

# Canada Weekly

Volume 3, No. 10

March 5, 1975



Ottawa, Canada.

- Towards an electronics payments system in Canada, 1
- Special camera one of many gifts from United States group, 2
- Professor named vice-chairman of Dubrovnik postgraduate centre council, 2
- Aviation, education agreements signed in Ottawa by Canada and Morocco, 3
- Circumpolar exhibit in Ottawa, 3
- Women join UN peacekeeping force in Middle East, 3
- New ideas for summer student jobs, 4
- Export charges raised for crude and heavy fuel oils, 5
- Cuba's central bank president visits, 5
- Contribution to United Nations drug-control fund, 5
- Urban Transportation Development Corporation of Canada, 5
- Upturn unlikely before third quarter - Royal Bank, 6
- Two new governors for IDRC, 6
- Colleges compete to build electric car, 6

## Towards an electronics payments system in Canada

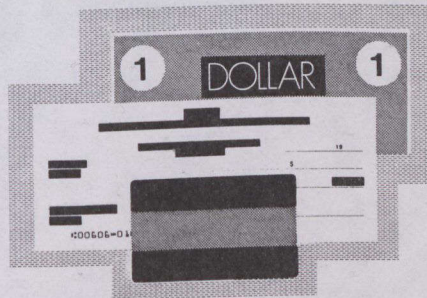
Canada's payments system - the method by which financial obligations are settled - is changing rapidly. Day by day, it relies less on paper transactions, largely cheques, and more on transactions effected electronically.

Computers are one force in this transformation. Modern telecommunications - the transmission of messages by wire, by microwave and by satellite - are another. Financial institutions, communications carriers, computer manufacturers, are its prime innovative agents.

The chartered banks in Canada, and other financial institutions, are moving rapidly to automated methods of handling paper-based transactions. They have, for example, begun installing sophisticated computer systems and communications networks to provide centralized electronic record-keeping. It is possible to foresee the day when computer/communications systems will be used for direct payroll deposit to a customer's account and the electronic interchange of payments instructions among financial institutions.

### Evolution of the credit card

The credit card is an important symbol of the changes in the payments system, but its evolution is such that "credit card" is perhaps too narrow a term. The holder of a "credit/payment card"



may in time use it as an instrument of direct payment as well as an instrument of purchase on credit. A message signalled by a terminal in a retail store would cause a debit on the customer's bank account for the item and a credit to the account of the retailer.

The movement away from a paper-based system of payments will result

in the eventual linking of a variety of institutions, financial, retail and government, and ultimately affect the day-to-day transactions of the individual consumer. It is important that this evolution be such as to protect the rights of individuals, to enhance the competitive environment for deposit-taking institutions and the computer/communications service industry, and to ensure the development of an efficient and equitable payments system.

### Federal leadership

*The Government will therefore take the lead to ensure the orderly development of the payments system.*

In April 1973, the Government published a "green paper" indicating its "current perception of a viable computer/communications policy that will enable Canadians to derive maximum benefit from computer/communications services". Arising from this, the Government established a Working Group of the Interdepartmental Committee on Computer/Communications to prepare recommendations on the continuing development of the payments system.

*On the basis of the recommendations of the working group and their subsequent evaluation, the Government supports a "common user communications network" for the payments system. This network is defined as a shared service which would be openly accessible to all qualified users on a fee-for-use basis. This recommendation would not preclude the use by individual institutions of private communication systems for purposes that are entirely internal to the institution and are unrelated to payments transactions.*

An essential prerequisite for a common user communications network is the development of suitable standards that will allow deposit-taking institutions, common carriers and computer manufacturers to co-ordinate their efforts.

*The Government is therefore inviting representatives of financial institutions, of telecommunications carriers, of computer manufacturers, and of*



other groups including principal users of the payments system, to come together in an Implementation Committee to develop a payments system and communication interface standards for the communications network, and to encourage the use of these standards as the network is put in place. The Government will provide a chairman and support staff for this committee. The committee should work with existing standards groups as necessary.

