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Canada and the world mourn Lester B. Pearson

The death on December 27, at the age of 75, of Lester Bowles Pearson, a former Prime Minister of Canada and one of the most renowned diplomats of the twentieth century, elicited tributes from all parts of the world. Messages of praise and condolence were received by Mr. Pearson's widow and family from Queen Elizabeth II and from many other heads of state, as well as from the numerous associates of the deceased diplomat and statesman during his public life.

The text follows of the statement issued on December 28 by Prime Minister Pierre Elliott Trudeau, Mr. Pearson's successor in the highest Canadian political office:

The loss of the Right Honourable Lester B. Pearson is a great one, for men like him appear rarely. He was a man of ability and good will who worked the greater part of his life to make the world a better place for others. Mr. Pearson was widely renowned for his genius in negotiations and diplomacy, for his very human qualities of compassion and quiet humour, for his major contributions to world peace and the welfare of man.

He was tireless in his work on behalf of the United Nations, which he called "our best hope for world peace". He played a leading role in its organization and development, as well as in the work of its Specialized Agencies, and was influential in leading the UN to take giant steps toward the attainment of its Charter aims.

These contributions were widely recognized: by the Nobel Peace Prize – he was the only Canadian ever to receive it; by Her Majesty the Queen's Order of Merit – an order limited to 24 members; and by honorary degrees from more than 40 colleges and universities.

But, though he was a man of international stature, Mr. Pearson was

first and foremost a Canadian. More than 40 years of his life were devoted to the service of his country. During that time, he made Canada a respected name in world councils, but the contribution to his country which gave him the greatest satisfaction was his work in preparing the foundation for a truly united Canada, one based on the equal partnership of its two great linguistic communities.

For all these reasons he will be missed; yet there is another reason of equal dimension. It is Mike Pearson the man – the human being of warmth, of humour of friendliness, the man who had, in the words of the Nobel citation, a "strong faith in the final victory of the good forces of life". For the loss of a man of such faith, Canada is the poorer.

I know that all Canadians join with me in expressing sympathy to Mrs. Pearson and their family.

Canada's mineral economy – the 1973 outlook

The following speech was made to the Toronto branch of the Canadian Institute of Mining and Metallurgy on December 15 by the Minister of Energy, Mines and Resources, Mr. Donald S. Macdonald:

* * * *

Today, I want to:

- (1) Offer an outlook on the mineral industry for 1973;
- (2) talk briefly about the role of minerals in the total economy;
- (3) outline some of our thinking with respect to a national minerals policy for Canada.

Mineral output to rise in 1973

As 1972 progressed, the signs of a strong upturn in the economies of the industrial nations emerged and the demand for minerals and metals became stronger.

The trend to economic recovery of

the past several months in Canada, the United States, and other countries which are prime customers for Canada's mineral and metal exports, appeared to gather further strength as 1972 drew to a close.

This acceleration in economic activity of the world's major industrial nations is expected to continue into 1973. With many deposits being developed for production, generally higher mineral and metal prices, diminishing stockpiles in the hands of producers and consumers, and broadening favourable economic conditions in the industrial nations, the value of Canadian mineral output should grow appreciably in 1973 to above \$6.8 billion from about \$6.2 billion for 1972.

The growth in value of mineral output in 1972 of about 5 per cent to \$6.2 billion is below the long-term growth-rate of nearly 8 per cent experienced since 1950. There will be minor growth in output value of the metallics and industrial minerals sectors, with most of the increase in value being accounted for by the mineral fuels sector.

Recovery: but who will benefit?

While there seems to be general agreement that a recovery is gathering momentum, it is far from clear just who will enjoy the bulk of the benefits. There is a firm movement by consumers of minerals and metals to assure themselves of long-term supply for their economies on the most favourable terms.

On the other hand, there is an even stronger move by mineral-producing nations to seek greater benefits from their mineral resources. One of the ways of attaining greater benefits has been by seeking majority or sole ownership of resources. Another has been the establishment of facilities for processing as far downstream to the consumer product as practicable.

The evolution from the established pattern to the emerging one of increased national sovereignty and control of mineral resources by the producing nation varies from commodity to commodity. Because of the "urgency of need" for a particular commodity by the consumer, greater influence may be brought to bear by the producer.

