

# Canada Weekly

Volume 7, No. 11

March 14, 1979



Ottawa, Canada

- Canada's investment climate in good shape, 1
- China buys wheat, 3
- Canada/U.S. Atlantic coast fisheries and boundary agreements, 3
- Travellers travel less, 3
- Security solid as a rock, 3
- Canadair's contract coup creates 900 new jobs, 4
- Mexico/Canada swap prisoners, 4
- Showing the way — from compass to "autosurveyor", 4
- P.M. in Washington, New York, 6
- U.S. baby gets chance for normal life, 6
- Review of the Constitution, 6
- "Invisible handicap" tackled, 6
- News of the arts — music, mural, gift, award, TV, arts briefs, 7
- News briefs, 8

## Canada's investment climate in good shape

*"I have no hesitation in telling you that, despite certain problems, the investment climate in Canada is very healthy. It is healthy in itself and it is healthy in comparison with any other country."*

*Jean Chrétien, the Minister of Finance, was addressing a meeting of the Council on Foreign Relations in New York on February 13, when he made the foregoing statement. He went on to describe Canada's current economic situation, outlining monetary and energy policies in his topic, which he called "The Climate for Investment in Canada". Passages from Mr. Chrétien's notes follow:*

\* \* \* \*

First, employment in Canada has grown more than 23 per cent since 1970, or by two million jobs, twice as fast as the increase in population. In the same period, employment grew by 15 per cent in the United States, by 5 per cent in Japan, and *decreased* by 6 per cent in Germany. Statistics published last week show that as of January there was an increase of 447,000 jobs in Canada or 4.8 per cent from [those of] January 1978. The employment ratio, that is, those employed as a percentage of working age population, is at a record high of 58.3 per cent, which is well above the level of the mid 1960s, when the unemployment rate was less than 4 per cent. Our major problem has been the rapid growth in our labour force.

Canada is the only industrialized nation to have had an increase in employment every year since the 1973 increase

in the price of oil by the Organization of Petroleum Exporting Countries (OPEC).

Second, comparing gross national product in the major industrial countries, only Japan has enjoyed a higher rate of real growth than Canada during the last ten years. Between 1968 and 1977, Canada had an average annual increase in GNP of 4.6 per cent as compared to 2.9 per cent in the United States.

Since the OPEC crisis, Canada is the only industrial country to have had some real growth every year.

Third, real personal disposable income *per capita* rose 51.9 per cent between 1968 and 1977, compared to 24 per cent in the United States.

\* \* \* \*

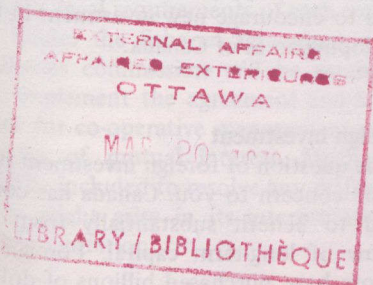
## Current economic situation

...The Canadian economy grew about 3.5 per cent last year. This was less than we had hoped, but it was still sufficient to generate a satisfactory increase in employment, which rose by more than 4 per cent over the past 12 months. Even though we had exceptionally rapid growth in our labour force, there has been some slight decline in the rate of unemployment. However, the current rate of 8 per cent remains higher than that in the United States.

A very large part of the economic growth we have achieved in the past year has taken place in the private sector of the economy. This is most apparent in the remarkable recovery of manufacturing, where output has increased by 9 per cent and employment by 7 per cent. At the same time, we now see more encouraging signs in such important sectors as

## External trade boom

Canada's exports in January, seasonally adjusted, rose by 5.8 per cent to \$5.13 billion on a balance-of-payments basis, following a decrease of 2.1 per cent in December. Imports rose by 0.2 per cent in January to \$4.74 billion after a 4 per cent decrease the previous month. As a result, the trade balance for January was a surplus of \$386 million — three times higher than the \$110 million recorded in December — which was attributed to a surge in manufactured goods.



Forty-nine years ago March 12...  
First World War flying ace W.G. Barker died in a plane crash near Ottawa. He was 36. Barker, born in Manitoba, brought down 50 enemy planes, and was awarded the Victoria Cross, the D.S.O. (with bar), the M.C. (two bars), the Croix de Guerre and two Italian decorations.

energy and mining... The expansion of goods production has brought in its train an accelerating growth in output and employment in such service industries as transportation, trade and finance.

We have quite explicitly recognized that the full recovery of the economy requires a structural shift from the public sector to the private sector. Firm restraint on government spending has been an essential feature since the Anti-Inflation Program was launched in 1975. Both the federal and provincial governments have agreed to hold down the growth of their spending to no more than the growth of GNP. This has required rigorous planning and hard decisions, but the results can be illustrated by two striking facts. First, employment in public administration is now actually lower than it was a year ago. Second, the Federal Government share of total GNP in 1975-76 was 21.7 per cent. In 1979-80, it will be 19.9 per cent.