An important part of the committee's work will be to consider the place of the credit/payment card in the payments system, including the standards for its use. In addition, the Department of Finance with the assistance of the Bank of Canada and the Department of Consumer and Corporate Affairs will consider the relationship of the various deposit-taking institutions to an acceptable credit/payment card system.

Finally, the Department of Justice in consultation with other departments will provide leadership in developing the legal framework to safeguard the rights of the users and suppliers of the payments system.

#### **Professor named vice-chairman of Dubrovnik postgraduate centre council**

Professor Frank Eyck of the University of Calgary history department was recently elected vice-chairman of the council for the Inter-University Centre of Postgraduate Studies in Dubrovnik, Yugoslavia, a position he will hold until March 1976.

The Inter-University Centre has just completed its first year, offering uniquely international and interdisciplinary postgraduate courses.

"In its first year, the Centre has succeeded admirably in bringing together professors from a variety of different countries and ideological backgrounds for consultation on topics of international concern," says Professor Eyck.

"So far, student attendance has been small, but the atmosphere at the Centre has been lively and challenging with a constant exchange of dialogue between the university representatives," he added.

Professor Eyck delivered a lecture in November on the craft of the historian

as part of a course on the philosophy of science and humanism, and he returned to Dubrovnik in January to participate in a symposium on multinational corporations.

In 1973, the University of Calgary became the only Canadian university invited to join the Centre, a co-operative venture dependent entirely on support from its approximately 50 member universities. Inspired by the common traditions of universities and by world concerns which require an international approach and interdisciplinary research, the Centre now boasts a membership of universities from around the world.

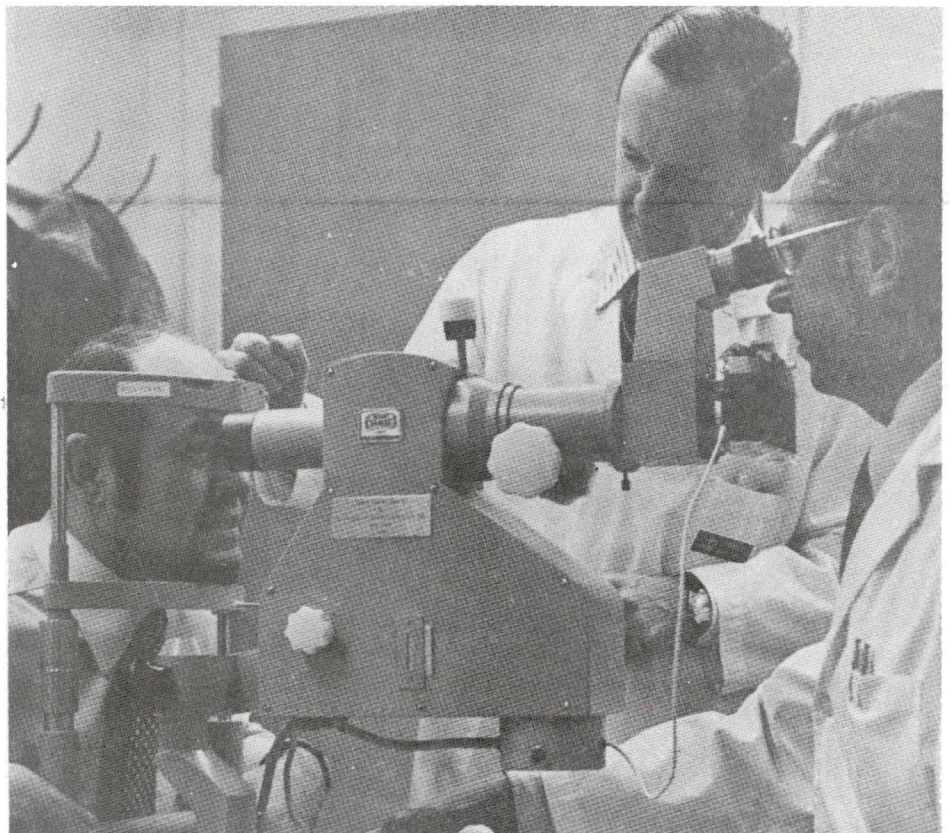
Professor Eyck describes one of the basic aims of the Centre as providing "postgraduate courses with wide international participation on the part of both instructors and students".

