomery and Louis Hémon, authors of *Anne of Green Gables* and *Maria Chapdelaine* respectively – two of the most outstanding characters in Canadian literature.

The Montgomery commemorative is from a painting by Peter Swan, which captures the flesh tones of Anne's face crowned by her red hair, on a background of light blue with darker blue typography; the Louis Hémon issue is a likeness of Maria Chapdelaine on a bluish-purple background, from a painting by Clarence Gagnon.

"There must be very few Canadians who have not read or heard about the world-famous 'Anne' books and the well-known novel of French-Canadian pioneer life, *Maria Chapdelaine*," said Postmaster General Bryce Mackasey. "We are fortunate indeed that L.M. Montgomery and Louis Hémon contributed their considerable talents to our heritage of Canadian literature."

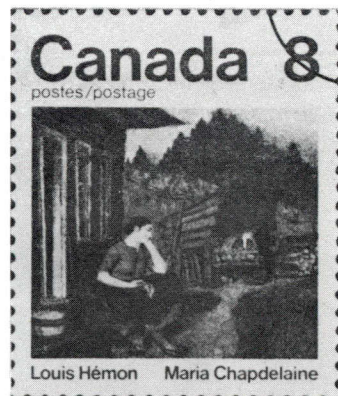


L. M. Montgomery

Lucy Maud Montgomery, born in Clifton, Prince Edward Island in 1874, was raised by her grandparents in the village of Cavendish. She submitted her first manuscript to a publisher when she was 11 years old.

She kept her ideas for stories in a notebook. In 1904 she found an old entry which said, "Elderly couple apply to orphan asylum for a boy. By mistake a girl is sent to them." It sounded like a good idea for the book, *Anne of Green Gables*, which eventually made her famous.

L.M. Montgomery married Rev. Ewan MacDonald, a Presbyterian clergyman, in 1911. They moved to Ontario, where she combined her careers as a "conscientious housekeeper" and a productive artist. Further novels continued to stress "the recurring myths of girlhood". She died in Toronto in 1942.



Louis Hémon

Louis Hémon, who was born in Brest, France in 1880, came to Canada in 1911.

In the Lac St-Jean region of Quebec he worked on a farm near the town of Péribonca. There, inspired by the area's people, he wrote *Maria Chapdelaine*, a realistic portrayal of habitant life. Some Quebec nationalist

groups disliked the novel, preferring the traditional romantic view of farming. The habitants, enraged at finding themselves in print, hurled Hémon's statue into the Péribonca River. Nevertheless, European acceptance of the book guaranteed its popularity in Canada. Hémon, however, did not live to see its success. He was killed by a train near Chapleau, Ontario in 1913.

Special mission to Angola and Mozambique

A special Canadian diplomatic mission will visit Angola and Mozambique from May 5 to 26, to make first contact with the provisional governments and future leaders of these Portuguese African countries, which will become independent later this year.

The mission's report will assist in the formulation of Canada's policies and future relations with the two territories in Southern Africa.

The group will be headed by Canadian Ambassador to Greece, Michel Gauvin, who has served as Chargé d'Affaires in the Congo (now Zaïre) and Ambassador to Ethiopia with accreditation to Madagascar and Somalia. Mr. Gauvin has travelled widely throughout Africa during seven years of diplomatic service on that continent. He has also represented Canada in Portugal as Secretary (1953-55) and as Ambassador prior to his assignment to Greece.

Mr. MacEachen stated that he hoped Canada would establish mutually beneficial relations with Angola and Mozambique, and begin to build contacts with the new countries emerging from Portugal's African territories.

Borrowing restraints removed

The Federal Government has withdrawn its five-year-old guideline that sought to discourage Canadian borrowers from raising money outside Canada. The withdrawal is being made "because the current account of Canada's balance of payments is not now in a surplus position, as it was when the request was made".

In addition, the Government plans to extend the exemption from Canadian withholding tax for interest on Government bonds for another three years to the end of 1978.

Sekine Canada Ltd subject of Japanese documentary

Sekine Canada Ltd a bicycle-manufacturing company in Rivers, Manitoba, will be the subject of a half-hour documentary film produced by the Hokkaido Broadcasting Company of Tokyo, Japan.

The film will deal with Sekine's native training program and the unique nature of this industrial project taking place at the OO-ZA-WE-KWUN Centre Inc. in Rivers.

The Sekine policy of employing native workers has met with impressive success. Although none of the workers had previous experience in bicycle manufacturing, little training was needed to produce the first bicycle. This is considered a most satisfactory achievement in manufacturing circles and is attributed to the Japanese technique of teaching and the ease with which the native workers fit in with Japanese supervisors. The training method has been very successful not only at Rivers but at the Sekine plant in Taiwan, the only places where the Sekine bicycles are manufactured outside Japan.

