

# Canada Weekly

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## Budget emphasizes restraint and reduction in inflation and taxes

Finance Minister Allan MacEachen brought down a budget, November 12, that emphasized fiscal conservatism and the fight against inflation.

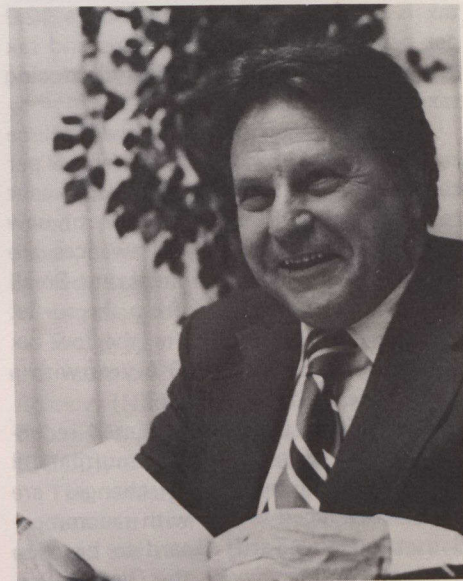
In his address to the House of Commons, Mr. MacEachen said: "We are confronted by severe inflation and extremely high interest rates. Inflation and interest rates at their present levels are bringing economic growth to a standstill and creating grave inequities among Canadians. The impact of high interest rates on homeowners, small business and farmers is visible and damaging. But high interest rates flow from high inflation and there can be no deep and lasting relief until inflation can be reduced. We cannot hope to insulate ourselves from interest rate policies unless our inflation rate is lower than theirs."

### Fiscal plan

The federal government's budget focused on three themes: restraint, equity and renewal. Restraint is needed to reduce inflation which in turn is a prerequisite to lower interest rates; this is to be fostered by steady declines in the government's deficit. Equity demands a fairer tax structure and relief for those most seriously affected by high interest rates. Renewal will be founded on the major economic development opportunities that lie ahead as inflation is brought down.

Mr. MacEachen said there is a need for restraint on the part of the government and all Canadians. "For our part, I believe we must reduce our deficit and our borrowing requirements substantially.... This will take pressures off credit markets, ease interest rates and provide room for needy borrowers. The control of the money supply by the Bank of Canada is an essential element in our strategy to fight inflation, but it has to be supported by greater fiscal restraint," said the finance minister.

A combination of higher tax receipts and continued expenditure restraint will



*The budget "will not provide a quick fix" to Canadian economic problems, said Finance Minister Allan MacEachen in his speech to Parliament.*

result in significant reductions in the deficit. Financial requirements will fall from \$10.1 billion in fiscal 1980-81 to \$9.8 billion in 1981-82, \$6.6 billion in 1982-83, and \$5.5 billion in 1983-84. The corresponding ratios to gross national product (GNP) are 3.5, 3.0, 1.7 and 1.3 per cent. In every case these figures are substantially lower than those projected in the budget a year ago.

### Tax changes

To improve the fairness of the tax system, to increase incentives to work, save, and invest, and to add to government revenues, important changes in the income tax system are proposed. "I dedicate myself and this government in this and succeeding years to maintaining a fundamental sense of fairness in our society," said Mr. MacEachen in announcing a major overhaul of the personal income tax system.

Several tax deferral and tax preference provisions are eliminated and the top

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federal marginal tax rate on personal income will be cut to 34 per cent, resulting in an average federal-provincial maximum rate of about 50 per cent (varying according to province). The maximum capital gains tax will accordingly be cut to an average of 25 per cent. The special federal tax credit which now ranges from \$200 to \$500 will be cut to a flat \$200, with an additional \$200 credit for dependent spouses. This provision will be of particular benefit to low-income families.

Full indexation of the personal income tax is retained. This will provide a 12.2 per cent increase in exemptions and tax brackets for 1982, effectively reducing taxes by \$3 billion for that year.

The existing corporate surtax will be extended to 1982 at the current 5 per cent rate and into 1983 at a 25 per cent rate. In the year of acquisition of new investment, depreciation allowances are reduced to one-half the annual rate. Small business will be exempt from the surtax and the qualifying limit for the low tax rate is raised to \$200,000 a year with a cumulative limit of \$1 million.

Apart from continuing phased reductions agreed to in 1979 in the multilateral trade negotiations, tariff changes are being introduced in line with recommendations of the Tariff Board to broaden product coverage under the General Preferential Tariff (GPT) and reduce rates on a range of products of interest to developing countries. As previously announced, duties will be eliminated on goods covered by the GPT when imported from the least developed countries.

The net effect of income tax changes is to raise revenue by \$1.4 billion in 1982-83 and \$2 billion in 1983-84. New energy taxes agreed with the provinces will add \$900 million in 1982-83 and \$1.5 billion in 1983-84 more than projected in last year's budget. Total tax revenues will rise in 1982-83 by 21.4 per cent, to \$58.8 billion, and total budgetary revenues by 19.6 per cent, to \$65 billion.

