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Bringing innovative housing ideas to the market

Innovative and practical ideas to improve the utility and performance of housing have been researched and, in some cases, are being brought to market with support from a Canada Mortgage and Housing (CMHC) program.

The housing technology incentives program (HTIP) provides funds of up to \$15 000 to Canadian companies or individuals for the development of original products or building methods that improve housing and living conditions in Canada.

A proposal is most likely to qualify for such funding if it suggests a new idea, product or method that:

- has the potential to improve the choice, the quality and the costs of housing;
- provides an economical solution to an existing technical problem associated with housing;
- appears to be of general benefit to housing builders or residents; and
- is likely to meet the provisions of applicable national, provincial or municipal codes and standards.

The program was initiated as a pilot

project by CMHC in September 1980, and as a result of the enthusiastic response to it was established as a regular program in 1981.

Small projects funded

For CMHC, the incentives program represents a shift away from the funding of major demonstration projects to support of small research projects by a relatively large cross-section of the housing and building product industries. The program allows many innovations covering a wide range of applications in the housing industry to be evaluated in a relatively short time.

HTIP supports proposals from the doers and planners in the housing field who are aware of what is available and what is required and therefore are most likely to generate new practical products and methods. For small companies without research and development funds, HTIP often means the difference between testing an improvement or a new idea or making do with the existing product.

Once a project is approved for funding, the applicant signs a contract with



Among the projects supported by the housing technology incentives program is this moulded fibreglass house believed to be low cost and energy efficient.



External Affairs
Canada

Affaires extérieures
Canada

CMHC agreeing to the amount and the stages in the development when HTIP payments are to be made. Most HTIP contributions cover at least one half of the project cost up to the maximum of \$15 000.

New products or methods developed as a result of projects supported by HTIP are publicized by CMHC to the housing and building industries.

Funding for 100 projects

Since its inception, the housing technology incentives program has funded approximately 100 projects across Canada. Most applications are received from Ontario, British Columbia and Quebec.

Currently there are about 70 projects supported by HTIP which include the following:

- the development and testing of a gas condensing furnace installed outside the home to eliminate the need of a chimney and to increase efficiency by operating with direct cold air;
- design, development and construction of a prototype house of moulded fibreglass believed to be low cost and energy efficient;
- demonstration and testing of practical factors related to the installation of exterior insulation in basement walls in various climatic regions. The project attempts to clarify the effects of the installation technique and timing on the



EVA Corporation

Passengers listen to EVA, a system developed under the program. EVA is an electronic voice announcer that is especially helpful to the blind because it audibly identifies floors for elevator users.

durability and performance of the product:

- design, installation and testing of an insulation system for flat roofs in existing housing using surface-applied insulation



Hilan playstructures for handicapped children, like this roller slide made of soft rubber, integrate with conventional playground equipment.

which is potentially cheaper than blowing insulation into the attic;

- development and testing of a concrete wall system which can be quickly assembled without mortar by using interlocking concrete blocks; and

— testing and demonstration of improved efficiency in log housing achieved by the use of a specially formulated sealant compound between logs which functions as both vapour barrier and air seal.

The products developed with HTIP support which are now available on the market are equally varied. They include:

- Gemite exterior insulation panel system which is an energy-saving product developed as a prototype with funding from HTIP. The system is designed to be applied by fasteners or adhesive bonding as outside insulation on exposed basement walls of new or existing housing and walls of industrial buildings. It consists of an assembly of panels, fasteners and caulking.

— Hilan Playstructures for handicapped children, which integrate with conventional playground equipment, were developed and tested with support from HTIP. The innovative structures include sympathetic swings which are set in motion by the action of an adjoining conventional swing; playhouse with wheelchair accessibility; riding saucers which respond to rolling and crawling, and roller slides made of soft rubber. Hilan Playstructures are appealing to all children, whether handicapped or not. They can be added to regular playground equipment in parks, schools and community centres to encourage the natural integration of disabled and able-bodied children. The play equipment is produced and marketed by a firm located in Almonte, Ontario near Ottawa.