The benefits that accrue from the further processing of minerals to

metals and then to the fully-manufactured product are easily recognized. But the circumstances of each particular mineral dictate the limitations on further processing. On the whole, the mineral industry of Canada does reasonably well in the processing of its non-ferrous mineral production to the metal stage. Currently, nearly all nickel produced in Canada is smelted domestically and a large part is refined here. Seventy-five per cent of Canada's mine output of copper is smelted and refined domestically, with additional capacity under construction and planned. The figures for lead and zinc are lower, at 55 per cent and 35 per cent respectively, but it is anticipated that a greater proportion of each of these will be processed to metal before export in the not-too-distant future.

Minerals in the total economy

The importance of the Canadian mineral industry to the nation's total economy manifests itself in many ways. Minerals and fabricated mineral products constitute nearly 30 per cent of Canada's export trade and contribute in large measure to the country's favourable balance of trade. Products are exported to more than 70 countries, with the United States taking about 60 per cent, Britain 13 per cent, the EEC countries about 11 per cent, and Japan 9 per cent.

Primary-mineral production value this year, at \$6.2 billion, will be about 6 per cent of Canada's GNP and, if the value of downstream products of the mineral industry such as steel-rolling mill products, oil-refinery products and others were included, the value would more than double.

Direct employment in the mining industry has remained fairly constant at about 130,000 from 1950, when mineral production was valued at only \$1 billion, to 1972, when value of production will exceed \$6 billion. Mining itself is not employment-intensive but for every mine employee there are at least two employees engaged in the service support and ancillary-trade industries, along with another two in the social-support and manufacturing industries. In this connection it is interesting to note that the Economic Council of Canada, in its ninth annual review, observes that in 1970 employment in the service industries had

reached 65 per cent of total employment from 55 per cent in 1955 and expected they would employ 70 per cent of the total employed in 1980.

Several other figures further illustrate the importance of the mineral industry to Canada's well-being. Minerals account for about one-half of all revenue freight traffic and more than 12 per cent of total annual capital investment. They are responsible for the development of frontier regions of the country, with establishment of towns that then become springboards for further exploration and development into remote areas. It is of note that virtually all railroad building since World War II has been directly attributable to mineral-industry developments. Several new and large ports and a number of hydro-electric power developments have been brought into being to serve mineral projects. One of the world's largest systems of pipelines has been built to serve the oil and gas sectors of the minerals industry. Given the realities of our geography and of our geology, minerals will continue to have a major role in opening up the frontier areas of Canada, both in the provinces and in the Northern territories, and will have an even more important role to play in the nation's future economic and social well-being.

Taxation of resource companies

In recent months, some criticism has been levelled at the taxation of corporate income in Canada, particularly that of resource companies. The allegation has been made that corporations do not bear a fair share of the tax burden in comparison with individual taxpayers.

The critics have ignored the fact that the increasing proportion of total income tax revenue from individual taxpayers compared with that from corporations is primarily due to the greatly increased percentage share of our GNP that individuals enjoy compared with corporations. The proportionally greater increase in total individual incomes is due both to the rapid increase in the number of individual taxpayers and to their increased level of income.

Another basic fact which has been overlooked by the critics is the role which industrial activity plays in the creation of employment. The increasing number of taxpayers and

Inventions for the blind

It's been 25 years since James Swail — freshly graduated from McGill University's Faculty of Science — joined the National Research Council of Canada. His aim — to make a personal contribution in the struggle of blind people to achieve an independent way of life.

In the two decades since Jim Swail joined the Instrument Section of NRC's Radio and Electrical Engineering Division, he has produced about 100 instruments and devices for increasing the mobility and job skills of the sightless.

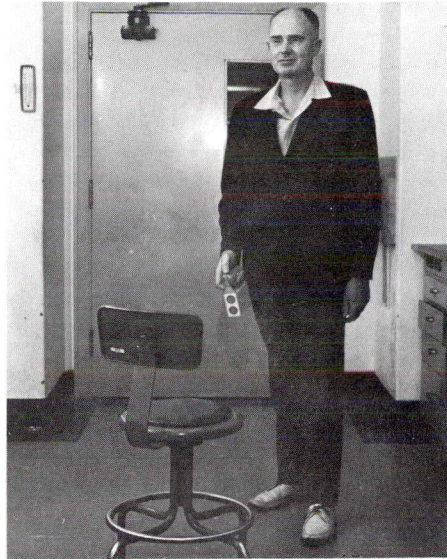
In the process he has gone a long way to demonstrate, by personal example, how to live and work creatively despite such a handicap. For Jim Swail has been blind since the age of four. His university days were difficult. He took his notes in Braille and relied on fellow students to read to him. The tape-recorder and many other electronic devices now in use by the blind were non-existent in the early 1940s.