Harry Paul, Chairman of the Board of Sekine Canada, said that the Manitoba film would be shown on the Japanese public affairs program "Passport 4", which has an estimated viewing audience of 30 million.

Of the 100 employees of Sekine Canada Ltd, 75 are Canadian Indians from tribes across the province.

Family comes too

The Department of Indian Affairs chooses the trainee. He and his family are lodged at the centre on a "pay-as-you-go" basis while he undergoes an orientation course.

"Instead of bringing in one employee from a reserve, we bring his whole family to Rivers where they can enjoy all the benefits of community life," Mr. Paul said.

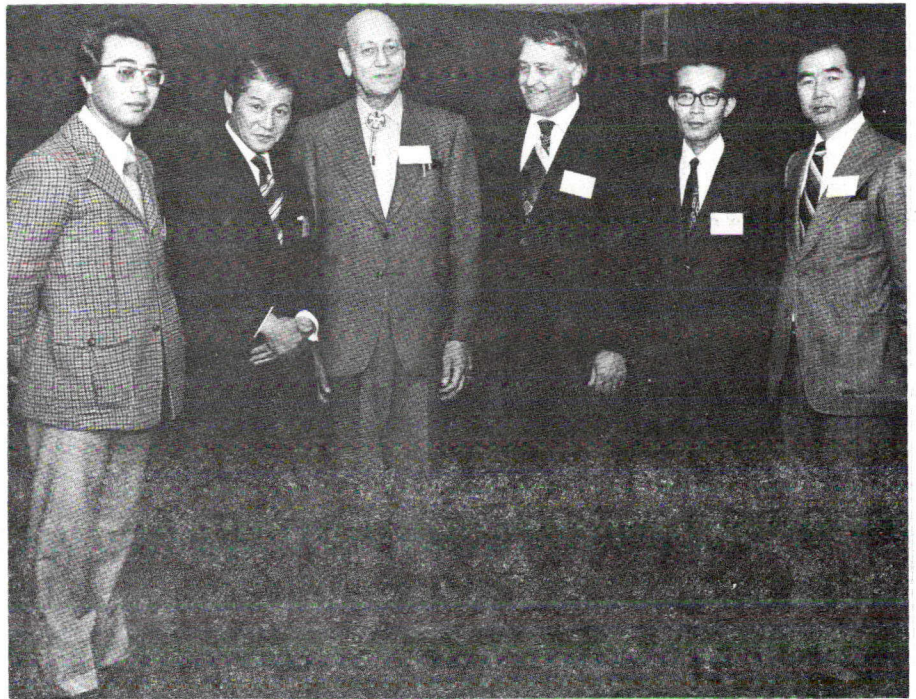
"Our Indian employees and Japanese supervisory staff work extremely well together. Our plant is unique because four languages are spoken, Japanese, French, English and native and the workers have overcome the barriers of communication.

Many of the Indian staff have risen rapidly to important positions in the plant, since everyone is given equal

opportunity to develop his or her potential to the fullest," said Mr. Paul. Dr. Ahab Spence, President of the Manitoba Indian Brotherhood, has been appointed to the Board of Directors of Sekine Canada Ltd. Dr. Spence, a minister and teacher in Indian Missions

for 28 years, joined the Department of Indian Affairs in 1973.

Last year the plant produced 55,000 bicycles in the \$129-to-\$700 price range. This year the company expects to produce between 80,000 and 100,000 units.



Sekine Canada officials with members of team filming Rivers documentary. From left to right: Hiroshi Sasaki, Director, TV News and Public Affairs, Hokkaido Broadcasting Company of Tokyo; Tetsunosuke Chaki, Consul-General of Japan; Dr. Ahab Spence,

Director, Sekine Canada Ltd; H.C. Paul, Chairman of the Board, Sekine Canada Ltd, Yasuyuki Kitamura, producer, TV News and Public Affairs, Hokkaido Broadcasting Company of Tokyo; Mitsuaki Komori, President, Sekine Canada Ltd.

International Women's Year – world conference

The Secretary of State for External Affairs, Allan J. MacEachen, announced recently that the Canadian delegation to the United Nations World Conference of the International Women's Year in Mexico City from June 19 to July 2, would be headed by Coline Campbell, M.P., Parliamentary Secretary to Marc Lalonde, Minister responsible for the Status of Women.

Mr. MacEachen, noted that the Canadian delegation would be limited to nine members, in accordance with the suggestions of the United Nations, and in line with the delegations from other participating countries. The group will include four federal officials, three provincial representatives and a member of the Advisory Council on the

Status of Women.

The Minister also stated that there would be a formal consultation with the provinces prior to the development of Canada's position at the conference. A consultative meeting will also be held with representative non-government organizations.