In a broader sense, he sees the Centre as developing into an ideological bridge between countries: "Traditionally, Dubrovnik has been a meeting place for a variety of cultures and religions and is ideally suited as a centre for international study," he notes.

#### **Special camera one of many gifts from United States group**

The Fundes camera being demonstrated right is one of the gifts made last year to Queen's University, Kingston, Ontario, by the Friends of Queen's University Inc. in New York City, a group of alumni and friends in the U.S. with close associations to the university. The camera, one of the pieces of equipment used in the Medical Retina Disease Clinic in the Department of Ophthalmology, takes pictures of the retina of the eye. Used in diagnostic investigation and in the preparation of teaching aids, the camera will be especially useful in work with diabetes.

Other gifts to the university from the Friends of Queen's include specialized equipment for the Mining Engineering Department, support for the E.W. Hand Memorial Fund, the Barsky Prize in Ophthalmology, Donald Gordon Centre, Muriel Driver Memorial Fund, Schiff Prize in Surgery, Franklin Bracken Graduate Fellowship and a donation to the Chaplain's Fund.





### Aviation, education agreements signed in Ottawa by Canada and Morocco

At the invitation of the Secretary of State for External Affairs, Allan J. MacEachen, a delegation of the Government of the Kingdom of Morocco visited Ottawa from February 11 to February 14. Led by Mr. Salah M'Zily, Minister of Agriculture and Agrarian Reform, the group comprised officials from several departments, including Agriculture, Planning, Education, Co-operation, Labour, and Trade and Commerce.

The discussions with Canadian officials centred mainly on bilateral matters. Political, economic, commercial and technical relations between the two countries were reviewed.

An air agreement between Canada and Morocco, signed by Mr. M'Zily for the Moroccan side and by the Minister of Transport, Jean Marchand, for the Canadian Government, provides for the opening of the route Casablanca-New York-Montreal and return.

An important project in education, which was also signed, provides for the setting up of regional education

centres to train science teachers. This will be implemented in close co-operation with the government of the province of Quebec.

Other programs, particularly in agriculture, rural development and training of managerial personnel have also been examined and some agreements have been reached.

In commercial co-operation, the possibilities for increasing trade between the two countries have been studied and the two Governments agreed to continue the discussions. In this regard, it was agreed that a group of Canadian businessmen would visit Morocco soon, accompanied by a senior official in the Canadian Department of Industry, Trade and Commerce.

From Ottawa, the Moroccan delegation left for Edmonton, where they were the guests of the government of Alberta, and Manitoba where they met with the Canadian Wheat Board. They were also scheduled to visit Quebec City at the invitation of the government of the province of Quebec.

### Circumpolar exhibit in Ottawa

Cutting a sealskin thong with a traditional Eskimo knife, Judd Buchanan, Minister of Indian and Northern Affairs, with Allan MacEachen, the Secretary of State for External Affairs, opened a circumpolar exhibit in Ottawa recently.

With Inuit acting as escorts and Arctic char among the *hors d'oeuvres*, the exhibit had a definite northern flavour.

The exhibition, which is at the Museum of Man, shows the evolution of the northern native people and their cultures in the world's polar communities. These include Canada, the Scandinavian countries, Greenland, the United States and the U.S.S.R. The ambassadors of each of these countries, and those of the Netherlands, West Germany and Japan, were present for the opening.

Mr. Buchanan identified the exhibit as a tribute to the people of the Arctic community in the U.S.S.R., Scandinavia, Greenland, Canada and Alaska, and expressed the hope that it would play a part in fostering further co-operation and communications amongst them.

External Affairs Minister MacEachen referred to the importance to Canada of international co-operation in the development of the North. His Department is arranging for the exhibit to visit a number of other countries. It opens in Amsterdam in March at the International Anthropological Conference. Later it is expected to be shown in Britain, West Germany, Japan and countries on the Arctic rim.

