

Canada Weekly

Volume 5, No. 20

May 18, 1977



Ottawa, Canada.

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Canada's relationship with the United States truly unique – Don Jamieson

"...the relationship between Canada and the United States is much broader and deeper than the stereotype," said Secretary of State for External Affairs Don Jamieson in an address to the Southern Council on International and Public Affairs and the Council on Foreign Relations, Atlanta, Georgia, U.S. on April 29. "We have a network of contacts and communications which exceeds that of any other two nations in the world. It is truly a unique relationship." he declared.

The minister described as follows some of "the images on both sides" that were not always accurate, and went on to discuss prospects for the two nations:

...Within that relationship, however, our knowledge of each other has not kept pace with the growth of goodwill between us. Many Canadians have perceptions of the United States, this region in particular, which are incomplete or out of date. Similarly, I know that there exist in the United States images of Canada which are partial and, on occasion, misleading. At times I sense that the Canadian and American publics are examining each other through opposite ends of a telescope. There is seldom a day when Canadians fail to see, hear or read about an event involving the United States. We are very conscious of all things American, some might say overly-conscious. Now Americans are becoming more aware of Canadian affairs. And yet, images on both sides are not always accurate.

...There have been some misunderstandings in the U.S.A. about our Foreign Investment Review Act and its implications for foreign investment.... Since 1973, under our Foreign Investment Review Act, certain foreign investment proposals have come under a review mechanism to ensure that they will bring significant benefit to Canada, but this is certainly not inconsistent with our encouragement to foreign capital. In a country with such a high level of foreign investment as Canada – over \$30 billion of U.S.A. capital alone – it makes good sense to ensure that the capital invested brings benefits to Canada, as well as to the investor. The record shows that the administration of the act has been even-handed and non-discriminatory as to the country of origin, and has worked out quite well for all concerned.

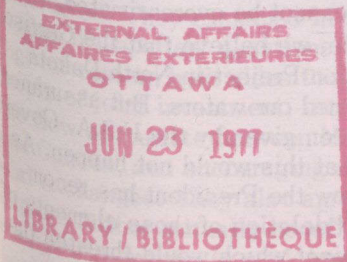
There are many other misconceptions.

One other is Canada's energy situation. We have been widely thought, even by Canadians, to have far greater reserves of fossil-fuels than indeed we have. Thus when our policy of reducing exports of oil to the United States was undertaken, it was frequently viewed here as a "cutting-off" of oil supplies. In fact, it was our effort, parallel to yours, to manage our remaining and diminishing supply. How to correct, and better, to avoid these misunderstandings is a matter of real concern to me.

I recognize too well, as a result of my experience, both in and outside government, that while the formal channels of communication between our two federal authorities have been consistently excellent, Canadians must pay more attention to the other important elements of influence and decision-making in your country. We should seek with more vigour to inform Congress and private groups, such as yours, about our policies and objectives if we are to fill in some of the gaps. This is one of my principal objectives as Secretary of State for External Affairs....

Of course our national objectives do not always coincide. Given the range of our associations, the intricacy of our economic partnership and the vibrancy of our political systems, the wonder is that the problems between us are so few. To me, what is particularly significant is the excellent record we have in dealing with problems that do arise.

Right now there are important matters before us needing satisfactory resolution. I would like to outline my approach to some of the key issues, and in so doing, give impetus to the spirit



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of close co-operation and negotiation in good faith which will condition our approach to specific issues ahead.

Associated fishing rights

For example, we are engaged in an effort to settle permanently four seaward boundaries between Canada and the U.S. and associated fishing rights. As you will appreciate, negotiations over territory are especially difficult, particularly given the potential mineral, petroleum and fisheries resources involved. The matter was precipitated by the decisions of our two countries to establish 200 mile off-shore fisheries zones. Fisheries negotiations had reached an impasse by February. Without some agreement in place, the prospects grew that both countries would be enforcing their fisheries regulations in the areas of overlapping jurisdiction, complicating boundary negotiations which were already challenging enough. Our objective has been to maintain existing patterns of fisheries without disruptions for the fisheries of either side. With this objective in mind, the Prime Minister and your President, during their meeting in Washington agreed on interim arrangements which would allow further time for these complex negotiations.

We must now move forward in this spirit, take advantage of the time afforded us, and press our efforts to reach a permanent settlement on the boundaries question. If we can work out a mutually satisfactory solution to such a difficult boundary problem, that will surely constitute an historic benchmark for the conduct of our relations in the years ahead.