#### Record trade surplus

On the other side of the coin, there have been a number of powerful forces working in favour of the expansion of private sector activity. The most important has been the improvement in our international competitive position. This has come about because we have succeeded in bringing down the rate of increase of our own domestic costs... But it has also been the result of the decline in the exchange rate on the Canadian dollar, which has been substantial in relation to the U.S. dollar and dramatic in relation to strong overseas currencies like the mark and the yen. The full impact of this will not be felt for a long time to come, but already in 1978 we had a record trade surplus of \$3.5 billion.

\* \* \* \*

#### Energy

Canada, in common with all industrial nations, experienced a serious shock as a result of the massive increase in world energy prices in the early 1970s. Unlike most, however, we have a large domestic energy sector and a rich resource base which, in the face of higher real energy prices, have the potential for considerable expansion. As a result, the Government was able to respond to the OPEC price hikes with what we have called a policy of energy self-reliance. In simple terms, it means reducing our dependence on imported supplies. The principal elements of the policy are:

- gradually, to increase oil prices towards world levels, recognizing that U.S. energy prices will, for competitive reasons, serve as a constraint;
- to encourage, jointly with the provinces, investment in energy exploration and research and development through higher well-head prices; a federal corporate income tax system which encourages reinvestment; and, for new non-conventional oil, assurances that output will receive the world price and that facilities will be allowed to operate at full capacity; and
- to promote energy conservation through tax measures, direct subsidies and other legislative means.

In my November budget speech, I was able to report that the news from the energy sector was good; that our policies were working. In contrast to the perspective only two years ago, the outlook for energy self-reliance and the sector's contribution to economic performance is most encouraging. Also, of course, our substantial energy base would enable Canada to better cope with the shocks of temporary supply disruptions than would be the case in most industrial countries.

\* \* \* \*

Prospects for electricity are also favourable. Consumer conservation has resulted in lower forecasts for demand growth and, as evidence of the competitive nature of our industry, net exports increased from \$167 million in 1976 to \$406 million in 1977.

...Several large-scale capital projects are on the horizon, including two non-conventional oil projects (at \$4 to \$5 billion

#### Exports of natural gas could grow

Canada could increase its exports of natural gas by 25 per cent annually and have enough left over for extra supplies to eastern Canada, states a recent report released by the National Energy Board (see next issue).

The 168-page report says that Canada has sufficient gas to meet domestic demand until 1992 — nine years longer than the Board estimated two years ago. It concludes that the natural gas surplus in Canada is as much as 3.4 trillion cubic feet.

each); eastward extension of the natural gas pipeline system; several electric power projects and, of course, the natural gas pipeline from Alaska. On the pipeline, we

have made considerable progress clearing the regulatory hurdles and, once that process is complete, I anticipate that the project will provide significant stimulus to the domestic economy during the construction stages. When the line is operating, the tariff revenue will have a substantial positive effect on our balance of payments.

It is particularly important to me that the levels of corporate taxation in Canada are consistent with those in the United States, our most important trading partner. Our system is basically sound. The study found corporate taxes as a per cent of pre-tax income were consistently lower in Canada for the corporate sector as a whole in the 1972-77 period. In 1977, the effective tax rate was some 6 percentage points lower in Canada than in the U.S. This is due to more generous depreciation allowances and lower statutory tax rates. In manufacturing, corporate taxes were 11.3 percentage points lower in Canada. This large relative advantage for Canadian manufacturing firms results from the low tax rate applicable to manufacturing and processing profits and from the two-year write-off available for machinery and equipment.

Particular Canadian tax incentives encourage activity in key sectors such as manufacturing and resource exploration as well as special activities such as investment, regional economic expansion and research and development. These incentives reflect current government priorities and form an integral part of our over-all economic strategy. More specifically, my budget of November 16 raised the basic rate of investment tax credit to 7.5 per cent as well as making the credit permanent. Higher rates of credit, ranging up to 20 per cent, apply in slower-growth regions to encourage new investment in the developing areas of Canada.

\* \* \* \*

#### Foreign investment

...The question of foreign investment is of major concern to you. Canada has continued to benefit substantially from the inflow of long-term capital. Foreign investors have purchased billions of dollars worth of securities from Canadian corporations, municipalities, provinces and the Government of Canada. The willingness with which these investors have bought Canadian securities reflects more than a hard-nosed recognition of interest-rate

(Continued on P. 8)

## China buys wheat

China has agreed to buy up to 10.5 million tonnes of Canadian wheat in a three-year contract.

The contract, which provides for a minimum of 8.4 million tonnes of wheat and a maximum of 10.5 million, takes effect August 1 this year.