### Women join UN peacekeeping force in Middle East

The first two female members of the Canadian Armed Forces to be assigned to peace-keeping in the Middle East left Canada on February 27 to join the United Nations Emergency Force in Ismailia, Egypt.

Captain Violet Connor, 37 of Kingston, Ontario, and Sergeant Maire Timoney, 50, of Glasgow, Scotland, the first of about 50 women Canada is assigning to the force, will serve there on a six-month tour, the same as their male counterparts.



Captain Violet Connor (left) and Sergeant Maire Timoney, Canada's first women assigned to UN peace-

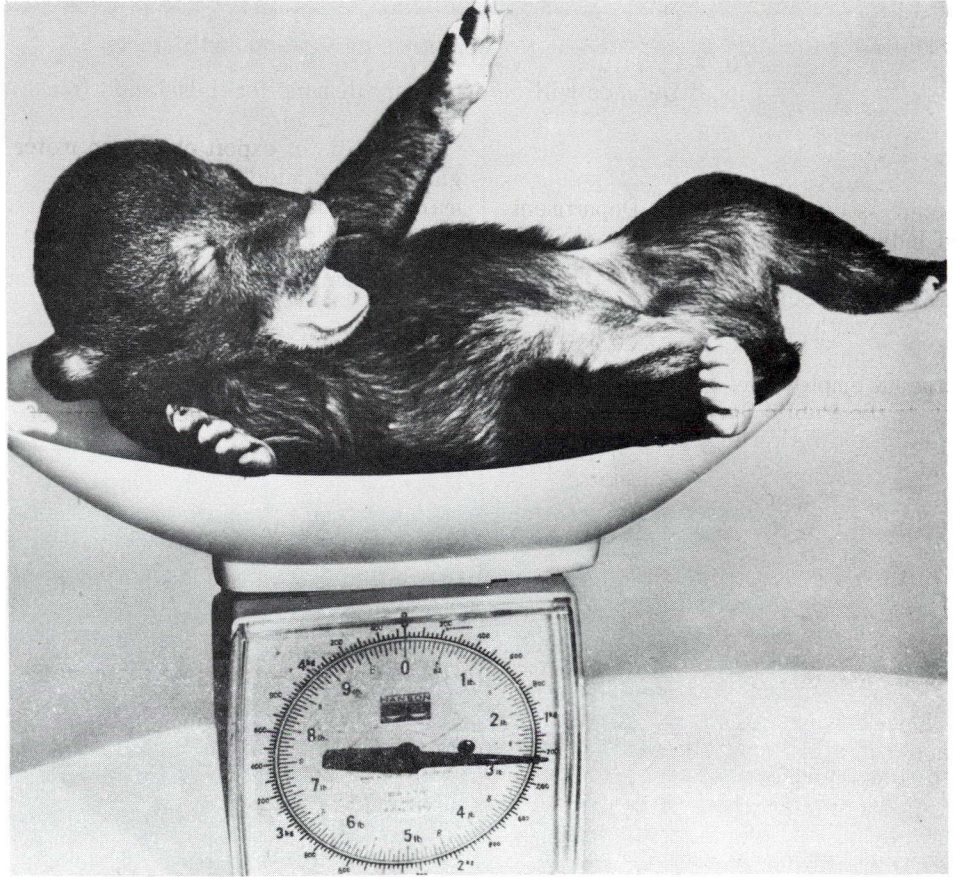
keeping duties in Ismailia, Egypt, prepare for what they call their "challenging change" overseas.



Captain Connor, who served in the Royal Canadian Air Force from 1955 to 1962, was the first woman to rejoin the RCAF in 1966, when the Government approved the renewal of recruiting women for the Armed Forces. In 1971, she was chosen for the Canadian Forces Officer Candidate School, and was promoted to lieutenant. Later, she was posted to National Defence Headquarters, Ottawa, as assistant to the director of women personnel. In 1973 she moved to Canadian Forces Base Edmonton as assistant personnel administrative officer, and in 1974 was promoted to captain to take on a position as an administrative staff officer at Air Transport Command Headquarters, CFB Trenton.