Similar opportunities occur in the present negotiations toward an increased toll structure for the St. Lawrence Seaway. The Seaway has been a hallmark of Canada/U.S.A. co-operation, and while the concerns each country brings to the negotiations put the emphasis in different places, I am more interested in the opportunities the negotiations present to re-establish the Seaway as an example of the kind of achievement which results from our two countries working together in harmony. It should not be necessary to resort to formal legal options involving the existing Seaway agreement. I would much prefer to see a negotiated settlement which could be considered a success by both countries, and which

would provide another example for the manner in which our relations can and should be handled....

Energy resources

By far one of the most important challenges facing the world today is the management of available energy resources. Despite the growing concern of Canadians about their own declining oil and gas supplies, the Canadian Government has been realistic and forthcoming in dealing with U.S. energy circumstances, as demonstrated by our emergency exports of natural gas during your recent winter shortage situation.

Over the years in our energy relations with you, we have acted as responsible neighbours and we shall continue to do so, although diminishing supplies of oil and gas will reduce our role in that area.

A principal issue now concerns how gas from the north slope of Alaska is to be transported to the continental U.S.A., that is to say, by sea to your West Coast, or overland through Canada. In the latter case, the regulatory and political processes of the two countries must be completed before decisions can be made. We are consulting regularly on the progress of our respective processes. What in effect both governments are doing is keeping their options open, so that a particular transportation option which may ultimately be preferred by both sides on the basis of its merits is not foreclosed by poor co-ordination.

As the time for decision-making draws nearer, however, I foresee the need for even greater care and sensitivity on both our parts to ensure that our governments remain in a position of being able to choose the option which is best on its merits. I would not want to see either government deprived of the full scope of alternatives now open to their careful consideration. Our position is that as a friend and ally of the United States, we would like to be able to assist you in facilitating the supply to your populated centres of this much needed energy resource.

Interests at stake

However, there are also important Canadian interests at stake which must be taken into account: our own future supply situation and our need for the most efficient distribution system to serve

Canadian requirements with Canadian gas; our desire to see native land claims settled in the areas affected; our concern about managing our economy given the large sums of capital which would be required to finance such a mammoth undertaking; and our desire to see carefully weighed the environmental and social implications of pipeline construction in our north-land.

It is the reconciliation of these Canadian interests and the possible American interests in the option of an overland route which is engaging and will be engaging our priority attention over the coming months....

Environment

To turn now to our common environment, one need only picture the extensive border between Canada and the U.S. with its countless shared rivers and lakes, its adjacent farm lands and large cities to appreciate the magnitude of the environmental co-operation which has been the pride of both countries. Federal, state and provincial governments on both sides of the border are placing an ever-increasing priority on the quality of water and air available to their citizens, and where air or water pollution from one side of the border interferes with environmental protection efforts on the other side, the Governments work together to eliminate the problem. Our high success rate cannot be explained without reference to the International Joint Commission, a binational advisory and regulatory body with equal representation of Canadians and Americans. The contribution of the IJC in our environmental relations over the nearly 70 years since it was established by treaty cannot be overestimated. For example, we believe that the Garrison Diversion Project in North Dakota threatened our waters. But assurances have been given by the U.S.A. Government that this would not happen. As you know the President has recommended deletion of those elements of the project which would threaten the Canadian environment....

Nuclear non-proliferation

...As the leading world supplier of uranium, Canada moved decisively in December of last year by setting as a condition of supply adherence to the Non-Proliferation Treaty, or an equi-

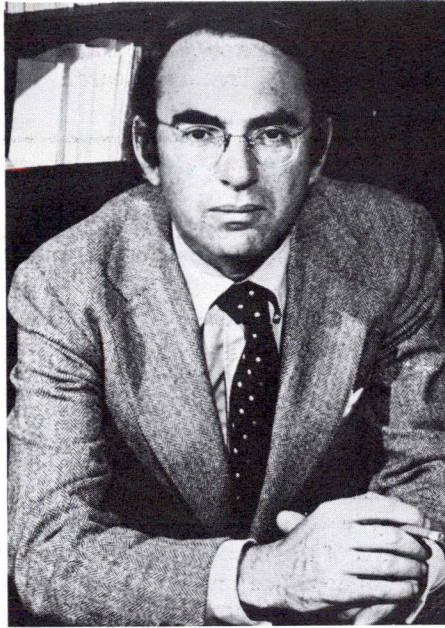
New Deputy Minister for External Affairs Department

Allan E. Gottlieb, formerly the Deputy Minister of Manpower and Immigration, has been appointed by Prime Minister Trudeau as Under-Secretary of State for External Affairs. He succeeds Basil Robinson, who has become Northern Pipeline Commissioner.