China has been Canada's largest regular wheat customer since 1961.

Canada shipped 3.5 million tonnes to China in the 1977-78 crop year, which is equivalent to the maximum annual rate under the new contract. In the current crop year, shipments are expected to be a little more than 3 million tonnes.

The agreement could be worth up to \$1.5 billion to western farmers in the next three years.

## Canada/U.S. Atlantic coast fisheries and boundary agreements

Secretary of State for External Affairs Don Jamieson and United States Secretary of State Cyrus Vance announced on February 14 approval of the recommendations of special negotiators Marcel Cadieux and Lloyd N. Cutler for an Atlantic coast fisheries agreement and an agreement to resolve the boundary delimitation issue in the Gulf of Maine area by binding third party procedures.

The agreements reached will be set out in two separate but related treaties, one on fisheries and the other on third party resolution of the boundary delimitation issue, which would enter into force simultaneously. The texts will be subject to ratification in accordance with the domestic legal requirements of each country.

Under the fisheries agreement, a joint fisheries commission will be established to implement the agreement and to provide for co-operative management of fish stocks of mutual interest. Mechanisms will be included to resolve any differences that might arise in its interpretation or implementation.

### Fish allocations

The accord contains detailed sharing, access and management provisions for fish stocks of mutual interest on the Atlantic coast including the disputed area, as well as areas in which each country exercises undisputed fisheries

jurisdiction. These provisions include agreement on entitlement shares for the following major fish stocks in the Georges Bank area: 73.35 per cent (Canada), 26.65 per cent (U.S.A.) for scallops; 17 per cent (Canada), 83 per cent (U.S.A.) for cod; 21 per cent (Canada), 79 per cent (U.S.A.) for haddock; and, after six years, 33.33 per cent (Canada), 66.66 per cent (U.S.A.) for herring. There are also provisions for allocating to Canadian and U.S. fishermen shares of cod, haddock, pollock and certain other stocks off Canada and the U.S.A. For the first ten years of the agreement U.S. fishermen will be permitted to fish for shares they are entitled to of the total allowable catch of redfish off Nova Scotia, and Canadian fishermen will be granted reciprocal privileges to catch loligo squid off the United States.

While the fisheries agreement will be permanent, the shares will be subject to review every ten years. To protect both parties, the extent of changes decided by binding dispute settlement (required when agreement cannot be reached by the two parties) will be limited.

The two governments have agreed to submit the issue of boundary delimitation in the Gulf of Maine area to binding third party settlement.

## Travellers travel less

Canadians took fewer trips outside the country in 1978 than they did a year earlier, the first year-over-year decline since 1974, Statistics Canada reports.

U.S. residents made fewer trips to Canada last year than in 1977. A sharp 17.5 percent increase in visits from other countries, however, resulted in a slight increase in total visits by foreigners in 1978, said Statistics Canada. Preliminary information showed that Canadians made 39.1 million trips outside the country last year compared with 39.6 million trips in 1977. Most of the 37.3 million visits were to the U.S., although the total was down from 37.9 million visits to the U.S. a year earlier.

Visits made to countries other than the U.S. increased in 1978 to 1.8 million from 1.77 million a year earlier.

The preliminary figures showed 33.3 million visits to Canada from all countries in 1978, a slight increase from 33.2 million in 1977.

There were 31.6 million visits from the U.S. compared to 31.7 million in 1977.

Total visits from countries other than the United States increased to 1.7 million from 1.4 million a year earlier.

## Security solid as a rock



NATO's standing Atlantic force, led by Canadian flagship, HMCS Iroquois (third from left), steams past Gibraltar following NATO exercises in the Mediterranean. The six-ship force, the first multi-national naval group to operate on a permanent basis in peacetime, is commanded by Canadian Forces Commodore Gordon L. Edwards. The other ships are (left to right): USS Paul (U.S.A.); HMS Ariadne; HMS Sheffield (Britain); HNLMS Evertsen (Netherlands); and FGS Luebeck (Federal Republic of Germany).

## Canadair's contract coup creates 900 new jobs

Canadair of Montreal has just signed a contract with Boeing Aerospace Ltd. of Seattle, Washington to build the rear section of its next passenger jet, the *Boeing 767*. Three hundred of the sections have been ordered for the first phase of the project, according to *The Gazette*.

"We estimate that the life of this contract is 15 to 20 years," said company president Fred Kearns. "In the initial stages, we will employ about 400 people on the project. This will rise to about 900 as it progresses."

The Boeing project is reportedly worth more to Canadair than the *Challenger* executive jet credited with restoring the company's prospects recently (see *Canada Weekly*, dated January 24, 1979,

Page 5). Although not free to disclose the terms of the agreement with the U.S. firm, Mr. Kearns said, "you can guess from the number of sets ordered, the amount is huge".