Northern Telecom sale to Japan

Northern Telecom Limited of Montreal reports it has received approval from the Nippon Telegraph and Telephone Public Corporation of Japan to sell its SL-1 digital business communication system and its SL-1 electronic telephone set and add-on data module in Japan.

The approval allows the products to be used in the Japanese public telephone system.

The company also said it had signed a long-term agreement with Mitsui and Company Limited of Japan for Mitsui to distribute the SL-1 system in Japan.

Darrell Eagle

Ministers meet with US counterparts

Deputy Prime Minister and Secretary of State for External Affairs Allan J. MacEachen, Minister of Energy, Mines and Resources Jean Chrétien, Minister of Transport Jean-Luc Pepin and Minister of Justice Mark MacGuigan made separate trips to Washington, D.C. recently to meet with their American counterparts.

During their talks on April 11 and 12, the third of agreed periodic meetings, Secretary of State for External Affairs MacEachen and US Secretary of State George Shultz discussed a wide range of multilateral and bilateral issues. The problem of acid rain was a particular focus of discussions. There was agreement on the next steps to attempt to reason differences of view on this issue, including further discussions between scientific advisors. The issue of trade protectionism, the extraterritorial effect of US legislation and other bilateral questions were also addressed. Arms control, the international economy, including oil prices, and the situations in the Middle East and Central America were the main international topics.

Mr. MacEachen also met with Vice-President George Bush and Treasury Secretary Donald Regan joined Mr. MacEachen and Mr. Shultz at lunch for an exchange of views on economic questions, particularly in view of the Economic Summit meeting to be held in Williamsburg, Virginia, May 28-30, which Prime Minister Trudeau will be attending.

Mr. Chrétien met with US Energy Secretary Donald Hodel, April 6-7, to discuss the world energy outlook and Canadian electricity and natural gas exports to the United States.

Of his talks with the US officials, Mr. Chrétien said: "I came away from Washington convinced that the US wants Canada to continue to serve as a supplier of natural gas ... we hope to make it clear to our US customers that we are willing to respond to international energy market conditions."

The Canadian energy minister also met with Senator James McClure, the chairman of the Senate energy and natural resources committee, and Senator Henry Jackson, members of the House sub-committee responsible for oil and gas issues, chaired by Philip Sharp, and with the Senate foreign relations committee, chaired by Senator Charles Percy.

On April 11, Mr. Chrétien announced an 11 per cent reduction in the price of

natural gas exported to United States pipeline companies. The charge for gas at the US border dropped to \$4.40 (US) per million British thermal units from \$4.94.

Transport Minister Pepin met with his counterpart Transportation Secretary Elizabeth Dole and the chairman of the Senate subcommittee on aviation Nancy Kassebaum on April 7-8 with whom he discussed a range of transportation issues of interest to both countries. Among other things, Mr. Pepin discussed bilateral air relations including a dispute over air fares that took place in March.

Minister of Justice Mark MacGuigan, travelled to Washington for talks with his counterpart, Attorney-General Smith, on March 25. They discussed questions of mutual interest concerning the administration of justice in both countries as well as areas of bilateral co-operation on law enforcement.

Canada signs prisoner convention

Canada has signed a convention which will enable Canadians serving long-term prison sentences in Europe to apply for repatriation to Canada to serve the balance of their sentences in Canadian penitentiaries.

The convention was signed under the aegis of the Council of Europe. The Canadian Ministry of the Solicitor General will be responsible for implementing the convention.

The agreement is the fourth international pact concluded by Canada on this



Consul General Jean-Yves Grenon signs convention in Strasbourg.

subject. Similar agreements are in force with the United States (1978), Mexico (1979), and Peru (1980). To date 93 Canadians have been transferred to Canada under these agreements. Agreements have been signed but not yet ratified with Bolivia, France and Thailand. It is the first multilateral convention Canada has signed under the aegis of the Council of Europe.