At the same time, Mr. MacEachen announced that Canada, through the Canadian International Development Agency would contribute \$20,000 to the Voluntary Fund of the International Women's Year, from which the United Nations is paying all expenses associated with this year, including the cost of the world conference. The money will be earmarked to assist developing countries to participate in the conference.

Increased budget for international development

International development expenditures are expected to reach \$933 million in fiscal year 1975/76, an increase of 27 per cent. At current inflation rates, this will equal about 0.85 per cent of Canada's gross national product.

Information on Government spending plans for the new year indicates that almost \$250 million of the allocation will be spent in a combination of bilateral and multilateral food aid. Bilateral programs will total \$570 million and multilateral, \$302 million.

Another \$31.7 million will go to support efforts by Canadian and international non-governmental organizations; the International Development Research Centre will receive \$27 million. The Canadian International Development Agency will spend an additional \$22.6 million on administration, an amount equal to 2.4 per cent of total aid expenditure.

Food-price abatement may be temporary

Increasing costs in many parts of the Canadian food system continue to put pressure on food prices despite some moderation in the over-all inflation of food prices, the Food Prices Review Board reported this month.

In its seventh quarterly review of food price and cost developments, the Board cautioned against over-optimistic assessments of current food prices.

"Notwithstanding the relative abatement in food-price increases in the early months of the year, the degree of upward pressure of costs on prices suggests that the strong upward momentum of food-price inflation has still not yet been broken."

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Algunos números de esta publicación aparecen también en español bajo el título Noticiero de Canadá.

Ähnliche Ausgaben dieses Informationsblatts erscheinen auch in deutscher Sprache unter dem Titel Profil Kanada.

Increases in the cost of food slackened from January to March owing to sharp declines in the price of beef and sugar, and to a lesser degree, potatoes and eggs. At the same time, there were substantial increases in the price of milk, bread, pork, processed vegetables and fresh fruit.

The report notes that the Food Prices Review Board's nutritious diet for a family of four rose in January and February to an annual Canadian average cost of about \$2,100, from \$2,060 in 1974.

For many families, actual food expenditures continue to be considerably higher than needed for a healthy, balanced diet.

The report points out that there is a "mood of considerable optimism" that this year's grain crops will be considerably larger than those in 1974. Yet good crops depend, as always, on good weather, a factor impossible to predict.

The report notes that crop yields are only one factor affecting the general course of retail food prices. Between two-thirds and three-fifths of what consumers pay for food is made up of costs accrued after it leaves the farm.

Labour accounts for a significant portion of those costs, and the report says that immediate and near-term prospects for continuing increases in that sector are substantial.

Last year, general increases in wages rose almost 12 per cent. Yet average hourly earnings in the food and beverage industry increased 15 per cent. Despite wage gains, labour productivity in 1974 was less than that in 1973.

Study of East European life in Poland and the Ukraine

The University of Alberta is offering a summer session course which will include visits by participants to the Ukraine and Poland.

The travel-study course is an interdisciplinary study of society and life in Eastern Europe with emphasis on the social, economic, and cultural aspects of the modern Ukraine and Poland. The course, which will be conducted in English, will include reading and written assignments and may be credited towards a university degree.

Regular instruction will be supple-

mented by lectures by Ukrainian and Polish scholars from the Kiev Shevchenko State University and the University of Warsaw, as well as by field trips to a number of cities in the Ukraine and historical sites in the Ukraine and Poland.

The cost, including tuition fees, estimated at \$1,800 may be considerably reduced by a grant — now under negotiation — from the federal and provincial governments, and by obtaining accommodation in the dormitories of Kiev and Warsaw Universities.

France/Canada teleconferences

(Continued from P. 2)

audio-visual centre at the University of Montreal led the 50-minute seminar which concentrated on the future of audio-visual communications. A film, produced by the Quebec Department of Communications, formed part of the presentation.

The second teleconference was a one-hour working session on teaching methods, between the Paris branch of the African School of Journalists and the audio-visual centre at the University of Montreal.

On April 7, CBC President Laurent Picard, linked with J.L. Guillaud, Director General of Télédiffusion française — 1, led a panel discussion on the future of satellites in broadcasting and journalism.

The following day a two-way teleconference was held between the Director General of UNESCO, A.M. M'Bow, who was visiting Ottawa, and UNESCO representatives, and Jean Cazeneuve, President of TF — 1.

Medical experiment

Last month, *via Intelsat* satellite, an audio-visual link between doctors in Montreal and in Paris took place. The groups were located at the Clinical Research Centre at St-Luc Hospital in Montreal and research units at l'hôpital Beaujon in Clichy and l'hôpital Henri-Mondor in Creteil, both suburbs of Paris.

Participants in the experiment concentrated on diseases of the liver and discussed clinical cases.

Mr. Pelletier said that the experiments were a clear demonstration of the kinds of international co-operation that could be achieved in the field communications.