Mr. Gottlieb, a native of Winnipeg, Manitoba, is the author of three books: *Disarmament and International Law*, *Canadian Treaty-Making* and *Human Rights, Federalism and Minorities*, and has published many articles on political science and international law. He was a special lecturer on disarmament at Queen's University in 1965, and has also been a visiting professor at Ottawa's Carleton University.

The new Under-Secretary is no stranger to the External Affairs Department, which he first joined in 1957. In 1962 he became a member of the Canadian delegation to the Eighteen-Nation Disarmament Conference and was appointed head of the Legal Division in 1965.

In June 1967, Mr. Gottlieb was appointed Assistant Under-Secretary of State for External Affairs. He became Deputy Minister of Communications in



Allan E. Gottlieb

December 1968.

He was appointed Deputy Minister of Manpower and Immigration in May 1973 and has been responsible for the integration of the Department of Manpower and Immigration and the Unemployment Insurance Commission.

Aircraft contract in Florida

Baymont Engineering Company, a wholly-owned subsidiary of Monenco Limited, Montreal, has been awarded a contract by the United States Corps of Engineers for the complete design of the aircraft-corrosion control and aircraft run-up facilities of the MacDill Airforce Base in Tampa, Florida, U.S.A.

The corrosion-control facility will be used for cleaning, corrosion-control and painting of aircraft and aerospace ground equipment. At the run-up facility, aircraft will be tested at varying degrees of engine power, after major overhaul operations on the aircraft are performed. It will be designed to withstand a maximum 60,000-pound thrust factor, assuring adequate operational safety.

Baymont Engineering, with headquarters in St. Petersburg, Florida operates primarily in the southeastern United States. It offers a wide range of services, particularly in connection with chemical plants and the mining and processing of phosphates. Monenco Limited groups some 50 consulting firms, with projects in over 30 countries throughout the world.

Mr. Jamieson in Mexico

During a visit to Mexico last month, Secretary of State for External Affairs Don Jamieson had extensive conversations with the Secretary of External Relations, Lic. Santiago Roel, during which a general review of bilateral relations between the two countries was undertaken. They examined in detail a number of important questions including: interest on both sides to raise levels of joint investment, increasing the flow of tourists between Mexico and Canada, and encouraging commercial exchanges. They also agreed to explore further mutually beneficial exchanges in energy, to work towards a healthier balance of payments and to facilitate more direct trade between the two countries.

The two ministers agreed that Mexico and Canada would continue, through proper channels, examination of these questions to prepare the next meeting of the Mexico/Canada Joint Committee,



Mr. Jamieson (right) discusses Canada/Mexico relations with Mr. Roel.

scheduled for this autumn in Ottawa. Negotiations also would shortly be initiated to conclude a treaty on execution of penal sentences.

Views were exchanged on other matters of common interest such as respective relations of Mexico and of Canada with countries of Latin America and of the Caribbean region. Possible areas of joint co-operation in developing countries were also studied.

The two ministers confirmed the need to continue the close collaboration that has existed between Canada and Mexico in the United Nations in all matters relating to disarmament and, more especially, in the area of non-proliferation of nuclear weapons.

The Secretary of State for External Affairs, who was received by President José Lopez Portillo, reiterated the invitation extended by Prime Minister Pierre Elliott Trudeau, to visit Canada at a mutually convenient date.

Government financial watch-dog

Treasury Board President Robert Andras has announced the Government's intention to create a position for a Comptroller General who would be the "chief financial administrator of the federal Public Service."

Mr. Andras told the House of Commons that this decision was made in keeping with a principal recommendation in the 1976 annual report of the Auditor General.

The Comptroller General would report directly to the President of the Treasury Board and would carry the rank and status of a deputy minister. In general terms, he would be responsible for the quality and integrity of the financial administrative policies and practices in use throughout the federal Public Service.

The major part of the responsibilities of the new office will comprise those which were assigned to the Financial Administration Branch of the Treasury Board Secretariat in March 1976. Mr. Andras said there would be a special "functional" relationship between the Comptroller General and the chief financial officers of departments, agencies and corporations to enable him to provide necessary guidance while maintaining the principle of de-

centralized management.

Mr. Andras made it clear that the entire responsibility for the control and direction of the resource allocation and control processes would not be changed, and would rest with the Secretary of the Treasury Board.

Nuclear battle draws 1,500 onlookers

The fascinating and at times macabre theories behind the use of nuclear weapons were the subject of a fast-paced debate by William Epstein and Lieutenant-General Reg Lane recently at the University of Victoria, British Columbia.