At present there are 24 Canadians known to be in jails of member states of the Council of Europe. Although Canada is not a member of the Council of Europe the convention provides for accession by non-members. Canadian officials participated actively in the drafting of the convention on the basis of Canadian experience in this area with other countries.

The convention was signed on behalf of Canada in Strasbourg, France, the seat of the Council of Europe, on March 21, by Canadian Consul General in Strasbourg, Jean-Yves Grenon. In addition to Canada, the countries that initially signed this convention are Austria, Sweden, Federal Republic of Germany, Luxembourg, The Netherlands, Switzerland, Portugal, Belgium, Greece, Denmark and the United States. Other member states of the 21-member Council of Europe are expected to add their signatures later.

The convention will come into force three months after the date on which three member states of the Council of Europe have expressed their consent to be bound by the convention.

Funds for Mali project

Canada will contribute \$716 000 to the Canadian UNICEF Committee for a water, health and sanitation project in Mali.

The grant, through the Canadian International Development Agency (CIDA), will help provide clean drinking water; improve sanitation facilities; and train government employees and volunteers in maintaining the new installations. Primary beneficiaries of the project will be adolescents, women and children, most seriously affected by lack of clean water and sanitation facilities.

The project is part of a larger four-year UNICEF program which will provide improved social and health services to 105 communities in the Mopti and Timbuctoo regions. It is also expected to help reduce infant and child mortality rates.

Canada supports open international trading environment

Canada adheres to the principles of free trade and accessibility of international investment as well as other developed industrial countries, Minister of State (International Trade) Gerald Regan told the Bankers' Association for Foreign Trade in San Juan, Puerto Rico, on April 13. Excerpts from the minister's speech follow:

...In almost every sector of the economy Canada has permitted a higher percentage of foreign ownership than any other industrialized country. While foreign control of non-financial industries in Canada has declined in recent years, it remains at 27 per cent, the highest in the industrial world. It is particularly high in important industries: oil and gas — about 60 per cent; transportation equipment — 70 per cent; electrical equipment — 60 per cent; and mining — 38 per cent. In the US foreign investment controls about 2 per cent of non-financial industries: 18 per cent of petroleum; 5 per cent of mining and 3 per cent of manufacturing. While 19 of the 50 largest firms in Canada are foreign controlled, this is the case for only two out of the largest 50 firms in the USA. The stock of foreign investment is now higher in the USA than Canada, but of course the USA economy is ten times as large. The US has six times as much foreign investment in Canada, comprising 80 per cent of the total, as we have in the USA.

Again, we have allowed as great or greater access into our market of the foreign goods than most other countries in many sectors. Because the Canadian industrial structure is not as diversified as other larger countries, Canada generally imports a greater percentage of manufactured goods in relation to its total needs than other countries.

The policies adopted by countries will vary greatly depending on their economic size, commercial competitive advantages, position as capital importer or exporter, or host or home country to multinational enterprises (MNEs) and their international political role and perceptions. Canada and Australia, as primarily host countries to foreign investment, employ investment screening mechanisms and may restrict foreign involvement in some sectors for cultural or economic reasons. The investment restrictions of large home countries, like the US and Britain, are often on a sectoral basis and involve considerations of security and defence as well as economic considerations. France and Japan employ a variety of administrative measures to protect their trade and investment interests.



*Minister of State (International Trade)
Gerald Regan.*

These differences in circumstances and policies must be considered when attempting to define international norms of behaviour: within the General Agreement on Tariffs and Trade (GATT) system with respect to trade and in the various Organization for Economic Co-operation and Development (OECD) and UN investment instruments which include guidelines for MNEs and principles of fair and equitable government treatment of foreign investors.

There are no absolute rights and wrongs. There must, however, be a balance of interests among states that recognize their national responsibilities and the desirability of a relatively liberal international trade and investment climate. MNEs must commit themselves to contribute to development by following the laws and policies of the countries in which they operate, and international guidelines. This co-operation can minimize excessive or ill-considered economic nationalism that can have negative effects or lead to disaster.