#### Expenditure program

The government's plan of keeping expenditures within the trend rate of growth of GNP is continued. Despite higher interest costs, total outlays for fiscal 1982-83, at \$76.3 billion, will rise by only 11.7 per cent, compared with an increase of 14.4 per cent for GNP. By 1985-86 the ratio of outlays to GNP will have fallen to 19.2 per cent, down from 10.6 per cent in 1981-82.

Within this framework of over-all restraint, economic development programs remain a priority. The NATO commitment to increase defence spending by 3 per cent in real terms will continue, as will that to raise official development assistance to .5 per cent of GNP by 1985. Special relief is provided to those homeowners, farmers, and small business operators who have been most seriously affected by high interest rates. Construction of rental housing will be encouraged by interest-free loans to builders in areas where the housing market is tight.

The budget also proposes changes in the fiscal arrangements with the provinces for the 1982-87 period. These are to be discussed with the provinces at a later date. These changes together with reductions in energy and certain other areas will help limit expenditure growth.

#### Economic development

The economic development policy framework set out in a budget background paper addresses structural change in the economy, particularly investment, productivity, and adjustment to strengthen international competitiveness. The principal focus is on resource-based expansion and industrial restructuring with emphasis on balanced regional growth and an orderly pacing of development.

"The policies and programs of the national government are major instruments for managing and exploiting these development opportunities and ensuring that the benefits are shared fairly. Harnessing the resources of the economy is a national enterprise which includes but extends beyond the interests of particular regions or sectors," said Mr. MacEachen.

Canada remains committed to an international competitive environment and rejects protectionism. Foreign capital and technology will continue to play an important role in Canada. The strategy is not a blueprint for increased intervention but rather a broad framework of principles and priorities aimed particularly at balanced growth among regions. The government's role is to support private sector efforts by strengthening the economic base and the performance of markets.

While reaffirming the government's commitment to the National Energy Policy, the framework paper states clearly that special measures to achieve Canadian ownership and control of the oil and gas industry are not appropriate for other sectors.

With respect to the Foreign Invest-

ment Review Act, no legislative action is intended on buy-back and prenotification measures until progress on the major initiatives already undertaken by the government has been assessed. Mandatory performance review and reporting mechanisms for major corporations are not being proposed. As part of regular government-business dialogue, the government intends to consult with major Canadian corporations, irrespective of ownership, concerning development opportunities.

No new measures are proposed in the area of international trade and export promotion. The provision of export services by government is seen as a complement to, and not a substitute for, trade competitiveness. In export financing, the government supports international agreement to contain the use of concessional financing as a competitive instrument.

#### Medium-term outlook

The budget is designed in a medium-term framework in recognition that economic problems which have built up over many years cannot be resolved quickly. Economic and social goals can only be realized with care, determination and persistence. Interest rates will fall as inflation slows.

After strong expansion in the first half of 1981, the growth rate for the year as a whole is projected to be 3.6 per cent. Growth in the period ahead will likely be more gradual. The average growth rate is projected to rise from 2.2 per cent in 1982 to 2.7 per cent in 1987, with business investment in plant and equipment providing the major source of strength over this period. Government expenditures will grow more slowly than those of the private sector.

"The government intends to consult with the provinces, business and labour concerning the five priority areas of economic development policy ... industrial development, resource development, transportation, exports promotion and human resources. In this decade of development we must work together to renew the foundation for the fair sharing of wealth and opportunity that binds us together as Canadians," Finance Minister MacEachen told the House of Commons.

The unemployment rate will remain high until 1984 when labour force growth will fall below 2 per cent for the first time. Inflation, as measured by the CPI, has peaked and will fall steadily from the 1981 rate of 12.7 per cent to 11.7 per cent in 1982 and to 7.1 per cent by 1987.

## UN contribution announced

The Canadian government has pledged contributions to the three major funds of the United Nations Development System, at the UN Pledging Conference for Operational Activities on Development in New York.

In 1982-83, the Canadian government will contribute \$49 million to the United Nations Development Programs (UNDP), \$11 million to the United Nations Children's Fund (UNICEF) and \$8.5 million to the United Nations Fund for Population Activities (UNFPA). These contributions represent increases of approximately 10 per cent over the 1981-82 contributions and are subject to approval by the Canadian Parliament.

The pledges to these programs represent Canada's continued support for the central programs of the UN Development System as the appropriate vehicles for development activities within the United Nations.

## King of Jordan visits

King Hussein of Jordan, accompanied by Queen Noor, visited Canada, November 12-15, at the invitation of Governor General Edward Schreyer.

During his visit, the King met with Prime Minister Pierre Trudeau to discuss the Palestinian situation and other Middle East issues. The Prime Minister told King



Prime Minister Trudeau (right) shakes hands with King Hussein.

Hussein that Canada would open an embassy in Amman, Jordan next year, which he said would serve to strengthen relations between the two countries. Jordan has had an embassy in Canada for the past six years. Canada's ambassador in Lebanon is at present accredited to Jordan.