The *Boeing 767*, which offers fuel economy and reduced airport noise, can carry more than 200 passengers in comfort over trans-continental but not inter-continental distances.

The section being built by Canadair — which looks like an ice cream cone with the small end cut off — contains much of the rear stabilization for the aircraft and the pressure dome bulkhead.

The first of the sets will be delivered in September 1980. The aircraft itself will be delivered in mid-1982.

## Showing the way — from compass to "autosurveyor"

One of the longest serving units in Canadian military history is the Mapping and Charting Establishment (MCE), located in Ottawa. Last summer MCE turned 75.

MCE traces its beginnings to the mapping section of the intelligence branch in the Department of Militia and Defence, formed in 1903. Since then, the establishment progressed from packhorse and canoe expeditions to a reliance on helicopters and satellites. During that time, the cartographers have built a reputation for producing some of the best maps in the world. Today, MCE functions both in Canada and abroad, sending survey teams to the Middle East and training teams to less developed countries in Africa.

### Work in the North

Mapping and charting the Arctic is a major MCE activity. Since the mid-Fifties survey, parties have moved from Ottawa into the North to work as long as the weather and the constant daylight permitted. Summer snowfalls are not uncommon, and "whiteouts" are an ever present threat. As well, conventional aids are of little help against the distorting effect of the magnetic North Pole.

Last summer, surveyors were based outside the small community of Nanisivik to continue the survey of Baffin Island. The temperature in Nanisivik is a constant minus 12 degrees Celsius below ground, where miners dig out 2,000 tons of lead and zinc-bearing ore each day.

Unpredictable weather, long distances, and the possibility of being stranded all make Arctic survey a tricky business at the best of times. In the field, surveyors live and work in teams of two, leap-frogging over one another by helicopter to establish permanent monuments in the rocky countryside.

Every surveyor must be prepared to face the possibility of being stranded alone. Most of them head for the field with their survey equipment, emergency supplies and a book. One surveyor, returned by helicopter after three days alone on the fog-shrouded tundra. He had only one complaint. His emergency tent had been a foot shorter than he was.

### Variety of tasks

Mapping the Arctic is only one of the establishment's many tasks. MCE prepared the detailed maps of Montreal, Bromont and other Olympic sites for the 1976 Games. It updates military city maps and training area maps, and performs runway alignments regularly. Its mobile map reproduction section has gone into the field with troops from Mobile Command on many occasions to provide rapid mapping services.

The production of a map is a labour-intensive undertaking that only begins with the surveyor. The photogrammetrist takes over next, identifying each survey point on the aerial photographs, followed by the reproduction technicians who

## Mexico/Canada swap prisoners

Canada and Mexico exchanged instruments of ratification in Mexico on February 27 on the Treaty on the Execution of Penal Sentences, which was signed at Ottawa on November 22, 1977.

Under the treaty, nationals who so desire would serve their sentences in their countries of origin. The transfer of persons under sentence would take place only after all rights of appeal had been exhausted in the sentencing country.

Under the provisions of the accord, transfers would be initiated only with the consent of the individual concerned and would be subject to approval by both countries.

At present there are 13 Canadians incarcerated in Mexican prisons.

handle the drafting, plate-making and the actual printing of the maps.

The establishment uses advanced photogrammetric and survey equipment. Scribing, a form of engraving, has largely replaced pen and ink draughting, and lithography has replaced copper engraving.

MCE also uses laser distance measurement and the "autosurveyor", a refined inertial surveying system based on the navigation systems used in aircraft and missiles.