I want to spend a few minutes explaining a number of Canadian policies in the investment area, including the Foreign Investment Review Agency and the National Energy Program. We do not consider that Canada's policies are particularly unique. While they have raised

some controversy in the international business community, the concern about our policies was probably at a maximum about a year ago. Since then, the difficult international economic circumstances, a realization that many other OECD countries employ measures to achieve goals similar to Canada and our own efforts to streamline and explain our own policies, have accounted for these improved perceptions.

International investment

Canada's economic development strategy has always been a pragmatic one, free of ideology, relying upon both international investment and public enterprise to supplement private domestic investment. The railway sector in Canada, comprising publicly-owned Canadian National Railways and Canadian Pacific Railways, the largest investor-owned railway which nevertheless had both government support and foreign investors, is an example of this tradition. A more recent example of this "Canadian" approach to development is the establishment of Petro Canada as a public corporation competing with private companies, both domestic and foreign owned, in the oil and gas sector.

This pragmatic approach to development has served Canada well and has certainly not deterred international investors from taking a stake in Canada. No other country in the industrialized world — and probably in the whole world — has relied as heavily on the process of international investment, sustained it as effectively and benefited from it as continuously as Canada has over recent decades. It is little wonder then that Canada supports a positive environment for international investment.

Stated another way, Canada welcomes foreign investment that will bring significant benefit. We are also particularly interested in MNEs in Canada being good corporate citizens along the lines set out in the OECD guidelines and our own domestic guidelines: by engaging in economically viable export activities; sourcing in Canada where competitive; carrying out independent research and development in Canada; providing equity participation and management responsibility to Canadians; providing significant management independence to the Canadian enterprise; and seeking to use profits and resources generated in Canada to the benefit of the Canadian economy.

At the same time the high levels of foreign investment in Canada have led to

concerns about the implications of this for economic progress and independence and in turn to a number of moderate policies that respond to these concerns.

The Canadian approach to foreign investment has three main approaches. The first approach is to minimize legislative, regulatory or administrative impediments to the operations of foreign-owned or controlled companies in Canada. We have consistently "extended" national treatment to foreign-owned firms. Once such firms are established in Canada, they are generally subject to the same tax provisions, regulations and eligibility conditions for government grants and loans as Canadian-owned enterprises.

The second approach is that the few significant exceptions to this rule where some restrictions on foreign ownership apply relate to three key areas of the economy: financial institutions, communications and culture, and the oil and gas industry. The relevant measures in these sectors have generally been spelled out in legislation and regulations rather than being left in an *ad hoc* uncertain way. The short list of key sectors in Canada compares quite favourably with the US and a number of other OECD countries.

...With respect to financial institutions, it should be noted that in chartered banking we have moved in the direction of greater reliance on foreign investment and enterprise. Prior to the recent revision of the Bank Act, foreign banks were not permitted to engage in banking activities in Canada, although they could and did play an active role in the provision of commercial loans and other financial services. The new banking legislation enacted by Parliament in 1980 has significantly opened up this sector to international investment. Foreign banks are now allowed to establish subsidiaries in Canada as single-branch wholesale banks. Ministerial approval is required for additional deposit-taking branches, but representative offices may be opened at will. (At least half the directors of a foreign bank subsidiary must be Canadian citizens, and the foreign-owned banking sector is limited in the aggregate to 8 per cent of all banks' total domestic assets. Foreign controlled banks have broadly the same business powers as domestically-controlled ones.) Since passage of this legislation, 57 new foreign-owned banks with total assets of some \$18 billion have received their charters.

The restrictions in the communications sector are based on the development

of a distinctive independent Canadian cultural output. Since 1971 the Canadian Radio-Television and Telecommunications Commission (CRTC) has issued broadcasting licences only to companies 80 per cent owned by Canadians. The CRTC also requires broadcasters to devote specified proportions of their program schedule to Canadian programming. Canadian advertisers may only deduct their domestic advertising expenses for tax purposes when using Canadian media to reach Canadian markets. Programs have been introduced to encourage the Canadian film and publishing industries, to make sure that Canadians, along with the wide choice of foreign cultural products available to them, also have access to those of Canadian intellectuals and artists.