Upon his arrival in Ottawa, King Hussein was met by Governor General Schreyer and later met Bank of Canada Governor Gerald Bouey, Supreme Court Chief Justice Bora Laskin and Energy Minister Marc Lalonde. It was the King's third visit to Canada in seven years.

## Priority for polish visas

Special measures to allow Polish families to join their relatives already in Canada have been announced by the federal government.

"We are placing a high priority on processing immigrant visa applications from Poland in an effort to alleviate the pressures placed on Canadians and their families living in Poland," said Employment and Immigration Minister Lloyd Axworthy in making the announcement.

Faced with increasing numbers of Polish nationals seeking permanent resident status, the Canadian government has decided to step up its commitment to family reunification through new measures both in Canada and in Poland.

### New initiatives

The new measures include the following initiatives:

- Canadian citizens and permanent residents will be encouraged to sponsor the immigration of relatives in Poland rather than having them come here as visitors or go to third countries, and the Canadian embassy in Warsaw will advise applicants to apply under the family class or assisted relative category. Assisted relatives are independent applicants who have family members in Canada willing to help them settle here. This category includes married children, brothers, sisters, aunts, uncles, nieces and nephews.
- Polish visitors already in Canada and with relatives here eligible and willing to assist them, can apply to be landed as permanent residents without having to leave the country, as is normally required.
- Polish visitors in Canada, who do not have relatives able to assist them, will be granted permission to work in Canada for 12 months, pending a review of the situation in Poland.

Polish applicants whose visitors visas are now in process in Warsaw will be able to benefit from the special measures on arrival in Canada.

More than 8,000 Polish visitors have entered Canada since the beginning of this year, a 25 per cent increase over the 1980 figure. Most of these visitors have returned to Poland but at least 1,500 are still in Canada.

## Canada takes part in nuclear fuel waste project

Canada is taking part in an international geologic research project examining the safe disposal of nuclear fuel wastes.

The project being undertaken in an abandoned Swedish iron mine was established by an agreement signed by Finland, Japan, Sweden, Switzerland and the United States. Canada and France are joining the project as associate members.

The project is being conducted under the auspices of the Nuclear Energy Agency (NEA) of the Organization for Economic Co-operation and Development (OECD), of which Canada is a member.

The underground experiments to be undertaken over the next four years will involve the study of buffer and backfill materials, hydrogeology, and various tracer tests. Nothing of this magnitude has ever been undertaken co-operatively before in geologic disposal research and the outcome is expected to have a strong influence on whether or not further large-scale international projects will be initiated in the future.

In general, nuclear waste-disposal programs are characterized by their openness. The exchange of information between nations, *via* the exchange of reports and direct communications between scientists, is excellent. It is common practice to invite other countries, who may have similar geological interests, to review program plans and results and to send participants to major review meetings. Exchange of laboratory samples, experimental data and computer programs on an informal basis is also widespread.

Earlier this year, Atomic Energy of Canada Limited (AECL) staff visited the Lawrence Livermore Laboratories of the University of California to discuss waste management topics. In June, a delegation of Swedish scientists were in Canada at an exchange meeting at AECL's Whiteshell Nuclear Research Establishment in Pinawa, Manitoba.

## Sensible handling of issues needed to manage Canadian-American relations

Management of the Canadian-American relationship "comes down to a commitment by both sides to the sensible handling of complex issues in an environment of change", recently appointed Canadian Ambassador to the United States Allan E. Gotlieb told the sixth biennial conference of the Association of Canadian Studies in the United States. Mr. Gotlieb spoke to the association at Michigan State University in East Lansing, Michigan prior to taking up his post as ambassador in Washington, D.C.

"In these circumstances a premium is placed on flexibility, a pragmatic approach to the use (or non-use) of institutions, and a heavy reliance on traditional diplomatic and conciliatory methods," said Mr. Gotlieb in his address, which focused on the management and issues of the Canada-United States relationship.

### Little government interference

Mr. Gotlieb told the delegates to the conference that "one of the more remarkable characteristics of the (Canada-U.S.) relationship is the extent to which neither government nor their 'mechanisms' are involved in it". He said that the countless number of personal and commercial contacts that take place daily across the border are made without government participation and reflect the common values and interests of the Canadian and American people.

"Even when governments do become involved," he said, "the tendency has been not to erect elaborate administrative edifices, but to conduct relations in a straightforward pragmatic fashion. Formal bilateral structures are not common, and this is perhaps surprising in view of the extraordinary array of issues which the two federal governments deal with."

In his address, Mr. Gotlieb said that the "economic centre of gravity" has changed in both Canada and the United States. Central Canada has begun an "awkward period of adjustment from its traditional role as the economic engine of the nation," he said. "The resource developments in the west and east are reducing the relative clout of Ontario and Quebec just at the same time when these provinces' main U.S. markets in the midwest and northeast are declining. To meet this combination of enormous opportunity and difficult adjustment, Canada has set about obtaining greater control over her own economy," said Mr. Gotlieb.