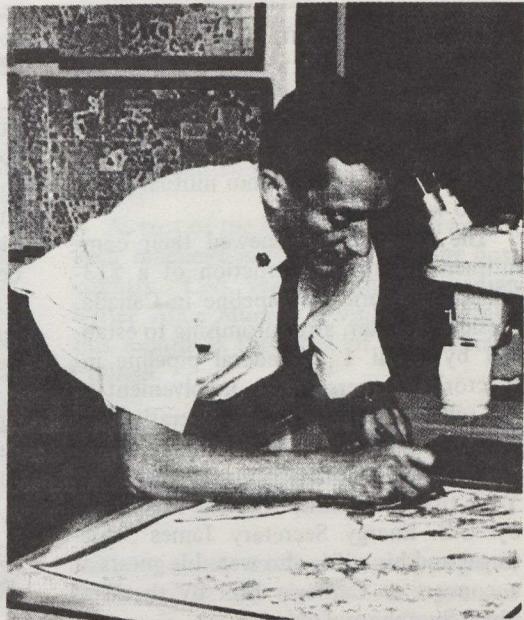
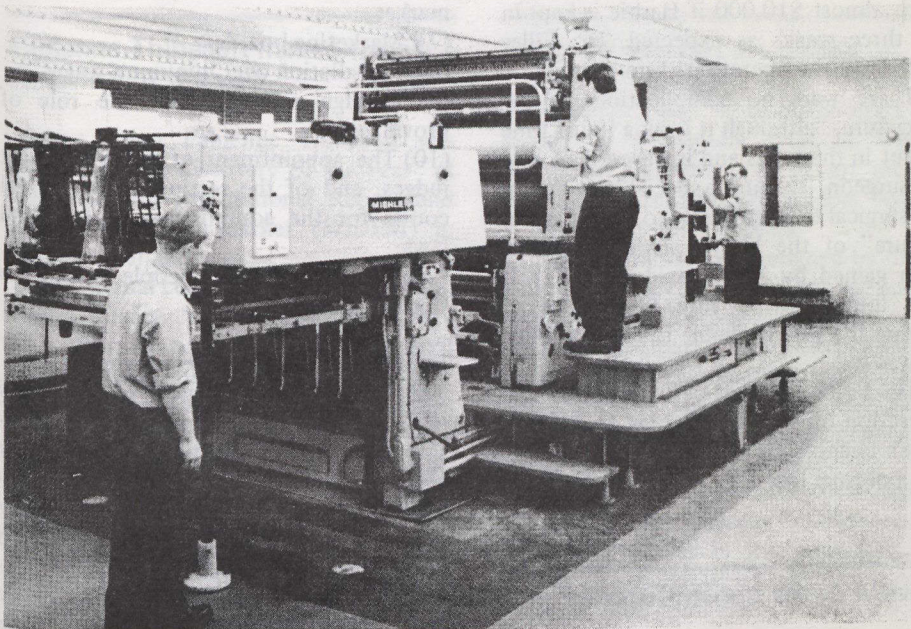
Mapping methods have changed enormously over the past 75 years. Surveying is now based on the U.S. navigational satellites using the Doppler principle, and a thematic mapping satellite will soon reach the operational stage. A three-metre space telescope/camera will undoubtedly bring about greater changes in the future.

Computers, first used in map-making to compute the results of field surveys, have become indispensable survey tools. Surveyors can now cover an area previously considered impossible in one season. Work which once took ten months to complete can now be done in about four hours.

But the more things change, the more things remain the same. In the Arctic, where MCE surveyors return year after year, the weather and the lonely land still present challenges that dwarf even the most advanced technology.

(From articles by Lieutenant Wendy Tighe and Sergeant Bruce Hynes, published in *Sentinel*, 1978/6.)

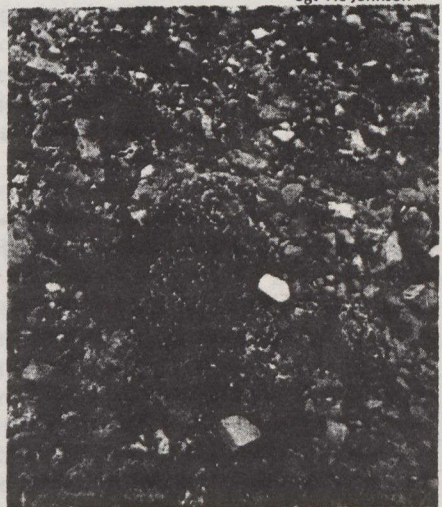
# News of the arts



Sgt Vic Johnson



Cpl Art Powers



Sgt Tony Calvert

(Clockwise from left), MCE technicians print maps on a two-colour Miehle press. A photogrammetrist works with aerial photographs. Arctic flowers bloom on the barren landscape. Scribing – the art of transferring mapping information to film. Summer snowpatches on Baffin Island. MCE camp on 630-metre plateau. (Centre), MCE surveyors Corporal Don Karakachuk and Corporal Paul Lebreton at doppler station.

---

## P.M. in Washington, New York

Prime Minister Pierre Trudeau met privately with U.S. President Jimmy Carter in Washington, March 3, for informal discussion which ranged from mutual interests to world affairs.

The two leaders renewed their commitment to the construction of a \$13-billion northern gas pipeline in Canada. President Carter, after promising to establish by April 1 a "federal pipeline inspector" to oversee U.S. involvement in the scheme, praised the co-operation between the two nations.

The Prime Minister journeyed to New York that afternoon, where he was joined by U.S. Energy Secretary James Schlesinger and his wife, who were his guests at a concert at Carnegie Hall by the Winnipeg Symphony Orchestra.

Enthusiastic crowds gathered to greet the Canadian leader, who was patron of the concert, conducted by Piero Gamba, held to celebrate the fifteenth anniversary of the Symphonium Europae Foundation.