Epstein, former director of the United Nations Secretariat Disarmament Division, and now a visiting professor of history at UVic, took the affirmative position of the resolution: "that nuclear weapons can no longer be relied upon as a deterrent to war." (Dr. Epstein was recently awarded the Order of the Aztec Eagle by Mexico, see *Canada Weekly* dated March 16, 1977.)

Lane, the ex-deputy Commander-in-Chief of NORAD, defended the statement before a crowd of some 1,500 people.

Affirmative view

Epstein defined deterrence as "the mutual assurance of destruction (MAD), no matter who strikes first."

He charged that deterrence had been used as a cloak or euphemism for a

continued escalation of the arms race. This, he said, in turn created insecurity, tension and, paradoxically, the increased danger of inadvertent war through human or mechanical error or terrorism.

Epstein was also concerned with the proliferation of nuclear weapons among smaller powers. The notion of deterrence won't apply to them, he said, because they would have only first-strike capability and enormous pressure to use it.

"In a multi-nuclear world deterrence won't work. The danger of war gets greater and greater and greater."

Opposing argument

Lane, on the other hand, argued that deterrence was not war but the prevention of war. Economic, political and psychological factors are all of deterrence policies.

"I like to think that these policies have stopped war," said Lane.

He went on to briefly outline the development of nuclear policy in the West, beginning with the idea of containment of Communist influence after the war, through to the "assured destruction" doctrine after the introduction of inter-continental ballistic missiles.

These policies have led to the present policy of realistic deterrence through counter-force, meaning that military sites and hardware are the targets of attack, not civilians.

Lane said the early policies were ef-

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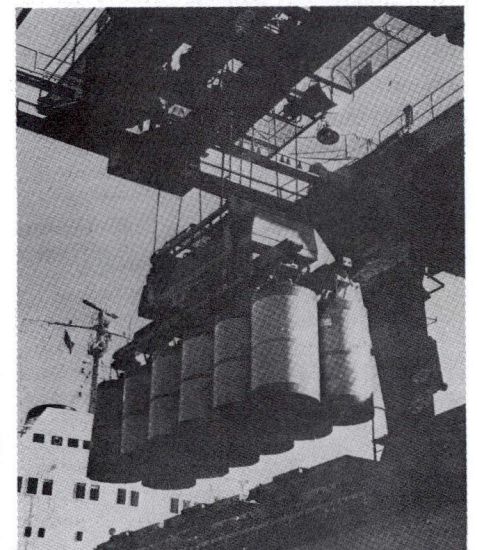
Soviet ships head for Toronto

Ships of the Soviet Union made 65 trips to the Port of Toronto during the 1976 shipping season to lead the parade of vessels engaged in overseas trade, according to figures released by the Toronto Harbour Commission.

Germany was second with 61, followed by Norway with 44 and Greece with 23.

It was the third year in a row that the U.S.S.R. ships have led Toronto's ocean traffic. In 1974 they made 53 calls at the port, followed by 64 in 1975.

A total of 339 overseas ships, representing 24 lines and flying the flags of 26 nations, entered port in 1976.



Nuclear battle (Contd. from P. 4)

fective in stopping the Communist takeover of Europe and that policies would continue to change and adapt in the future.

"Deterrence buys time for the politicians and diplomats to work it out around the table, rather than over the top of the world," said Lane.

Lane rejected the idea that the arms race was out of control, saying that the limitations in SALT (Strategic Arms Limitation Talks) agreements were being adhered to.

Epstein, however, said that the SALT agreements actually provided no limitations at all. He said that prior to the SALT talks, the U.S. had an overkill capacity of some 36 times, while Russia's was 11 times.

After SALT, these overkill factors rose to 50 and 20 times respectively, he said.

The present policy of deterrence developed from the military wondering "what the hell are we going to do with all that overkill?"

"The drive to infinity-killing power is what will kill us all," said Epstein.

While both debaters agreed that nuclear proliferation is a danger, Lane said one must assume there was a degree of rational behaviour behind proliferation. "The UN could bring enormous pressure to bear on small powers who try to use the weapons," he said.

(From an article by Les Leyne in the March 30, '77 issue of The Ring.)

Breakthrough in identifying the cause of Batten Disease

Under the leadership of a neurochemist at the Montreal Neurological Hospital and Institute, a McGill University teaching hospital, a team of neuropathologists, neurologists and geneticists have made a key finding which will result in the identification of the cause of Batten Disease. This is an inherited disease which causes severe cerebral degeneration, convulsions, blindness and ultimately the death of afflicted children before they reach the age of ten.

Named after an English neurologist who clinically described it in detail at the turn of the century, Batten Disease is a hereditary condition with a clearly-

defined clinical course associated with severe brain degeneration.