During his first five years with NRC, Mr. Swail developed special electronic equipment to help him conduct his own research. There followed a steady and continuing stream of mechanical and electronic devices. Some, like the Braille thermometer for a blind man to measure the melting-point of type metal in a print-shop and special meters that enabled a blind radio announcer to be licensed to monitor all the functions of a broadcast station, were designed to help one specific person surmount one specific obstacle. Others have universal application. The most recent is an ultrasonic obstacle detector for the blind.

Obstacle detector

This instrument is Swail's approach to the blind man's problem of how to navigate in restricted areas without the customary long white cane or the seeing-eye dog, today's principal navigational aids. There are certain situations where both the cane and the dog become, in Jim's words, "socially unacceptable".

The device is essentially a simple radar unit using inexpensive transducers similar to those used in the television industry for remote control of television channel-switching. It is



James Swail demonstrates his ultrasonic obstacle detector in office corridor.

packaged in a pocket-sized plastic carrying-case with integral handle.

Its power is derived from built-in rechargeable batteries. The device generates 40 kHz or 70 kHz transmitted as two-millisecond pulses in a narrow beam at a pulse-repetition rate of 10 a second. The receiver unit is turned on immediately after the determination of the pulse. A range switch mounted on the handle selects the length of time the receiver remains on after each pulse.

The ranges have been set at four, seven and 15 feet and the receiver

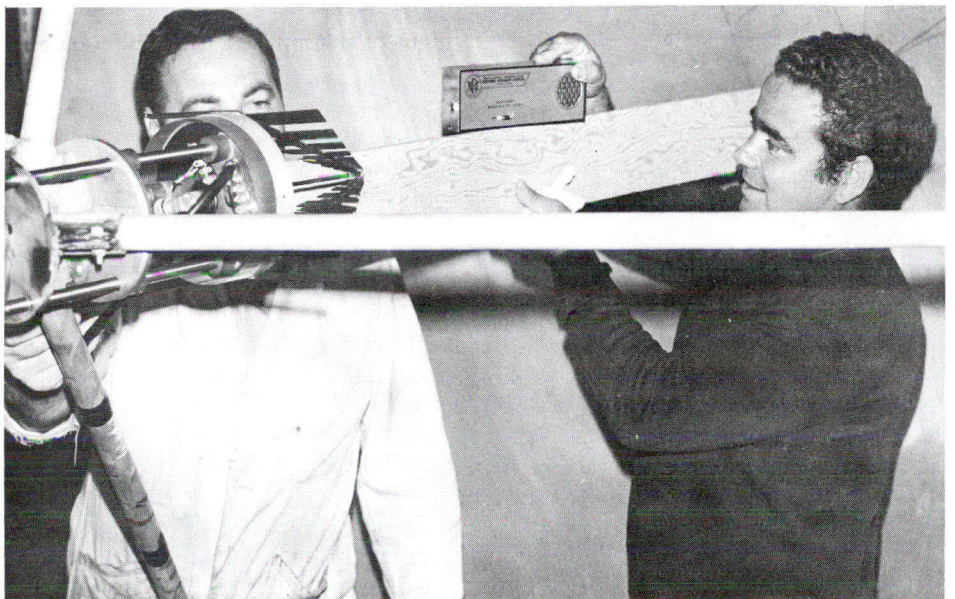
unit will respond to targets within the selected range. If a reflected pulse is received within the above chosen ranges, a monostable circuit is fired. This in turn drives a solenoid-operated tactile stimulator, a rod which vibrates through a hole in the unit's handle and against the forefinger of the operator. The distance to a target can be estimated by altering the range control until the indication ceases. Target direction is determined by scanning.

The device has its limitations. The beam width (8 degrees) and the pulse rate of 10 per second means that scanning cannot proceed as swiftly as would be desired. Too fast a scan and the object is missed. Certain objects such as corners around doors give disproportionately high ultrasonic reflection, confusing the operator as to target locations. Consequently, Mr. Swail expects operators will have to undergo a short period of training if a high degree of effectiveness is desired.

Other inventions

Other Swail-engineered instruments include:

A photoelectric sensor for detecting light sources. One pencil-sized version allows blind personnel to operate telephone switchboards. When a line comes into use a light goes on and the operator can locate the line by scanning with the sensor. Another use includes detecting the presence of print on a page.



An auditory machinist's level developed by James Swail, which emits

a high-pitched tone unless the instrument is level.