Sergeant Timoney, who served with Britain's Women's Royal Naval Reserve during the Second World War, emigrated to Canada in 1955, and joined the Women's Royal Canadian Navy Volunteer Reserve in Toronto, in 1957.

She served as a reservist on active duty until 1962, when she transferred to the Royal Canadian Navy. She served at bases in Cornwallis, Halifax, Shelburne, and Shearwater until 1969, when she was posted to Winnipeg. In 1972, Sergeant Timoney moved to Canadian Forces Base Toronto, where she served till her departure to Egypt. She plans to retire when she returns from the Middle East.



Wait, I can't bear it

Globe and Mail

*This bear cub, weighing under three pounds, was received recently by John Hulley, foreman of Toronto's Metro Zoo. Florence, and brother Dougall,*

*were found by a farmer in the Peterborough area after their mother had been shot. They will probably live in the zoo's North American section.*

### New ideas for summer student jobs

New approaches to student employment are part of the federal Student Summer Employment and Activities Program (SSEAP) for 1975. These include job exploration by students, participation in the fifth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, a tourist survey project, and a greater concentration on programs for native youth.

The 1975 program, which involves 12 government departments and an expenditure of \$67.1 million, is expected to provide direct and indirect employment and activities for 432,000 students.

The Department of Manpower and Immigration will be introducing a pilot program aimed at potential high-school dropouts. The job-exploration-by-stu-

dents program, in co-operation with the Chamber of Commerce, will involve at least 550 students across the country at a cost of \$300,000. It will provide potential dropouts an opportunity to gain experience in up to three kinds of employment of their own choice during the summer. The work experiences will be reviewed at the end of the summer, and the students offered the choice of returning to the classroom or entering the labour force with the aid of the local CMC.

### UN Congress in Toronto

Under the auspices of the Ministry of the Solicitor General, 60 students will have a chance to participate in the fifth United Nations Congress on the Prevention of Crime and the Treatment of Offenders. Students will be employed to support, plan and assist in the implementation of the congress to

be held in Toronto in September. The cost of the program will be \$60,000.

Airport users may find themselves part of a student project sponsored by Transport Canada, when, during June, July, and August, students will be involved in various market research operations in 12 Canadian airports to evaluate the general services available to travellers. The \$40,000-allocation for the project will provide 24 student jobs.

Opportunities for Youth will pay particular attention to submissions from native youth. The Student Community Services Program, sponsored by the Secretary of State, will employ and mobilize community volunteers to strengthen voluntary organizations — including established native organizations — to improve their capacity to respond to community needs, and to channel the imagination and energy of



youth into the volunteer sector. Employment will be provided for 2,100 students at a cost of \$5.7 million. The Department of National Defence will continue to make a concentrated effort to recruit additional native youth for its Cadet Training Program. Three programs sponsored by the Department of Indian and Northern Affairs — Native Summer Employment, Northern, and the Indian High School — are directed at native youth.

Other federal departments providing student employment and activities include the Public Service Commission; Health and Welfare Canada; Agriculture Canada; Revenue; Canada Customs and Excise; Energy, Mines and Resources; Department of Consumer and Corporate Affairs.

### Export charges raised for crude and heavy fuel oils

The Minister of Energy, Mines and Resources, Donald S. Macdonald, announced in February changes in the charges on exports of Canadian crude oils and equivalent hydrocarbons effective March 1, and an increase of 75 cents to \$2.75 a barrel in the charge on licensed exports of heavy oil, effective February 1.

The new levels for crude oils and condensate per barrel compare as follows with those now in effect:

#### Crude oils

Lloydminster-type streams — \$4.40, increased from \$4.10; designated crude oils heavier than 28° API (other than Lloydminster) — \$5, increased from \$4.70; other crude oils — \$5.50, increased from \$5.20; condensate — \$5.20, no change.

Mr. Macdonald explained that the increase of 30 cents a barrel in the charges for crude oils reflected changes that have been occurring in international crude oil and tanker freight markets over recent weeks and also the weakening of the Canadian dollar in terms of United States currency. He pointed out that the increase in the charge for light crude oils was the first that has occurred since the current level became effective in June 1974.