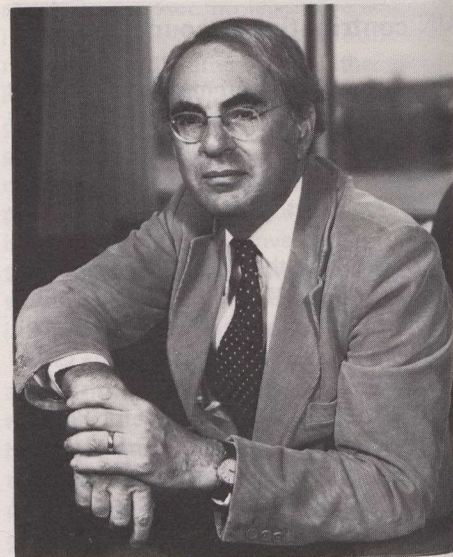
Mr. Gotlieb made the point that this effort does not mean that the Canadian government has instituted a new policy in Canadian-American relations. "The fact is that in Canada as in the United States, the private sector has been and will remain the driving force behind economic development," he said. "Nonetheless, Canada's growth will entail a significant degree of public sector involvement. Indeed, this sort of partnership between the public and private sectors has been a common theme in Canadian history; there is no discontinuity," added Mr. Gotlieb.

### Public-private partnership

There are many examples in Canadian history of the partnership between government and private sectors. "...Traditionally, Canadians have expected their federal and provincial governments to act in fields of broad public endeavour when circumstances warranted. Usually, however, such activity has meant encouraging the private sector, not limiting its opportunities. Canadians are comfortable with a situation in which both public and private sectors have a role. This is probably because our experience has shown that, for Canada, this partnership, by and large works reasonably well," Mr. Gotlieb told the delegates.

He added that he was skeptical that basic political attitudes in both the U.S.

Allan E. Gotlieb has been appointed Canada's Ambassador to the United States, a position that he is taking up this month. Mr. Gotlieb, in his capacity as Under-Secretary of State for the Department of External Affairs, served as Prime Minister Pierre Trudeau's representative at the Economic Summit held in Ottawa this past July. He joined the Department of External Affairs in 1957 and took up the position of Under-Secretary of State in 1977. Mr. Gotlieb has also served with the federal Departments of Communications, and Manpower and Immigration. He is a Canadian member of the Permanent Court of Arbitration and has served as Director of the Export Development Corporation, as Governor of the International Development Research Centre, and of the National Film Board of Canada.



Canada's new Ambassador to the United States Allan Gotlieb.

and Canada were diverging in a fundamental and permanent fashion. "The conventional wisdom that our two countries are moving into a period of inevitable confrontation because there is now a greater ideological distance between them has been over-emphasized. The fundamental fact — the deep reality — is that both Canada and the United States are exceptionally diverse, pluralistic societies with profound and irradicable traditions of free expression," said Mr. Gotlieb.

He pointed out that the U.S. government had intervened directly into its economy, where it felt circumstances warranted, to protect American industry. "To generalize, therefore, about long-term trends and tendencies is to engage in an exercise of guesswork and speculation," Mr. Gotlieb said.

"...The Canadian government for its part is continuing to engage in some aspects of the country's economic development in a clearly delineated fashion, particularly in the energy sector where a number of significant modifications in Canadian legislation have recently been introduced. In this sense, there is a divergence of approach," said Mr. Gotlieb.

He added that in a bilateral relationship as large and complex as the Canadian-American one, "even this degree of difference is causing strain".

"The bottom line for the United States is that Canada will be a more capable, economically stable partner. The Canadian experience may, however, require on the part of Americans a calm assessment of their longer-term national

interest coupled with a recollection of our two countries' history of co-operation in the wider world," said Mr. Gotlieb.

"Above all, Americans should not make the mistake of thinking that Canada's development policies reflect political expediency. Canadian economic development policies have their roots in the country's history and geography and have a momentum and a continuity which are central features of Canadian life. There is no doubt in my mind that after ourselves, the country that will gain most from a strong, united Canada is the United States. Canadians hope that Americans will understand that," concluded Mr. Gotlieb.