A manually-operated reader for IBM punched cards assists blind persons working as computer operators and in related fields. A carriage is moved across the card and pins are raised when a hole is encountered. Brailled markings indicate the location of the hole.

Various electronic thermometers equipped with tactile and auditory readouts are used by blind technicians working in commercial photographic darkrooms.

The Swail Dot Inverter for production of Braille drawings by hand. In producing a Braille drawing, a pointed instrument is used to produce characters by punching holes through paper, the raised dots forming the characters come out on the underside of the paper meaning that Braille must be produced in reverse. The Swail inverter raises the dots on the upper side, eliminating the reversal process.

An auditory beacon which emits a beep every ten seconds, enabling a blind person to place it next to an object he wishes to leave and then later locate.

A four-section collapsible white cane for the blind. Rigid in use, four feet in length, it can be carried in a blind person's pocket.

Scientific mission to France

A federal scientific mission visited France from December 11 to 20. The three-man body examined:

- (1) *Health care*, including regional aspects of administration, medicare, health-care costs and community clinics.
- (2) *Organizations*, terms of reference and the operation of "Haut Comité médical de la Santé".
- (3) *Adverse effects of drugs*, including drug-abuse problems and procedures for the reporting of adverse effects in medical products.
- (4) *Health effects* of pollution in air, water and soil.
- (5) *Perinatal problems* (such as occur shortly before and after birth).

The members of the mission were: H.L. Laframboise, Director General, Long-Range Planning Branch, Department of National Health and Welfare; Dr. Michel J. Bérard, Chief of Obstetrics and Gynaecology, Notre Dame Hospital, Montreal, and Director of Obstetrics and Gynaecology, Univer-

sity of Montreal; Dr. Yves Morin, Head of the Department of Medicine and Associate Dean, Laval University, Quebec.

The despatch of this group, which visited Paris and Lyons among other centres, came as the result of recommendations of the joint Franco-Canadian cultural commission. Its objectives were to encourage co-operation between institutions, universities, laboratories and other organizations in the two countries.

New hotels for Canada

The huge Four Seasons Sheraton in downtown Toronto had its official opening recently. Near the airport, the Bristol Place Hotel is being finished; this handsome 225-room convention hotel will be opened early in 1973. Western International Hotels has started a 600-room building on University Avenue.

In London, Ontario, National Traveller Hotels, a new chain, opened its first hotel recently.

In Quebec City, the Quebec Hilton, with 577 rooms, will open next summer. With its convention centre and meeting-rooms, it will be an important part of Place Quebec, the big new business and commercial centre. Construction has started on a Quality Inn in Quebec.

In the Montreal area, Holiday Inn-Longueuil was opened last autumn. The 17-storey building has 214 bedrooms. Work is also proceeding on a 22-floor Holiday Inn at Place Dupuis in downtown Montreal.

In Halifax, CP Hotel's Chateau Halifax (271 rooms), is scheduled for opening in the spring and a 112-room addition to the Lord Nelson Hotel has been started.

Out West, CP Hotels has opened the 100-room Red Oak Inn at Brandon, Manitoba. Quality Inns International will build a hotel in Edmonton and Delta Hotels plans a 144-room hotel near the Calgary airport. A 100-room hotel will open near the Vancouver airport next spring.

Therapeutic abortions in Canada

Hospitals reported 18,801 therapeutic abortions performed on Canadian residents in the first half of

1972. This increase from the 14,168 reported a year earlier raised the rate in 100 live births by 33 per cent — to 10.1 from 7.6. The rate increased 71 per cent to 1.2 in Newfoundland; 79 per cent to 2.5 in Prince Edward Island; 45 per cent to 5.5 in Nova Scotia; 56 per cent to 1.4 in New Brunswick; 61 per cent to 2.9 in Quebec; 36 per cent to 14.8 in Ontario; 70 per cent to 6.3 in Manitoba; 61 per cent to 6.1 in Saskatchewan; 21 per cent to 11.5 in Alberta; 16 per cent to 22.4 in British Columbia; and 309 per cent to 9.0 in the Yukon.

Helicopter destroyer commissioned

The helicopter destroyer HMCS *Huron* (DDH 281) was christened and commissioned on December 16 at Sorel, Quebec. Mrs. M. Elizabeth Collins, wife of Vice-Admiral D.A. Collins, Deputy Chief of Defence Staff (Support), was the sponsor.