There are currently over 50 reported cases of Batten Disease in the province of Quebec, and it has also been found in Newfoundland, New Brunswick and Nova Scotia, as well as in many Eastern American states. In Europe it is particularly common in Scandinavia, Britain, Denmark and Holland. Unlike Tay Sachs Disease, another inherited metabolic and degenerative disease of the nervous system, Batten Disease is considerably more common, widely distributed and unrelated to any particular ethnic group. Until recently, apart from a clinical and pathological description and many theories, the cause of it was unknown.

Dr. Leonhard Wolfe is a neurochemist and head of a McGill University team of researchers including chemist Dr. N.M.K. Ng, Ying Kin, neurologist Dr. Frederick Andermann, geneticists Dr. Eva Andermann and Dr. Charles Scriver, and neuropathologist Dr. Stirling Carpenter, who have spent over five years searching for the cause of Batten Disease. They have succeeded in identifying the molecule which appears to be its basic cause. They were aided by Dr. A.S. Perlin's Department of Industrial and Cell Chemistry of the Pulp and Paper Research Institute.

A normal child at birth

In most cases it is not before they reach three years of age that children display the first symptoms of Batten Disease. Usually the onset of the disease is marked by the occurrence of an epileptic seizure. The disease progressively worsens as the seizures become more and more frequent and difficult to control. There ensues progressive intellectual deterioration, visual impairment and finally the child becomes demented and suffers so severely from mental retardation and degeneration that death occurs, some time before the age of ten.

Cause

Batten Disease is caused by the massive accumulation of a material in the child's neurons (nerve cells) the nature of which was unknown until recently. The success of the work of Dr. Wolfe and his team of scientists lies in the identification of the com-

position of this material.

Ceroid, the non-specific name frequently applied to the material present in the neurons of Batten Disease victims, is peculiar in that it is autofluorescent, i.e. it gives off a brilliant greenish-yellow fluorescence when exposed to ultraviolet light. In fact, sections of the brain of a child who has died from the disease need not be stained prior to examination under an ultraviolet microscope. Almost all the neurons will be visible owing to their fluorescence. This is extremely unusual and abnormal. Scientists in general agree that this fluorescent material (ceroid) is the primary storage material causing the degeneration of the nerve cells on a massive scale as its accumulation increases. The disturbed neurological functions are directly related to this process. This storage phenomenon occurs not only in the brain but in many other tissues as well. However, the basic cause of death is neurological.

Diseases which involve the storage of chemical substances in special particles in the cells (lysosomes) are often caused by the absence of activity of a key enzyme which is responsible for the metabolism of the particular material. It is generally felt, therefore, that the first step in discovering the cause of these diseases is to identify the chemical nature of the accumulated material. This has provided the clue in the past ten years to the nature of the enzymatic defect in a number of other diseases of this type, including Tay Sachs Disease. In the case of Batten Disease, no one knew the specific nature of the autofluorescent material and consequently no one had any clue to the specific enzyme defect.

Physical aspects of affected neurons

Over a year ago, Dr. Wolfe and his colleagues studied the brain of a child who had died from Batten Disease and immediately decided to make a fresh attempt to isolate and chemically characterize the storage material in the neurons of the brain. After about six months they managed to isolate from the brain by ultracentrifugation methods (the use of a radially outward force at a very high speed to separate substances according to weight) a very pure subcellular fraction which contained particles of identical structure

to those seen by electronmicroscopy in affected neurons. The particles examined by electronmicroscopy were composed of tiny curved lamellated structures given the name curvilinear bodies by the pathologists.

These isolated curvilinear bodies were intensely fluorescent and their fluorescence was insoluble in all common organic solvents. Moreover, they had exactly the same structural features as the bodies seen in neurons of the intact brain.

Solving the autofluorescence puzzle

After a number of efforts lasting several months, Dr. Wolfe and his group in the Neurochemistry Department found that the autofluorescent material was a derivative of Vitamin-A, which becomes physically associated with phospholipids and cholesterol. The chemical name for the Vitamin-A derivative is retinoic acid, known to be a highly fluorescent compound. Retinoic acid, one of three Vitamin-A compounds, is involved in the growth, maintenance and differentiation of cells. The other two, Vitamin-A alcohol and aldehyde, are necessary for the formation of visual pigment. Victims of Batten Disease display no Vitamin-A deficiencies. In the affected neurons, retinoic acid is present in a complex with a small peptide. The indications of the unique presence of retinoic acid led Dr. Wolfe and his colleagues to seek more direct chemical proof for the nature of the material.