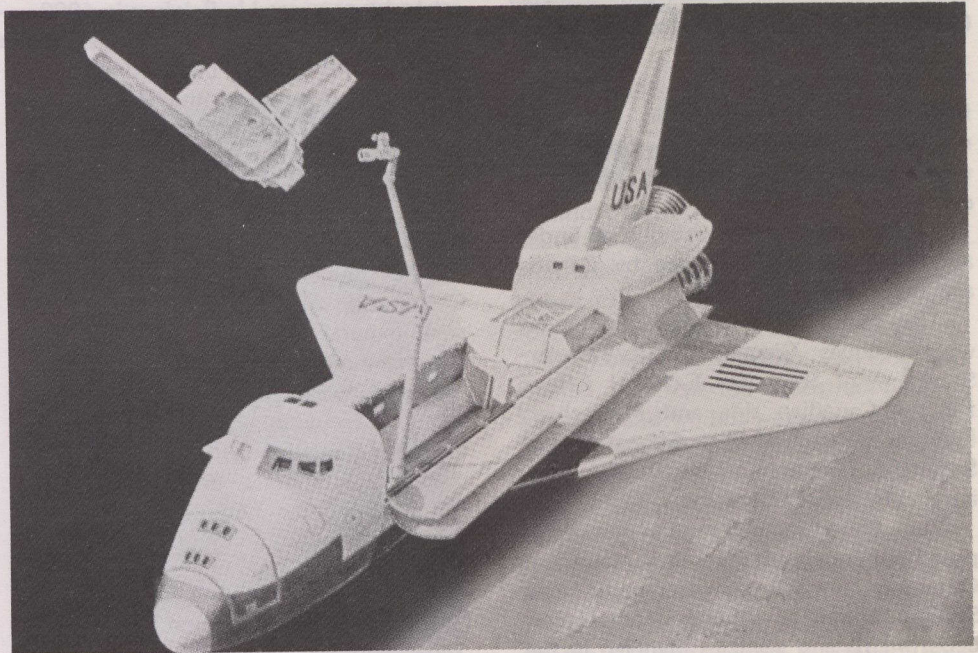
### Canadarm excels in space tests

Canada's space arm, the remote manipulator system, completed a series of tests with flying colours during the recent flight of the United States' space shuttle, *Columbia*.

Astronauts Joe Engle and Dick Truly put the arm through its paces during the shuttle's two-day mission. The tests culminated more than eight years of work on the \$100-million Canadarm, which was designed by the National Research Council of Canada (NRC) and built by Spar Aerospace Limited of Toronto.

#### NRC is delighted

"It was lovely, just lovely. We're obviously delighted that it went so well," said Dr. Art Hunter, project director for NRC. Because the space shuttle's mission was cut short, a number of tests on the arm had to be cancelled. Dr. Hunter said the



*The arm is designed to lift payloads in and out of the space shuttle.*

cancelled tests were not "terribly important".

The arm did pass the priority tests successfully, including one in which it was extended and flicked back and forth like a fishing pole to see whether it could adjust to abrupt movements in space.

The arm, which is jointed like a human arm with shoulder, elbow and wrist-like joints, was freed of latches that held it in place on the starboard side of the shuttle bay during takeoff and landing. It appeared to come to life slowly and rose out of its cradle with all joints locked. Then each joint was flicked and the arm moved from side to side.

Because it is built out of lightweight

materials the Canadarm cannot support its own weight on earth. The tests, done in conditions of near-weightlessness, proved that it had been designed correctly.

#### Hand movements replicated

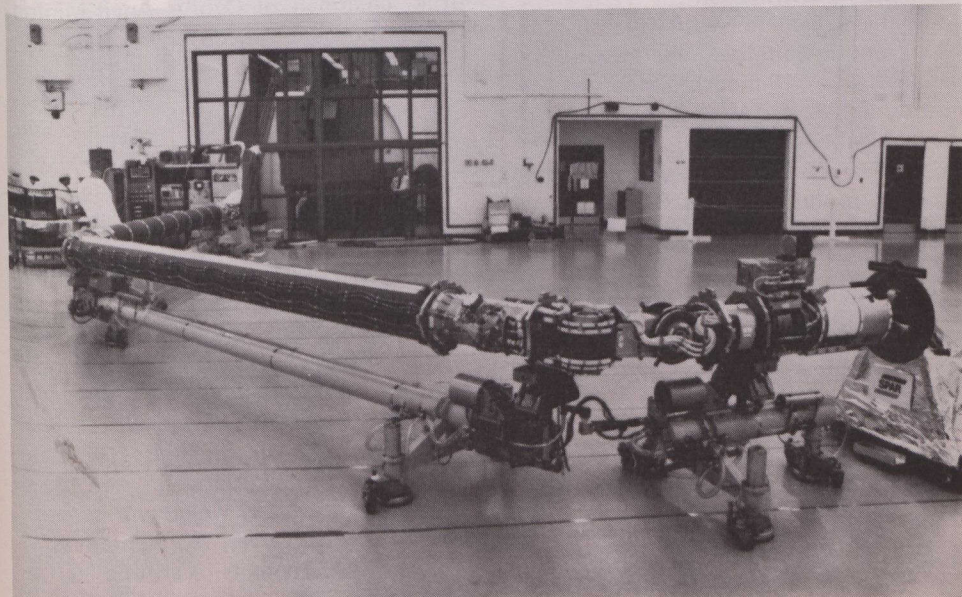
The arm's components include a controller that translates subtle hand movements through a computer into up, down or sideways motions and a servo-motor system connected with miles of wires to operate the arm through gears. At the end of the arm is a grappling fixture that serves as a hand.

The switches, controllers and displays for the arm are as complex as the instruments on an airline and the astronauts spent many hours in Toronto practising in a simulator.

Toggle switches control lighting of the arm for best viewing by the cameras on each joint. Push buttons control camera angles and pictures are displayed on two split-screen television monitors marked with concentric circles to indicate precise alignment of the arms with its target-object. The controller itself is a sophisticated version of an airplane's joystick.