Huron, third of her class to be commissioned, was designed and built in Canada. She has recently completed three weeks of exacting sea trials conducted by the builders on the lower St. Lawrence River, during which her performance was reported to have exceeded design specifications. She was put through rigid tests of her speed and fuel consumption, manoeuvring capabilities, main-engine performance, command and control.

The four ships of this class will serve in Maritime Command of the Canadian Armed Forces and will be based at Halifax, Nova Scotia.

HMCS *Iroquois* (DDH 280) and *Huron* were built by Marine Industries, Sorel. *Athabaskan* (DDH 282), which was commissioned in September 1972, and *Algonquin* (DDH 283), still under construction, are products of Davie Shipbuilding Limited, Lauzon, Quebec.

Federal employment

Employment in the Federal Government reached 422,700 on June 30, 1972. This was 17,700 more than on March 31, the increase being primarily casual help on seasonal employment. The total payroll increased by \$99.1 million, to \$911.3 million, reflecting the increase in employees and also a third pay-period in June.

Ambassador named to EEC

The Secretary of State for External Affairs has announced that, in recognition of the growing political and economic importance to Canada of the European Common Market, the Government will appoint a full-time ambassador to the European Communities. At present, Mr. James Langley, the Canadian Ambassador to Belgium and Luxembourg, is also accredited as Ambassador to the European Communities, as has been the practice for several years. The Government has now decided to appoint Mr. Langley exclusively as Canadian Ambassador to the Communities and will accordingly accredit a separate Canadian Ambassador to Belgium and Luxembourg some time in the new year. These appointments also reflect the importance of Canada's relations with Belgium and Luxembourg, both bilaterally and in the European context.

Grant to provincial judges society

A \$10,000 grant to the Canadian Association of Provincial Court Judges was announced recently by Mr. Otto Lang, Minister of Justice and Attorney General of Canada. It will help finance the first meeting of the CAPCT to discuss problems in the administration of criminal law.

Provincial judges recently decided to form a Canadian association, one of its principal functions being to provide a forum for continued self-education. "It is highly desirable for provincial court judges to meet for discussions as they try more than 95 per cent of Canada's criminal cases," Mr. Lang declared. Such meetings should lead to greater uniformity in practice, procedure and sentencing in criminal cases, he said.

The Association was discussed recently by the provincial deputy attorneys general at a meeting of the commissioners on Uniformity of Legislation; they agreed that it would be appropriate for the Federal Government to contribute financially to the first seminar, even though the provinces had jurisdiction over these courts. The Federal Government has made no commitment for further support of the Association.

PEI celebrates centennial

Governor-General Roland Michener launched the celebration of Prince Edward Island's entry into Canada's Confederation by participating in the official opening ceremony in Charlottetown on the evening of December 31. That night there was a concert by PEI artists in Confederation Centre, followed by a ball.

The Governor-General's levée was held on the morning of January 1 in Charlottetown. After a state luncheon and a reception by provincial premiers in the afternoon, he left for Summerside.

Provincial winter games were held in Charlottetown and Summerside on January 5 and 6. The Atlantic Provinces figure-skating championships were also held in January.

The Canadian Government released a commemorative stamp and a silver dollar in January, as well as a commemorative coin and postcard.

Centennial plaques will be presented this month to churches 100 years old or more.

A highlight of the celebrations will be the visit of Queen Elizabeth and Prince Philip to Prince Edward Island from June 29 to July 4.

There will be special events throughout the province on July 1, the national anniversary of Confederation.

Electronic locators a must for Canadian planes

The carrying of electronic locator transmitters (ELTs), a primary means of finding crashed aircraft, will be made obligatory for most Canadian registered aircraft, Transport Minister Jean Marchand announced recently.

The Air Navigation Order making ELTs mandatory will become effective following an appropriate period to permit consultation with interested public groups such as aircraft and flying club associations, and for the Canadian manufacture, distribution and installation of approved ELTs.

Exclusions under the regulations will probably include commercial jets over 44,000 pounds gross weight, as well as aircraft operating within 25 miles of their aerodrome of departure, and aircraft *en route* to a place where an ELT is to be installed or repaired.

This regulation is the result of an intensive review of the broad field of marine and air search and rescue. An interdepartmental task force formed in 1970 to investigate and advise on appropriate regulations has been instrumental in developing the proposed Air Navigation Order.



The Canada Mink Breeders' Award was won in 1972 for the first time by a Canadian entry at the International Fur Fair in Frankfurt, Germany. The winning garment (above), styled by Sunrise Company Ltd. of Toronto, was chosen from 650 coats entered by 300 firms from all over the world. It is a full-length Natural Dark Ranch Canada Majestic Mink with fitted front and long sleeves.