I mentioned earlier that special circumstances dictate different sectoral or legislative limitations in various countries. Canada's special circumstance in the communications field arises from our geographical location and linguistic pattern with our population of 24.7 million scattered along more than 3 000 miles of the border with a southern neighbour that uses English — one of our two official languages. We have awesome problems in maintaining a distinct culture; in developing our own literature; or supporting our own artists. Obviously, this sort of problem does not exist for Australia to the same extent because of the factor of distance.

Oil and gas sector

The third and most controversial key sector is the oil and gas industry. The principal objective of the National Energy Program is to ensure energy security for Canadians. Achievement of this objective requires that more of our oil and gas industry be controlled by Canadian interests, and that there be appropriate participation by the national government, on behalf of the Canadian people in the future development of that industry. Between 1975 and 1979, the Canadian oil and gas industry generated net outflows of capital totalling \$3.8 billion — \$2.1 billion in direct capital and \$1.6 billion in dividend and interest payments. The outflow took place at a time when enormous amounts of capital were required to ensure the rapid development of Canada's oil and gas potential, a national imperative if self-sufficiency is to be achieved. These factors necessitated some form of encouragement for investment in new oil and gas development that

would be attractive to Canadian investors and led to the establishment of the Petroleum Incentives Program and the Canada Oil and Gas Lands Administration. Our ownership goal is modest: to have Canadians own 50 per cent of the Canadian industry by 1990.

Canada is by no means the first country to treat energy supplies as a matter of strategic national importance and seek security over oil and gas supplies through ensuring significant domestic ownership and some government involvement in the industry. The entire oil and gas industry is under government control in most producing countries including Venezuela and Mexico. The USA is the exception, rather than the rule, being the home base for the world's largest oil companies which no doubt accounts for the fact that foreign control in the United States oil and gas sector is low. Regarding public enterprise, Petro Canada is still a youngster — though a strong and fast growing one — in the large family of oil companies wholly or partly owned by governments: British Petroleum in Britain, Statoil in Norway, Agip in Italy, La Compagnie Française des Pétroles in France, Veba in West Germany, the National Oil Company in Japan, and Petrobras in Brazil.

The foreign oil industry will continue to prosper in Canada. A comparison with policies and practices in Norway, Great Britain and the USA, among others, shows that Canadian legislation is less stringent and provides as high or higher rate of return on new oil for foreign investors than do these other countries. Assets are not being nationalized. Rather, acquisitions, through private purchases at market prices, have been on terms highly favourable to the sellers of those assets. Moreover, Canada is providing large incentives to foreign companies operating in Canada for oil and gas exploration and development. The regime in the NEP will be more favourable to foreign investors than in virtually any other country. But the incentives are being made even more favourable to Canadians so that they may increase their participation in a growing Canadian petroleum industry.

The key elements of the NEP have now been enacted by Parliament. There is a flexible and comprehensive framework in place for the development of the petroleum industry in Canada in which Canadians, as well as foreign firms, will more actively participate. Oil prices, interest rates and general economic condi-

(Continued on P. 8)

News prizes

Nine journalists and one newspaper have won National Newspaper Awards for excellence in their field.

Three of the ten awards went to the *Montreal Gazette*. The *Toronto Star* won two, with the others going to the *Vancouver Sun*, *Edmonton Sun*, *Hamilton Spectator*, *Southam News* and the *Ottawa Citizen*.

The winners were: spot news reporting, Chris Young, *Southam News*; enterprise reporting, the *Vancouver Sun*; editorial writing, Joan Frazer, *Montreal Gazette*; critical writing, Peter Goddard, *Toronto Star*; column writing, John Slinger, *Toronto Star*; sports writing, Michael Farber, *Montreal Gazette*; cartooning, Blaine, *Hamilton Spectator*; spot news photography, Robert Taylor, *Edmonton Sun*; and feature photography, Bruno Schlumberger, *Ottawa Citizen*.