Through a series of chemical reactions and physico-chemical methods, the group was able to indicate clearly that a retinoic acid derivative was the autofluorescent material in the affected cells of the patients. They were able to match the spectra of retinoic acid and methyl retinoate (derivative of retinoic acid) derived from the patients with authentic spectra of these compounds. "The realization that retinoic acid complexes accumulate in the brain," Dr. Wolfe suggests, "can reveal with further research that the basic enzyme defect lies somewhere in the pathway of the metabolism of retinoic acid."

Although they are still trying to identify the defective enzyme, members of the research team are now able to detect an excess of retinoic acid derivative in the urine of Batten

Disease children which has similar properties to the material stored in the brain. Dr. Wolfe is currently working on a method for the diagnosis of Batten Disease through urine and blood analysis in order to determine the presence of retinoic acid derivatives in above normal amounts. An important object of this research is to detect not only cases but also carriers of Batten Disease. For example, where a sibling already suffers from the disease, a skin biopsy of the younger children would show whether or not they are likely to suffer from the condition.

Moreover, Dr. Wolfe believes that there is a distinct possibility that Batten Disease could be controlled through the restriction of Vitamin-A intake before the onset of symptoms. The team is now working on the development of a dietary therapy.

(Professor Wolfe can be contacted at the Department of Experimental Neurochemistry, Montreal Neurological Institute and Hospital, 3801 University Avenue, Montreal, P.Q., H3A 2B4.

Heart's content remembers

The provincial historical site at Heart's Content, Newfoundland, is a vivid reminder of how Newfoundland was involved in the development of communications. On the site is an interpretation centre recently opened by the provincial government, which is filled with memorabilia pertaining to the history of telegraphy and transatlantic cables.

The little Avalon Peninsula community, the oldest town in Trinity Bay, is 137 km (85 miles) from St. John's, the capital.

The first lodge of the Society of United Fishermen was opened at Heart's Content in 1873 and, today, it is still a quiet fishermen's town with the interpretation centre its chief tourist attraction.

More than 100 years ago, the then-tiny village of Heart's Content was a hive of activity as the first successful transatlantic telegraph cable reached shore.

But it had not been easy. It took millions of dollars and 15 years before final victory was achieved.

In 1858, a cable was laid across the

Atlantic and its completion raised cheers on both sides of the ocean. But the rejoicing didn't last. After three months, the cable insulation failed.

Seven years later, in 1865, another attempt was made. All went well for several days but, 1,932 km (1,200 miles) out to sea, the cable broke.

Undaunted, the organizers tried again the following year, this time with a newly-built liner *Great Eastern*, a ship that made history, which could store and release cable easily and safely.

So, with British funds, a British crew and a staff of scientists that included one American, Cyrus Field, it sailed from Valentia, Ireland, July 13, 1866.

For Cyrus West Field, the transatlantic cable was an obsession. He was one of the founders of the New York, Newfoundland and London Telegraph Co., formed for one purpose: the laying of a cable across the Atlantic Ocean.

The job took only two weeks. The *Great Eastern* laid anchor opposite Heart's Content on July 27 after a 3,436-km (2,134-mile) historic journey.

After a well-deserved rest, the *Great Eastern* crew returned to mid-ocean where the cable broken the previous year was recovered, spliced and stretched to Heart's Content.

What had seemed a failure in 1865 had become an asset. The company now had an insurance cable for its communications between the two continents.

Canada-France cable

In 1869, the French Atlantic Cable Co. laid a cable from Brest, France, to the Island of St. Pierre, off the coast of Newfoundland, which became the first Canada-France cable.

It was only in 1956 that the first transatlantic telephone cable was laid, from Clarenville, Newfoundland, to Oban, Scotland.

Newfoundland, because of its relative proximity to Europe, also boasts the site of the first transatlantic wireless signal, received by Marconi at St. John's in 1901 and the field, also at St. John's, from which Alcock and Brown left on the first successful airplane flight across the Atlantic.

A museum at the airport in Gander, Newfoundland, relates the history of early attempts to fly across the ocean.

News of the arts

Shanghai Ballet's Canadian tour first in North America

Some 150 dancers of the Shanghai Ballet, performing for the first time in North America, are on a month-long tour of Canada as part of a cultural exchange between Canada and the People's Republic of China. The Canadian Brass recently toured China and the Toronto Symphony will go there next year.

After its première in Vancouver, British Columbia, the company visits Ottawa, Montreal, Toronto and Hamilton, Ontario, ending the tour on June 1.

Classical ballet was introduced to China after the revolution and the establishment of the People's Republic. The Shanghai Ballet was founded in 1960. When the Chinese national airline showed its first "in-flight" movie



The White-Haired Girl, is performed by the Shanghai Ballet, now on a month-long tour of Canada.

in 1971, it chose the dance film *The White-Haired Girl*, performed by the

Shanghai Ballet. The airline chose the film owing to the popularity of the story of Hsi-erh (the white-haired girl) and the artistry of the company but the choice of the film also demonstrated the significant growth of interest in ballet in China in a relatively short time.