---

## U.S. baby gets chance for normal life

Doctors at the Hospital for Sick Children in Toronto have performed a life-saving operation on seven-month-old Herbert Quinones Jr. of New York City. The baby, flown to Toronto February 24, suffered from a defect in his windpipe which caused choking spells that had threatened his life several times.

An operation to relieve pressure on the windpipe has been perfected by Dr. Robert Filler, chief of surgery at the hospital. The Quinones chose Dr. Filler because "he's had the most experience", said Herbie's father.

The people of Toronto contributed more than \$10,000 in a fund opened by Paul Godfrey, chairman of Metropolitan Toronto, to pay for Herbie's care and for his parents' stay in the city. Mr. Quinones, 21, is a grocery store clerk in Manhattan. Air Canada flew the family free to Toronto.

Mr. Godfrey said a permanent fund — commemorating International Year of the Child — would be set up to enable children anywhere in the world to come to Toronto for medical treatment that could not be performed elsewhere.

Hospital charges of \$475 a day will

reach almost \$10,000 if Herbie is kept in for three weeks as expected. Dr. Filler performed the operation at no charge.

There were no complications in the procedure, "although it took a lot of time to put in the tubes and intravenous", said the surgeon. Through a special instrument, the surgical team was able to "get a better picture" of the baby's airway than had been gained by X-rays, said Dr. Filler. It was found to be three-quarters shut, leaving the infant unable to breathe when he was fed.

Dr. Filler, who has performed a similar operation on six other babies, said the infant's chances were "very good for leading a normal life".

---

## Review of the Constitution

The Prime Minister made public last month the list of 11 subjects which, at the First Ministers Conference in February, he proposed for study in the second phase of the continuing constitutional review. Mr. Trudeau said that, in the second phase, work would continue on several issues that had been discussed but not resolved at the Conference. Despite the lack of unanimity on most items in the "first list" of subjects discussed at the Conference, much progress had been made, and it would be important to build further in the coming months on what had already been achieved.

Seven of the 11 items concern the powers to manage the economy and to maintain an effective economic union.

The Prime Minister attaches particular importance to the item regarding the place of Canada's native peoples in a new Constitution. He said he hoped that representatives of the native peoples would participate in the work on this question.

The items are specified as:

- (1) Powers to fight inflation, unemployment and regional disparities, and to protect the dollar.
- (2) Non-tariff barriers to interprovincial and international trade and investment.
- (3) Interprovincial and international movement of goods and services, including the right of passage of electricity and oil, gas and other minerals.
- (4) The question of barriers to moving from province to province of persons for employment.
- (5) The regulation of competition.
- (6) Regulation of the Canadian securities

market.

- (7) Marketing boards.
- (8) Jurisdiction over minimum wages.
- (9) Foreign relations and the role of provinces.
- (10) The appointment of Superior Court judges, and of the setting up of federal courts for the administration of federal laws.
- (11) Canada's native peoples and the Constitution.

---

## Foreign relations and the provinces

The Prime Minister's press release notes under (9) that, "It is important and necessary in a revised Constitution to state how responsibilities for the conduct of Canada's foreign relations including the treaty power and representation abroad are to be exercised in our federal state. The exclusive power vested in and exercised by the Federal Government derives from British and Canadian constitutional practice. Federal authority in this field is essential for the effective promotion of the interests of all Canadians. It includes a responsibility for ensuring that provincial interests and responsibilities are adequately reflected in Canada's international relations. There is need to give greater precision to this authority because the interests of provinces, and their activities abroad linked with provincial spheres of domestic jurisdiction, have substantially grown in recent years."

---

## "Invisible handicap" tackled

Thirty-six seminars for educators and teachers concerning the problems of children with learning disabilities will be held in Ontario and Quebec during 1980, as a major project marking the centennial of Bell Canada.

The seminars, to be conducted by the Canadian Association for Children with Learning Disabilities (CACLD), will assist teachers in diagnosing learning disabilities and in helping LD children in the classroom situation. Approximately 10 per cent of the school population suffers from learning disabilities.

Video tapes of the presentations of the 12 specialists are to be made available for professional development purposes in Ontario and Quebec, and a book — published by CACLD — will be printed and distributed following the seminars. The material will be available at cost to educators in the rest of Canada after 1980.

# News of the arts

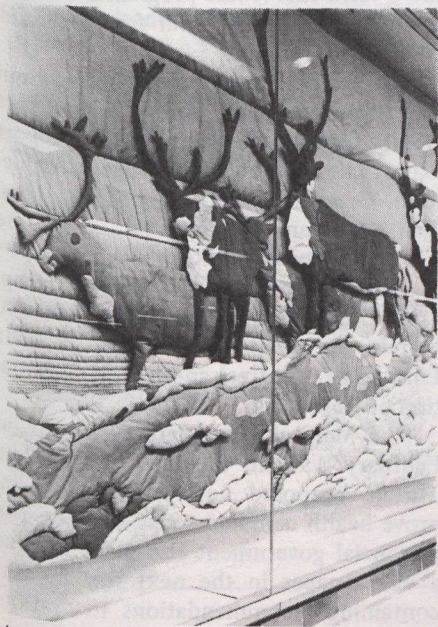
## Fabienne Thibeault named female discovery of the year

Quebec singer Fabienne Thibeault was named "female discovery of the year" at the thirteenth International Record and Music Publishing Market (MIDEM) in Cannes in January.