Citations for merit were awarded in feature writing to Judy Steed of *The Globe and Mail* and in editorial writing to John Dafoe of the *Winnipeg Free Press*.

The National Newspaper Awards were established in 1949 and are administered by a committee of the Toronto Press Club. They are made possible by a self-sustaining fund to which a number of newspapers and groups have contributed.

Maps track Canada's history

To the uninitiated, maps can be a dry subject indeed. In the hands of discovery map collector Joe C.W. Armstrong, author of a new book on the subject, maps become not only objects of historical significance but art objects as well, reports Margo Roston in *The Citizen*.

In *From Sea Unto Sea* he has set out to describe the discovery of the outline of the northern part of the American continent from sea unto sea through the reproduction of authentic and original printed maps.

"The purpose of the book is to communicate the early boundary history and the geography of Canada," said Mr. Armstrong, who lives in Toronto. Four years ago he began to purchase the 38 rare and original exploration maps of Canada that make up his personal Canadiana collection and his book.

The author has achieved a lightness of written commentary that makes his historical account enjoyable. An amusing group of anecdotes about some of

Canada's earliest discoverers spice up the straight geographical facts of his story.

Anecdotal tales aside, Mr. Armstrong has carefully scouted out and collected his treasury of maps from sources across the world. He has tracked down maps from 60 dealers across the world, including such places as Texas, London, Paris, Amsterdam and California. Some of them are valued as high as \$30 000.

The author spent 3 000 hours researching, collecting and organizing his private display collection and book, using his vacation time and evening hours to fulfill his goal.

The book includes reproductions of rare maps of Canada, including Gastaldi's 1556 woodcut map in which monsters roam the sea. Samuel de Champlain's 1612 collage map of Canada's boundary and elegantly engraved French explorer maps.

Curlers sweep to title

The Canadian curling team took the world title at the Air Canada Silver Broom at the world championships held in Regina, Saskatchewan. It was the second consecutive time a Canadian team had won the championships.

In the final game, the Canadian team skipped by Ed Werenich of Toronto defeated Keith Wendorf of West Germany 7-4. Since starting playoffs at his own Toronto Avonlea Club in January, Werenich and his rink of vice Paul Savage, second John Kawaja and lead Neil Harrison had compiled a 40-4 record.



Ed Werenich holds Silver Broom following the Canadian victory in the world championships.

Major research contract to help boost Canadian crop yields

McGill University of Montreal has signed a \$2.2-million, five-year contract with a Toronto-based biotechnology company to work on a research project that will ultimately increase Canada's agricultural productivity.

Genetic research

The contract with Allelix Incorporated is for work in genetic engineering research applied to microbes. The objective of the research is to develop a commercially available active soil organism which will improve the ability to fix nitrogen in plants, increasing crop yields and decreasing the dependence on fertilizers. Further developments are foreseen, such as better tolerance to frost, salty soils and drought.

Alan Bates, president of Allelix, explained that "this joint program with McGill, one of Canada's leading academic centres for biotechnology research and education, provides the new company with a base on which to build a strong in-house capability. McGill is widely recognized as being at the frontier of molecular biology related to soil organisms and plants".

Special lab

Dr. Desh Pal Verma, who heads a team of McGill plant biologists and geneticists, said the contract will allow the team to double its research activities and open a special laboratory to study the bacteria which fix nitrogen in legumes such as alfalfa, peas, beans and soybeans.

Legumes have a symbiotic relationship with the bacteria rhizobium: their roots provide the bacteria with a home, while the bacteria takes nitrogen which has filtered from the air down into the soil, and combines it with hydrogen to form ammonia which the plant can use to make proteins.

Until now Dr. Verma has been looking for a way to transfer the plant genes that make this relationship possible into other plant types, such as wheat and corn. He said he has succeeded in identifying the genes in the soybean plant that make this relationship with the rhizobium possible.