Cash for unharvested grain

Cash advances on unharvested grain would be made available immediately, the Honourable Otto Lang, Minister responsible for the Canadian Wheat Board, announced recently. "The Government had taken steps to bring the appropriate provisions of the Prairie Grain Advance Payments Act into effect when it became evident a considerable number of farmers in Western Canada, particularly in parts of Northern and Western Alberta, were unable to complete their harvesting operations," Mr. Lang said.

Cash advances are normally ob-

tainable on threshed farm-stored grain, but the legislation contains provisions to cover circumstances when, owing to weather conditions, grain is not harvested. "The Canadian Wheat Board is making the necessary forms available to elevator operators as soon as possible. Affected producers should be able to obtain advances in the next few days," the Minister said.

Continued from Page 2

their higher levels of income are a direct result of corporate initiative in this country in seeking new lines of endeavour and expanding existing ones. The ability of corporations to expand their operations, with the concomitant increase in job opportunities, is dependent upon a favourable financial position together with a reasonable rate of return for their efforts. The attainment of a financial position which permits expansion of operations in world markets is affected by the competition which each company experiences from within Canada and from foreign-based suppliers.

The Federal Government has recognized the need to make the mineral-resource industry in Canada internationally competitive through income tax incentives. The end result of the incentives has been the expansion of our country's wealth, an expansion of which individual employees have secured an increasing share.

I consider it fundamental that the public understand that mining operators find themselves in a particularly difficult competitive position. Not only are there high risks involved in expenditures on exploration and discovery of mineral deposits but mineral producers must compete with foreign suppliers in an international marketplace where prices are set in the face of international competition.

During the long debate on tax reform, careful consideration was given

to the income tax incentives available to the mining industry. I believe that the compromise which was reached and incorporated in the revised Income Tax Act effective January 1, 1972, is one which is fair and reasonable. The former incentives were reduced and the mining industry will be required to bear its share of the tax burden. But we believe that was done while providing the necessary encouragement for investment in the industry and the maintenance of a competitive position in international mineral markets.

Need for a nation minerals policy

In recent years there has been increasing public awareness of the importance and contribution, present and future, of minerals to the long-term development of the nation. Public discussion and, at times, heated debate on minerals policy have intensified. Concern has also increased on how minerals are managed and on the role of governments in the resource management process. For the most part, the debate centres around a single problem: are the collective actions of the public and private sectors conducive to attaining the optimum benefits for Canadians from current and foreseeable uses of minerals?

My Department - Energy, Mines and Resources - being the focus for mineral policy formulation and management in the Federal Government, shares this concern. Its involvement in policy issues on taxation, Northern development, foreign ownership and control, rural adjustment, regional disparities, science policy, environmental control, foreign trade and aid, international relations, and federal-provincial relations accentuate the need for a comprehensive minerals policy. This need becomes more explicit as mineral-producing nations throughout the world rapidly formulate and introduce their mineral-resource legislation with the view of obtaining the optimum long-term benefit to their nationals.

Traditionally we have been inclined to think of Canada's abundant mineral resources as inexhaustible or limitless. But this way of thinking has been subject increasingly to challenge. The world is consuming its mineral resources at an ever-increasing tempo and shortages of many of them are

already foreseen. Minerals are non-renewable resources and the time has come to see that Canada's remaining reserves and resources are husbanded, administered and managed wisely for the greatest benefit of all Canadians. The country is still rich in both known and potential mineral resources. For our maximum benefit over the long term, the careful formulation of enlightened mineral-resource management policies is an urgent need.

The development and use of our mineral resources will be influenced in the coming decade by a host of factors outside Canadian control. Such factors include:

- (a) the growth, dominance and behaviour of multinational corporations;
- (b) the formation of trading blocs;
- (c) the development of resource strategies in supplier and consumer countries;
- (d) world demand and competitiveness in the market areas;
- (e) trade barriers, including tariffs and quotas;
- (f) export incentives through tax rebates and production incentives through a number of methods for processing of resource materials;
- (g) and price movements in controlled markets.

Each factor will have important implications for Canadian mineral development for marketing, for the further processing of minerals before export, and for the retention or regaining of national autonomy and managerial control of our mineral resources. No region, mining community or industry in this country will be immune or unaffected by the impact of these factors. Consequently, every effort should be made to accommodate them within the context of evolving integrated mineral-resource management policies....

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