United States National Aeronautical and Space Administration officials said that some of the arm's testing will be moved to the next shuttle flight scheduled for March 1982. At that time, the arm will lift an object out of the hold.

Three more copies of the arm will be built and purchased by NASA for \$20 million each and will be installed in *Columbia's* sister ships as they are built between now and 1985.



*The Canadarm being built at Spar Aerospace in Toronto.*

## Canada and Belgium discuss culture

The seventh meeting of the Canada-Belgium Mixed Commission was held recently in Quebec City, to discuss cultural co-operation between the two countries.

The commission was established under a cultural agreement signed by Canada and Belgium in July 1967.

The co-chairman of the commission were Jacques Gignac, Deputy Under-Secretary of State for External Affairs for the Canadian side and F. Dethier, Director General of High Education and Scientific Research at the Belgian Ministry of National Education.

The Canadian delegation was composed of representatives of Manitoba, Ontario, New Brunswick and Nova Scotia, as well as officials from federal departments and agencies involved in the administration of cultural exchange programs between the two countries.

### Cultural relations expand

At the meeting the commission reviewed Canada-Belgium cultural activities during the past year. Cultural relations during that time received a boost from the "Belgian Autumn in Canada" program which included the appearance in Montreal and Ottawa of the Theatre Workshop of Louvain-la-Neuve, the Delvaux exhibition in Montreal and Calgary and the cross-Canada tour of an exhibition of works by contemporary Flemish painters.

In Belgium, Canada presented a number of events in the performing and visual arts, including an exhibition of contemporary Canadian tapestries in Brussels, the Art Gallery of Ontario's exhibition of ten Canadian artists of the 1970s at the Museum of Contemporary Art in Ghent, and concerts in a number of Belgian cities by the Orford String Quartet, guitarist Liona Boyd, Mimes Electriques and Claude Gauthier. A centre for Canadian studies was also established at the Free University of Brussels.

### Exchanges stressed

The commission agreed that this year emphasis would be placed on inter-university co-operation, on exchanges of young artists and on literary exchanges as an extension of the Canada-Belgium literary prize. The two sides also agreed to give priority to developing their respective audio-visual and cultural programs.

Future Canada-Belgium cultural events include an exhibition of Canadian Inuit

art to be presented in Belgium in 1983 or 1984 by the Winnipeg Art Gallery. Two Belgian exhibitions — one of drawings by Rubens and one on the *Art nouveau* movement will also tour Canada. In addition, in 1982, the Canada Council will invite two Belgian experts, one from both the French and Flemish communities to familiarize themselves with the activities of the Council. The National Museums Corporation of Canada will invite a Belgian expert to Canada to view their national exhibition services.

The Department of External Affairs will also provide grants next year for tours by Canadian artists in Belgium, including Le Théâtre de Carton, Mimes Omnibus and the Eddy Toussaint Dance Company.

## Mitel expands in France

A fast-growing Canadian telecommunications firm has announced that it will establish a wholly-owned subsidiary in France.

Mitel Corporation of Kanata, outside Ottawa, has been granted approval by the French government to establish the subsidiary in the Vosges region of France. The company said it would employ more than 1,000 people in that region by the end of 1985 in the manufacture of a complete line of Mitel superswitch telephone switching equipment.

The company will enter into a distribution agreement with the Paris-based Association des Ouvriers en Instruments de Precision (AOIP), a manufacturer of PBX.

### International distribution

Under the agreement, AOIP will distribute the current line of Mitel Superswitch PBX systems for an 18-month period and the recently announced Mitel SX-2000 digital communications system for a ten-year period. The French group will distribute the Mitel products within France and in Belgium, Luxembourg and several African countries.

The company said it had chosen to move into France because it is considered to be one of the most lucrative markets in Europe with an interest in telecommunications.

Earlier this year, Mitel announced plans to build a \$90-million plant in Wales and a \$20-million facility in Mexico.

The company also announced this summer that it would establish three more Canadian manufacturing plants — one in Ontario and two in New Bruns-

wick. Mitel is building a \$28.6-million plant in Renfrew, northwest of Ottawa. Two manufacturing plants are being built at a cost of \$48 million in Bouctouche, north of Moncton, New Brunswick. The two plants are expected to begin operation in 1983 and 1984 and are expected to employ 1,000.

## Relief for Afghan refugees

Canada is providing two grants of \$150,000 each to the International Committee of the Red Cross (ICRC) and the League of Red Cross Societies (LRCS) to assist Afghan refugees in Pakistan.

The grants, part of the humanitarian relief program of the Canadian International Development Agency (CIDA), are in response to separate appeals by the two organizations and will be channelled through the Canadian Red Cross Society.

Since the invasion of Afghanistan, Canada has provided the United Nations High Commissioner for Refugees (UNCHR) with \$3.15 million and a bilateral food aid package worth \$2 million to Pakistan for distribution to the Afghans.

## Asia-Pacific foundation studied

The federal government is studying the feasibility of creating a foundation to promote Canadian interests in the Asia and Pacific region.