The contract is the first major one signed by Allelix, a new biotechnology company owned jointly by the Ontario government, John Labatt Limited and the Canada Development Corporation (see *Canada Weekly* dated February 9, 1983).

Michael Burns

National Library acquires noted author's papers

The National Library has acquired from one of Canada's leading authors, Gabrielle Roy, a large collection of literary documents and personal papers which reflect the evolution of her career.

The collection includes the author's manuscripts, several in different versions, and some unpublished works, as well as rare examples of feature articles and fiction which appeared years ago in periodicals. It also contains the scripts of a film made from one of Gabrielle Roy's novels, publishers' proofs, books with handwritten notes, and the foreign-language editions of some of this writer's novels and short stories. In addition, there are the medals that Ms. Roy has received throughout her career, memorabilia, personal letters, and correspondence with other writers and publishers.

Before becoming a full-time writer, Ms. Roy was a teacher in Manitoba for eight years and, from 1937 to 1945, was associated with several newspapers and magazines in Quebec and France, contributing short fiction and articles. Her career as a journalist was quite different from those of most of her female colleagues: she wrote general feature articles with a sociological focus. Writing mostly for the *Bulletin des agriculteurs*, she covered topics such as new settlement, natural resources, and working conditions in the mines.



Gabrielle Roy

She broke into the literary world in 1945 with a remarkable first novel, *Bonheur d'occasion* (translated in 1947 as *The Tin Flute*), which, by its realistic portrayal of urban life, set itself apart from the traditional French-Canadian rural novel. *Bonheur d'occasion* won an award from the Académie canadienne-française in 1946 and won the French Prix Femina in 1947; the same year, *The Tin Flute* was selected by the Literary Guild of America. The novel has been translated into many foreign languages

(Danish, Norwegian, Romanian, Russian, Slovak, Spanish, and Swedish) and has been made into a film which will soon be released in both English and French.

Gabrielle Roy is the author of many novels and short stories, set mostly in Montreal, Manitoba, and the Canadian Arctic. Her best-known works include *La Petite Poule d'Eau* (*Where Nests the Water Hen*); *Alexandre Chenevert* (*The Cashier*), *Rue Deschambault* (*Street of Riches*) and *La route d'Altamont* (*The Road Past Altamont*), which have been translated into many languages. Ms. Roy was elected to the Royal Society of Canada in 1947 and was awarded an honorary doctorate from the Université Laval; she won the Governor General's Literary Award (1955), as well as the Prix Duvernay (1956) and the Prix David (1971).

Film producer signs contract with Columbia Pictures

Canadian producer-director Norman Jewison has entered into a deal with Columbia Pictures to make seven films in the next four years.

Under the \$30-million agreement, Mr. Jewison will make three films in Canada and four in the United States.

Guy McElwaine, president of Columbia Pictures, said he had been wanting to make such an arrangement with Mr. Jewison for a long time, in the belief that "Mr. Jewison makes quality films that people go and see".

Mr. Jewison, who will direct one of the Canadian and two of the American films, has directed several pictures over the past 20 years, including *The Russians Are Coming*, *The Russians Are Coming*, *Jesus Christ Superstar*, *Fiddler on the Roof* and most recently, *Best Friends*. He is currently producing, with associate Patrick Palmer, director Fred Schepisi's *Ice Man*, being filmed in British Columbia.

The Canadian producer said that apart from the talent and resources pool, available in Canada, film production is also 20 per cent cheaper than in the United States, largely because of the exchange rate.

The new arrangement, which begins immediately, is not exclusive, but only gives Columbia Pictures the right of first refusal to a project. The four-year period may be extended if Mr. Jewison takes time off from the arrangement to make films for another studio.



Scene from *The Tin Flute*, taken from the book of the same name by Gabrielle Roy.