The annual contest, organized by radio station Europe No 1, is the culmination of a year of polls regularly conducted among listeners of the station.

Twenty-one Canadian companies representing lyricists, composers and performers participated in Midem this year. Canada's music publishing industry ranks seventh in the world in sales and third in "consumption". In 1976, some 175 producers exported over 85 million records and cassettes, and at last year's Midem, Canadian companies concluded some 30 agreements and signed contracts worth \$500,000.

## Art in the subway



A mural fashioned in quilt, depicting caribou wandering across the tundra, is one of the art works featured in an extension to Toronto's subway between the centre of town and the northwestern outskirts, which began operating last year. Some \$550,000 for art projects in the eight-station Spadina line came from the Ontario Ministry of Culture and Recreation (raised through the Wintario lottery), industry and the Ontario Heritage Foundation.

## Denmark donates art medals

Ambassador Hans Tabor of Denmark presented to Dominion Archivist Wilfred Smith on February 16, 52 art medals, issued and donated by Anders Nyborg A/S of Horsholm, Denmark.

Most of the medals, designed by distinguished European artists and sculptors, represent themes from the northern countries of Denmark, Greenland, Faeroes, Iceland, Norway, Sweden and Finland. The exception is a set of 12 zodiac medals, each having the appropriate gem for its sign inset in the obverse.

The medals, which display great artistic originality, also represent the highest technical achievement in the manufacturing process. They are struck in bronze, most being 70 mm in diameter and over 5 mm in thickness.

"With our limited resources the National Medal Collection's emphasis is overwhelmingly on Canadian medals," said Dr. Smith. "This is a pity in so far as Canada's medallic heritage can only be understood in a broader context with a European base. The present gift from Denmark is all the more appreciated for what it adds to our record of that international medallic culture to which Canadian medals belong."

## Canada/Australia Literary Award

The Department of External Affairs, the Canada Council and the Australia Council have announced that the winner of the Canada/Australia Literary Prize for 1978 is the Australian poet, Thomas Shapcott. The prize, \$2,500 (Canadian), is intended to help make better known in Australia and Canada the work of each other's writers.

Australian playwright, John Romeril, received the inaugural award in 1976 and Canadian writer Alice Munro, was the 1977 winner. Each year an Australian or Canadian writer is chosen by a panel of judges from the other country. This year the Australia Council submitted works by six authors to the Canadian jury.

The prize, awarded for a writer's total output rather than for a single work, is financed one year by the Australia Council and the other year by the Department of External Affairs, as part of its program of cultural relations with foreign countries. The Canadian award is administered

for the Department by the Canada Council.

Thomas Shapcott, born in 1936, in Ipswich, Queensland, as poet, anthologist and critic is considered to be one of the most influential of present-day Australian writers.

As part of the Canada/Australia award, each recipient is invited to visit the host country. Last year's winner, Canadian writer Alice Munro, is visiting Australia this month as the guest of the Australia Council.

## Japanese television show features Canadian science centre

Millions of television viewers throughout Japan will be able to see some aspects of Toronto's Ontario Science Centre on March 21. In celebration of the vernal equinox, Asahi National Broadcasting is presenting an hour-long, prime time national program called, *This is Ontario Science Centre*.

The producers of the show are concerned about the international lack of understanding of man's relationship to science and technology. Of all the places they visited, the Ontario Science Centre concerns itself most with the non-scientist, explaining to visitors the impact of science and technology on their lives.

The program documents a visit by a reporter and children to the various exhibit halls at the Centre itself as well as at the Science Circus, the Centre's major travelling exhibit.

## Arts briefs

Soprano Joan Sutherland will sing the title role of Donizetti's *Anna Bolena* with the Canadian Opera Company during the 1980-81 season. Miss Sutherland, considered the world's foremost coloratura soprano, performed at Massey Hall January 14, her first Toronto recital in 16 years. She has never appeared in an opera in that city.

A National Film Board short, Ishu Patel's *Afterlife*, will be screened at this year's Berlin Film Festival.

Canadian tenor Jon Vickers recently received the 1978 London *Evening Standard* newspaper's opera award. The singer accepted the award from Lord Donaldson, Britain's minister of the arts.