Secretary of State for External Affairs Mark MacGuigan has appointed John Bruk, chairman of Cyprus Anvil Mining Corporation of Vancouver, to head the study.

The minister said that Canadian relations with the region have expanded and "show growing promise and diversity". Dr. MacGuigan added that what was needed "is a means by which all of these relationships — political, economic, cultural — can be fostered and supported and greater mutual awareness stimulated between Canadians and peoples of Asia and the Pacific". He said that a foundation for Asia and the Pacific, removed from government, might achieve this goal by serving as a clearinghouse for ideas and by supporting initiatives.

During the study, which will be completed early next year, representatives of provincial governments, academic institutions, business, labour and other interested parties will be consulted.

## Nature paintings by Bateman form travelling exhibit

The work of naturalist painter Robert Bateman is the subject of a travelling exhibition mounted by the National Museum of Natural Sciences in Ottawa.

Entitled, *Images of the Wild*, the exhibition of 73 paintings is currently being presented at the Vancouver Centennial Museum.

Robert Bateman's designation as Artist of the Year 1980 is only one of the most recent in a long line of awards given to him. He has had one-man shows in London, New York and Toronto. Bateman appeals not only to the broadest range of nature and wildlife lovers, but also to art lovers, for his work invites comparison with the famous realist painters of our era, notably Andrew Wyeth in the United States and Alex Colville and Ken Danby in Canada.

### Started career young

Bateman began his career at the age of 12 as a junior naturalist at the Royal Ontario Museum in Toronto. That curiosity about wildlife and its world continues today with his qualifications as a wildlife biologist, zoologist and environmentalist. Bateman's experiences in the field have been varied and many: in his Twenties as a field guide in Algonquin Park in Ontario, researching the bird census; mapping ore in Ungava; travel by land rover in Africa, India, the eastern Himalayas, Thailand, Malaysia and Australia; two years in



A partial view of the Great Blue Heron.

Nigeria teaching geography; study of wildlife in the Galapagos Islands; and exploration in the Florida Everglades. Since 1978, he has been a safari leader in Kenya and has lectured aboard the *MC Lindblad Explorer* on the Antarctic.

The fundamental characteristic of Bateman's painting has been defined by Roger Tory Peterson who has written a book on him called, *The Art of Robert Bateman*. "He establishes a basic feeling of abstraction as he works things out,"



Wily and Wary, a painting of a red fox done by Bateman in 1979.

writes Peterson, "until his finished painting is highly detailed and yet no life is lost in the process, rather he is able to gain life by digging into subtleties...."

### Easy-going style

When Robert Bateman paints, the mood is almost festive. As he applies his acrylic paints to canvas, he will usually be found alternately fielding long-distance telephone calls, listening to music or talking to friends and family. Bateman comments: "First I began painting like Van Gogh and Gauguin, then a period of abstract painting followed and while I was never completely satisfied making paintings without recognizable subjects, I did learn a great deal." Bateman made the shift from painting abstract images to realistic ones after he viewed the exhibition of Andrew Wyeth's paintings in 1963. A section of *The Images of the Wild* exhibition focuses on the different stages of Robert Bateman's career as a painter.

The National Film Board of Canada is producing a film on Bateman and the Canadian Broadcasting Corporation is planning a one-hour documentary on him for national television.

### Former prisoner's book to be movie

An autobiographical book written by an ex-convict who spent almost 25 years in Canadian prisons will become the basis for one of Canada's most expensive films.

Roger Caron, an armed robber once known as "Mad Dog" won the Governor-General's literary award in 1979 for the book *Go Boy*, which he finished writing in 1978.

Ralph Ellis, producer of the \$10-million movie, said filming of *Go Boy* will begin in early 1982. Filming sites will be in some of the prisons where Caron served his sentences: in Kingston and Guelph, Ontario; Saint John, New Brunswick and Laval, Quebec.

The English and French-language networks of the Canadian Broadcasting Corporation are expected to buy the television rights for the movie, but its target market is the movie theatres of North America, said Ellis.

The English version of *Go Boy* has already sold 300,000 copies in Canada, the United States and Britain. About 13,000 copies of the French translation have been sold. Caron said he has sold the rights to a second book, called *Bingo*, which recounts the 1971 Kingston Penitentiary riot.