CANAPRESS Photos

Trade (Continued from P. 5)

tions will of course affect the pace of development of this sector. We are also on schedule with our Canadianization target. Canadian participation has increased about 10 per cent in the sector. The 50 per cent target for 1990 remains and is achievable, but we do not wish to press the pace of Canadianization of foreign energy holdings in the years ahead. It is expected that increases in Canadian ownership will come largely through participation in joint ventures and active involvement of Canadian companies in exploring for and developing new oil and gas resources.

FIRA

The third approach to foreign investment is our system of monitoring or reviewing as embodied in the Foreign Investment Review Agency (FIRA). FIRA and its Australian counterpart are the best known one-stop integrated processes for reviewing foreign investment activities in the world. Most other countries have taken a diffuse approach and have put in place a multiplicity of legislative provisions, regulations and administrative procedures to prohibit, restrict or otherwise control the activities of foreign investors in their territories. Our view is that the integrated approach, while it can be improved, is the better one for us.

Let me give you some facts. Fact one is that the scope of the FIRA process is quite limited. In 1981, proposed direct investment reviewed by FIRA amounted to \$2.6 billion. In the same year, however, the value of Canadian assets held by foreign-owned companies already doing business in Canada increased by \$25 billion primarily due to new investments in current and related business not subject to review. Portfolio investment or non-controlling share ownership, and bonds and debentures issued by Canadian businesses and governments totalled \$10.8 billion in 1981, none of which was subject to FIRA review.

Fact two: FIRA approves the great bulk of foreign investment proposals, over 91 per cent on average over the eight years of FIRA operations.

Fact three: The FIRA process is not arbitrary nor uncertain although the weight given to five factors considered in each case may vary. These factors include: the effect on economic activity, including the use of Canadian inputs and exports; the degree and significance of

participation by Canadians; the effect on productivity, industrial efficiency, technological development and innovation and product variety; the effect on competition; and the compatibility with national industrial policies, taking into account provincial policies.

Fact four: During the past year a number of announcements have been made to streamline FIRA. The processing time on cases has been reduced and the review process expedited through increasing the small business size limits, the issuance of interpretation notes on legal aspects of the Act and formal opinions on reviewability, and the announcement by the responsible minister of the formation of an advisory panel drawn from the private sector....

Canada's stake in the open multilateral trading system is enormous. Approximately 30 per cent of our GNP is generated by trade, which makes our economy one of the most open in the world. This means that our economy is

even less insulated than others from the trends in the world economy and the present crisis has been felt particularly strongly in Canada in terms of high inflation, interest rates and unemployment. The Canadian government, like that of other industrialized nations has been and continues to be under strong pressures to protect its industry and, like others, we have been obliged to take temporary measures to safeguard employment. We have kept such measures to a minimum and have been very active on the international scene in defence of open trade. Indeed, for Canada, economic nationalism in the field of trade, dictates that we maintain a firm commitment to free trade and that we encourage others to adopt the same attitude. It is vitally important for us that our principal trading partners, and, in the first instance, the United States of America, maintain their markets open for our exports in the same way as we are determined to maintain our market open to their exports....

News briefs

Two high-technology trade missions organized by the Ontario Ministry of Industry and Trade recently visited the United States. Eight Ontario manufacturers of aerospace electronics components participated in aerospace industry shows in three Texas cities — Dallas, Fort Worth and Austin. Meanwhile, seven Ontario electronics component manufacturers visited Phoenix and San Francisco to meet with potential buyers.

Minister of State for International Trade Gerald Regan announced recently that the Export Development Corporation has signed four financing agreements totalling \$4.3 million (US) to support sales of Canadian goods and services to Hungary, Indonesia and Venezuela.

Canadian Cliff Thorburn said he was in a dream world after recording the first maximum 147 break ever made at the recent world professional snooker championships, held in Sheffield, England. Thorburn earned \$26 000 for his magnificent feat by potting 15 reds, 15 blacks and all the colours. The achievement came in the fourth frame of Thorburn's second-round match against Terry Griffiths of Wales.



The Citizen

Ron Jones shows intensity as he belts out a tune on his four-sided harmonica in the Byward Market in Ottawa.

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