The Minister said that the increase was not being applied in the case of condensate at this time; production of

condensate is necessarily at a maximum during the period of peak winter demand for natural gas, when seasonal refinery demand for light liquid fractions is at a minimum.

The levels of export charge on motor gasoline and middle distillates remained unchanged for the month of February at \$1 and \$2 a barrel respectively.

### Cuba's central bank president visits

At the invitation of the Secretary of State for External Affairs, Allan J. MacEachen, the President of the National Bank of Cuba (Cuba's central bank) Minister Raul Leon, spent a few days in Ottawa in mid-February. Before his arrival in the capital Mr. Leon spent a week in Montreal and Toronto talking to officials of private banks. His calls concentrated on the government sector concerned with Canadian-Cuban trade and financial relations.

This was Mr. Leon's second visit to Canada; he came in 1972 in his capacity of First Vice-Minister of Foreign Trade.

Mr. Leon was accompanied by Mr. Enrique Ubieta and Mr. Raul Amado Blanco, Directors of the National Bank of Cuba, and by Mr. Juan Peris, a Deputy Director.

### Contribution to United Nations drug-control fund

A contribution of \$200,000 was given to United Nations Secretary-General Kurt Waldheim recently as part of Canada's ongoing support of the UN Fund for Drug-Abuse Control. The cheque was presented by Canada's Ambassador and Permanent Representative to the United Nations, Dr. Saul F. Rae.

Canada committed \$600,000 to the Fund last year for three years, of which \$200,000 has already been paid. The present contribution is for the fiscal year 1974-75, and the final installment will be remitted in the fiscal year 1975-76.

The Government believes that Canada's national program can benefit from strengthened international control measures, education programs which reduce the demand for illicit drugs, and from reduction of the cultivation of the opium poppy.

### Urban Transportation Development Corporation of Canada

Canada's provinces have been asked to join with the Federal Government to form the Urban Transportation Development Corporation of Canada, Alastair Gillespie, Minister of Industry, Trade and Commerce, announced last month.

The proposed organization would work to develop urban transportation equipment and related systems and co-ordinate relevant manufacturing and marketing, Mr. Gillespie said.

"I am pleased that we can now make this announcement after several months of negotiations with Ontario and consultations with other provinces," he said. "After my meeting with the Honourable Claude Bennett of Ontario, discussions with the Honourable Fred Peacock, Industry Minister of Alberta, and a further meeting of officials this week, we have agreed that the Ontario Transportation Development Corporation would form the nucleus of the proposed corporation."

The OTDC has already attracted a staff of 47 and is pursuing several promising development schemes of major interest both in Canada and elsewhere.

The need for such a national effort is apparent by the fact that in 1970 Canada's spending on transportation was more than \$15 billion — some one-sixth of the gross national product. It is estimated that between 1973 and 1990 at least \$5 billion will be spent in Canada on urban transportation systems.

Canadian industry has the capability to develop and make much of the equipment required for any transit system, including the most advanced technology now available. Canadian companies now manufacture wheeled suspension systems, vehicle bodies, braking and signal systems and many other components.

These activities, however, should be correlated to help open up markets for Canadian firms. If the potential domestic and export markets reach the expected levels, annual sales of transportation equipment would eventually exceed \$650 million a year and provide continuing employment for skilled and unskilled workers, Mr. Gillespie said.

A strong national organization would be able to adapt the design of trans-



portation systems to Canadian needs and climatic conditions, causing less dependence on imported technology and more emphasis on the development of the industry in Canada.

The proposed corporation would have its headquarters in Toronto but, Mr. Gillespie emphasized, responsibility for the development and manufacture of either individual systems or system elements would be vested in companies based in various regions.

Ownership in the corporation would be held by the Federal Government and the participating provincial governments. The new body, with a capital of \$40 million, would help define transport needs across Canada and recommend the best systems. It would acquire, develop, adapt, use and license patents, inventions, designs and systems for all or any part of urban transportation systems.

It would also sell systems and equipment throughout the world and undertake other activities essential to the attainment of the best in urban transportation systems.