The visit of the company to Canada is one of the many exchanges with China initiated and facilitated by the Department of External Affairs. The present tour, which was organized in Canada by the Touring Office of the Canada Council, is the highlight of Canada's exchange program with the People's Republic of China this year.

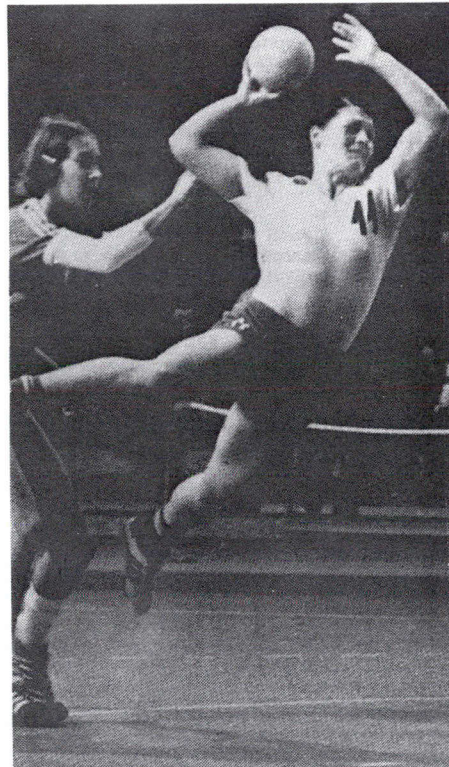
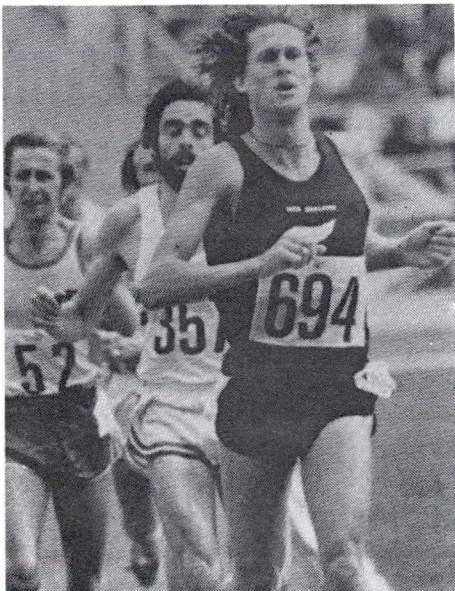
During the past 12 months over 20 visits have taken place in the fields of education, science, medicine, trade, technology, sports photography, the performing arts, broadcasting and crafts.

Olympic film available

Games of the XXI Olympiad, the official film of the 1976 Montreal Olympics, had its première in Montreal and Cannes last month.

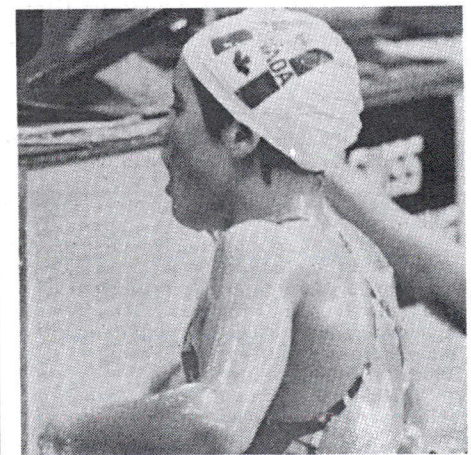
The film was shown every evening free of charge until May 15 at the National Film Board, which produced it. The free screenings will continue across Canada during the summer.

Canada's Ambassador to France, Gerard Pelletier, attended the première in Cannes at the trade fair for television program buyers, Marché Interna-



tional des Programmes de Télévision, on April 22.

NFB hopes that the two-hour film will be sold to international television, although the 35-mm version will also be available for release in theatres both in Canada and abroad. For more information write to the National Film Board of Canada, 550 Sherbrooke Street West, Montreal, Canada.



Canada's relationship with U.S.

(Continued from P. 2)

valent commitment to non-proliferation and the acceptance of safeguards on all the importing country's nuclear establishments. In its requirements Canada is ahead of all other nuclear exporters. It is not always easy to be ahead and our requirements have met considerable resistance from certain of our would-be partners in nuclear co-operation. Nevertheless, the goal of preventing the spread of nuclear weapons is a goal which, in my opinion, justifies our taking the steps we have. The full objectives of this policy, however, can only be achieved if other suppliers of uranium, nuclear equipment and technology adopt a position similar to that of Canada. I therefore welcome President Carter's statement of April 7 and support the objectives of non-proliferation that are contained in it.