## Investment climate (Cont'd from P. 2)

differentials: it is also a vote of confidence in the economic future of Canada. Foreign investors know that most of the proceeds from the sale of bonds are used to finance public and private investment in Canada. Industrial expansion projects, provincial energy projects and municipal public works generate orders for industry, jobs for people, and additional wealth for Canada.

Foreign direct investment has provided much needed capital; in general, we need far more financial resources than are available domestically. Such investment plays a very important role in the renewal and expansion of the capital stock of Canada. The size and quality of this stock is a key determinant of our future economic prosperity. That is why the Government of Canada explicitly rejected, some years ago, the demands of some Canadians for drastic curbs on foreign investment. Instead, we created the Foreign Investment Review Agency (FIRA), to maximize the benefits arising from foreign investment in Canada.

From the inception of FIRA until the end of last year, the Government dealt with 954 applications for takeovers and 786 of these were allowed. Of the 797 proposals for establishments of new businesses, 685 were allowed. By emphasizing the need for foreign investment to bring significant benefit to Canada, I think that the review process has been beneficial. It has improved the quality of foreign investment and has contributed to the creation of new jobs and new technology which would otherwise not have occurred.

I can state categorically that the Government of Canada welcomes foreign investment.

When I was Minister of Industry, Trade and Commerce, I acted to streamline the

---

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

Material may be freely reprinted. A 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 aparecen también en español bajo el título Noticiero de Canadá.*

operation of the Foreign Investment Review Agency. I am happy to tell you that 75 per cent of the proposals are now decided within 15 days and most of the rest, mainly the larger and more complex ones, within 90 days. The search for more efficient administration will be an on-going one.

Finally, proposals for new banking legislation, now under consideration by Parliament, would allow foreign banks to participate in the Canadian market with

essentially the same banking powers as are available to Canadian banks. The proposed legislation seeks to provide for equitable and effective competition between Canadian and foreign-owned banking institutions. Certain restrictions are being proposed, however, to ensure that foreign banks' activities will be of benefit to Canada and that control over the financial system remains predominantly in Canadian hands.

\* \* \* \*

---

## News briefs

**W.A.C. Bennett**, Social Credit premier of British Columbia from 1952 to 1972, died recently at the age of 79. Described by the press as a man of paradox, Mr. Bennett, a promoter of free enterprise, also introduced public ownership of railway and ferry services and hydro development in the province. Wary of the "socialist hordes", he was defeated in 1972 by the New Democratic party, but was vindicated three years later when his son Bill, who replaced him as Social Credit leader, became B.C. premier.

**David MacDonald Stewart** of Montreal has purchased a piece of Canadian history in France — the house seven miles from St. Malo where Jacques Cartier lived before he sailed west to discover Canada in 1534. Cartier died in the house, which Mr. MacDonald hopes to convert to a museum, in 1557. It's reputedly the only house left in Europe that belonged to a major explorer in the New World.

A full public inquiry into an explosion that killed ten miners and injured six others at Glace Bay, Nova Scotia on February 24, may be ordered by the Federal Government. An initial study by a 29-member team made up of management and federal Labour Department officials failed to find the cause of the explosion at the coal mine.

The average price of a new house sold in January was 3.3 percent higher than it was one year ago, Statistics Canada reports. However, prices were down 0.2 percent from their December average.

**Granduc Mines Limited** of Vancouver has reached agreement with Esso Minerals Canada Limited, a subsidiary of Imperial Oil Limited of Toronto, for Esso to acquire and operate Granduc's copper property at Stewart, British Columbia.

The purchase price and associated costs are expected to be about \$20 million.

The nineteenth Saskatchewan Legislature opened on February 22. Highlights of the Speech from the Throne include a human rights code that will consolidate human rights legislation; a new department of intergovernmental affairs; expanded revenue sharing with municipalities; assistance for business and industries serving resource development companies, and a farm fuel rebate program offering a maximum of \$300 a year for 1978 and 1979 to farmers.

The Export Development Corporation has approved loans, surety and export credits totalling \$284 million to support export sales to Abu Dhabi, Algeria, Cameroon, Greece, Jordan and Nigeria. Canadian companies' potential sales are \$391.1 million.

The National Energy Board has approved an oil swap involving 700,000 barrels between Golden Eagle Canada Limited of Montreal and Exxon Corporation of New York.

The Manitoba Legislature opened on February 15 and the Speech from the Throne proposed new programs to improve health care and social services. The provincial government also plans to issue a white paper in the next few months containing recommendations to "rationalize" various tax rebate programs.

**Dr. Peter Potichnyj**, a professor of political science with Hamilton's McMaster University, has been invited by the Chinese People's Association for Friendship with Foreign Countries to go to the People's Republic of China for a three-week academic visit in May. He will give a number of lectures and seminars during his visit to some of China's major centres, including Peking, Shanghai, Sian, Canton and Kweilin.