## News briefs

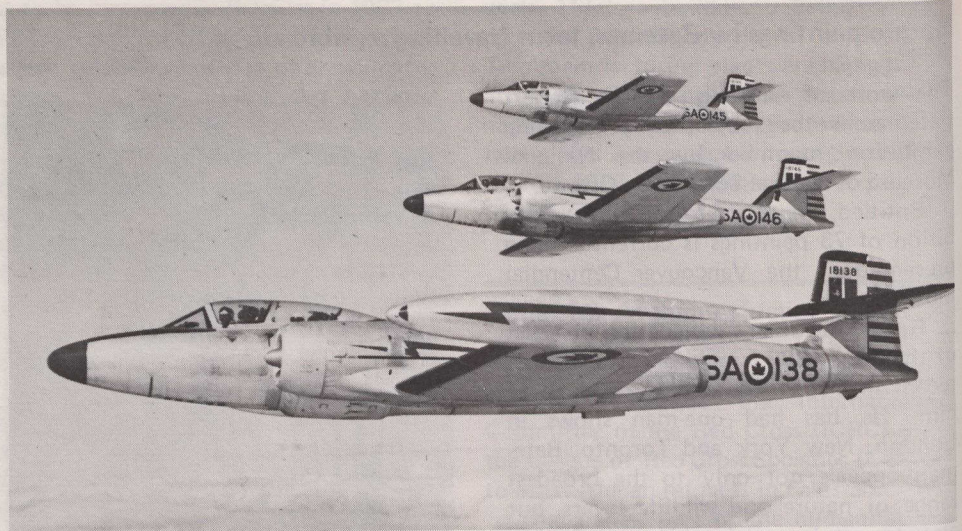
**The Canadian Plasma Exchange Study Group**, a national organization of physicians representing all major medical centres in the country has received \$561,000 from Health and Welfare Canada. These funds will be used to undertake two clinical studies designed to evaluate the effectiveness of plasma exchange as a new treatment for certain diseases.

**Canadian Pacific Consulting Services Limited** has been awarded a \$45-million, five-year contract to assist in the design and supervision of the upgrading of a railway and telecommunications network in South Sumatra, Indonesia. The network will serve as the transportation infrastructure for the giant Bukit Asam coal mining project, scheduled for completion in 1985. A resident team of 25 senior Canadian railway, telecommunications and training specialists will be assigned to Indonesia for periods of one to five years.

**Electronic data processing services** in Canada have passed the \$1-billion mark in annual revenue for the first time to stand at \$1.12 billion in 1980, according to a study released by Evans Research Corporation of Mississauga. The report said that the services sector is growing at a rate of 21 per cent annually, compared with 17 per cent for the hardware sector. It added that the services sector is almost 80 per cent Canadian-owned, compared with 8.6 per cent for the hardware sector.

**The federal government** announced recently that it will provide more than \$2 million in assistance to Canadian industry to develop gallium arsenide microelectronics. In the future, this technology will be applied to advanced radar systems, satellite communications and very high-speed data processing. The project involves the development of miniature electronic circuits ("chips") made from the compound gallium arsenide, which can operate more efficiently at very high frequencies than their silicon chip counterparts.

**Three-hundred delegates** from around the world gathered recently in Thunder Bay, Ontario to discuss the merits of using peat as an alternative energy source. The delegates, attending the three-day symposium, heard speakers from as far away as Ireland and Finland detail the modern applications of peat as a fuel. The International Peat Society co-sponsored the event along with the province of Ontario.



*A reunion marking the retirement of the CF-100 (Canuck) was held recently in North Bay, Ontario drawing guests from around the world. The reunion was attended by both military members and civilians who have been associated with the CF-100 over the past 30 years. The CF-100 was the only Canadian-designed fighter which was mass produced. The prototype CF-100 made its maiden flight in 1950 and in total, 692 Canucks were manufactured. The CF-100, which was retired as a fighter in 1963 was regarded internationally as one of the best fighters of the 1950s. It served in nine squadrons in Canada and in 1956, a CF-100 squadron was assigned to each of the four European wings, providing NATO with its first all-weather fighter.*

**Inco Metals Company**, a unit of Inco Limited of Toronto, said it is proceeding with the \$72-million first phase of a new open-pit nickel mine at its Thompson, Manitoba operations. The new mine is to start producing in 1984 and will replace current open-pit operations, which will be depleted at that time. The company plans a second phase, a \$64-million development of the rest of the orebody, to begin in 1988 with production in 1991.

**Agriculture Minister Eugene Whelan** has announced that Agriculture Canada will spend \$2.8 million on contracts for energy research and development in this fiscal year. About \$1.8 million of the funds is Agriculture Canada's share of the recently-announced government wide \$35 million increase in energy research funds being made available under the National Energy Program. The \$1.8 million will be added to existing funds for research contracts in the private sector. These contracts will total \$2.8 million in 1981-82 compared to \$3.3 million spent for such projects over the last seven years.

**The Clarke Institute of Psychiatry** has been given an award by the American Psychiatric Association (APA) for its program for families and friends of schizophrenics. The certificate of significant achievement was given to program organizers Dr. John Thornton and Elizabeth Plummer at a recent APA convention in California.

Canada will contribute \$100,000 in response to an appeal by Gambia for emergency assistance. The grant will be provided through the World Food Program and will permit the United Nations organization to contribute food aid in addition to its pledge of 850 metric tons of rice. The funds, being provided by the Canadian International Development Agency, will purchase approximately 200 metric tons.

**The Export Development Corporation (EDC)** has announced the signing of eight recent financing agreements totalling (Cdn.) \$10,993,733 to support Canadian export sales to Australia, Chile, Colombia, Czechoslovakia, Israel, Mexico and Switzerland.

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