#### **Upturn unlikely before third quarter — Royal Bank**

An upturn in the economy is unlikely before the third quarter at the earliest and probably will not show up before the year-end or early 1976, says the Royal Bank of Canada.

The statement is based on preliminary fourth-quarter results from the bank's trendicator index of 11 leading economic indicators. The index, designed to forecast significant changes in the direction of real economic activity several quarters before they actually occur, registered its fourth successive decline in the fourth quarter of 1974.

*Canada Weekly* is published by the Information Division, Department of External Affairs, Ottawa, K1A 0G2.

Material may be freely reprinted, for the use of which credit would be appreciated; photo sources, if not shown, will be provided on request to (Mrs.) Miki Sheldon, Editor.

*Cette publication existe également en français sous le titre Hebdo Canada.*

*Algunos números de esta publicación parecen también en español bajo el título Noticiario de Canadá.*

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

"In view of Canada's relatively expansionary monetary and fiscal policies, we continue to expect an upturn in the trendicator by mid-year and an upturn in the economy by year-end or early 1976," the bank said. An upturn in the index tends to precede the actual economic upturn by about six to nine months.

#### **Two new governors for IDRC**

The Secretary of State for External Affairs, Allan J. MacEachen, announced on February 17 the appointment of two new governors and renewal of the appointments of three others of the 21-member Board of Governors of the International Development Research Centre.

Victor L. Urquidí of Mexico and Manuchehr Agah of Iran, both economists are the new members; those appointed for a second term are Pierre Bauchet of France, Louis Berlinguet of Canada, and Sir John Crawford of Australia. To ensure a measure of continuity, governors are appointed for a four-year term on a rotating basis.

The IDRC, a public corporation established by an Act of the Canadian Parliament in 1970, supports research to adapt science and technology to the needs of developing countries.

In accordance with the Act, governors are appointed by the Government of Canada. Eleven, including the chairman and vice-chairman, must be Canadian citizens. It has become practice to draw the other ten from among people from other countries who have made notable contributions in the field of international development. Six of them are from developing countries.

Louis Rasminsky, the former Governor of the Bank of Canada, who has been IDRC chairman since March 1973, succeeded the late Lester B. Pearson. W. David Hopper, a noted agricultural economist, has been president of the IDRC organization since 1970.

The governors of this autonomous corporation meet twice yearly to formulate policies and to approve projects; the next meeting will be held from March 15 to 18 in Singapore. In nearly five years of operation, the IDRC Board has approved 242 projects involving grants totalling \$46.5 million in 63 countries.

#### **Colleges compete to build electric car**

Two of Manitoba's community colleges are competing to produce an electric car by the spring of 1976.

The car is to be produced by converting a standard automobile to electric propulsion to demonstrate the feasibility of electricity-powered autos of limited speed and range for use in warm weather.

Each college will receive a grant of \$4,000 from the Manitoba government for purchase of such parts as car body, batteries, motor and controls. The competition is based on technical achievement, rather than a race to produce the first car.

Red River Community College, Winnipeg, and Assiniboine Community Colleges, Brandon, have both automotive and electronics classes, and have been asked to compete.

The competition is being sponsored by the provincial government, with the participation of Manitoba Hydro, the Manitoba Research Council and the Motor Vehicle Branch of the Department of Highways.

In addition to demonstrating the use of a renewable energy source that has minimal or no polluting effect, as an alternative to non-renewable fossil fuels, the project will give community college students an opportunity to use the skills they have acquired in an imaginative way and relating to a specific project.

It will also give the Motor Vehicle Branch an opportunity to determine whether the Highway Traffic Act adequately covers user-built electric-powered vehicles.

Current available technology and components are to be used with no attempt at research.

The vehicle to be produced must be able to attain a speed of 30 miles an hour, have a range of 30 miles and comply with safety requirements of the Highway Traffic Act. It is to be designed for warm weather use only and special care must be taken to vent battery fumes so as not to endanger the passenger compartment. Another requisite is an onboard charger capable of recharging batteries overnight from a 110-volt outlet.