Canada and the United States co-operate with other countries that supply nuclear items in co-ordinating the requirements they place on transfers of nuclear technology and material. I am also encouraged by the like-minded approach to non-proliferation of Canada, the United States and Australia as major uranium exporters. I place great importance as well in the work of the International Atomic Energy Agency, which is responsible for ensuring that satisfactory safeguard arrangements are in place in non-clear weapon states. The contribution of the IAEA is vital in ensuring that goals of non-proliferation are met, and in this the Agency will continue to have Canada's support. I can think of few areas where Canada and the U.S. could co-operate to better effect than in controlling the world-wide proliferation of the non-peaceful use of nuclear technology....

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

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

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

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

News briefs

■ Prime Minister Trudeau and leaders of six major industrial nations concluded their two-day summit meeting in London on May 8 with a pledge to fight unemployment and inflation and to seek ways to contain the spread of nuclear war technology.

■ Jean-Pierre Goyer, Minister of Supply and Services, has been appointed adviser to External Affairs Minister Don Jamieson in the area of international francophone affairs. As part of his responsibilities, Mr. Goyer will be co-chairman, at Mr. Jamieson's request, at the meeting of the Group of Friends of the Sahel in Ottawa, from May 30 to June 1.

■ The Canadian Broadcasting Corporation has released the results of a public opinion survey on Quebec independence conducted between February 24 and March 2 which showed that 16 per cent of Quebecers surveyed favoured unconditional independence. (A similar survey in 1970 showed 14 per cent in favour.) In addition, the poll found that 32.4 per cent of Quebecers supported Quebec sovereignty on the condition that economic links could be arranged with the rest of Canada. The findings were based on telephone interviews with 742 people who agreed to be polled out of 1,200 contacted.

■ Canadian Permanent Representative to the UN, Ambassador William H. Barton, recently presented to Rafael Salas, Executive Director of UN Fund for Population Activities, a \$7-million cheque for Canada's contribution for 1977, a 40 percent increase over the contribution of \$5 million made in 1976. Canada has contributed over \$25 million to the UNFPA since its inception in 1967.

■ The Department of Manpower and Immigration has outlined operational plans for the summer job corps, a \$10-million component of the Student Summer Employment and Activities Program, which will create close to 5,000 jobs or 60,000 weeks of work for young Canadians this summer.

■ The Bank of Canada reduced its lending rate by one-half of a percentage point to 7½ per cent effective May 9. Following the announcement, eight chartered banks, including four of the

five largest in Canada will reduce their prime lending rate to 8.25 per cent from 8.75 per cent, effective June 1.

■ Wholesale prices, generally a reliable indicator of trends at the retail level, surged two per cent higher in March and were 9.1 percent more than they were a year ago, reports Statistics Canada.

■ The Prime Minister has announced the appointment of Harold Renouf as chairman of the Anti-Inflation Board, effective May 1, to replace Jean-Luc Pepin, who has retired.

■ The number of U.S. residents visiting Canada in March rose to 1.6 million, up 4 per cent from the number in March 1976. But the number of Canadians visiting the U.S. during that month increased at a faster rate to 2.9 million. The increase over the figure in March 1976, was 15.4 per cent.

■ Canadian exports in March passed the \$4-billion mark for the first time in history and produced a trade surplus for the month of \$509 million, Statistics Canada reports. The value of March exports was \$4.017 billion, up 16.4 per cent from the February level. The value of imports also rose, but at a much lower rate, to \$3.508 billion. For the first three months of 1977, the trade surplus was \$731 million.

■ Agriculture Canada will provide \$9 million in capital assistance to United Cooperatives of Ontario (UCO) for construction of a grain terminal elevator and dock in Windsor, Ontario. UCO will start elevator construction early this year, with the opening of operations scheduled for autumn 1978.

■ Canadian purebred cattle exports increased in 1976, reflecting a stronger world market for dairy cattle, especially in the United States. More than 31,000 registered cattle were exported last year, compared to about 22,000 head in 1975. The United States was the largest market for both dairy and beef animals, but Canadian cattle were exported to a total of 31 countries.

■ Team Canada took fourth place in the world hockey championship that ended in Vienna on May 8, even though they beat the first-place Czechoslovakian team 8-2 in their final game. Sweden was second and the U.S.S.R. was third.

■ On May 11, press time, Montreal was leading Boston two games to none in the best-of-seven Stanley Cup finals.