



Bulletin

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LEGISLATION PROTECTS PRIVACY

The Minister of Justice, Mr. John N. Turner, introduced in the House of Commons late last month a bill to establish the Protection of Privacy Act.

This bill would create a new part of the Criminal Code, entitled Invasion of Privacy. Mr. Turner expressed the hope that its scope would be extended eventually to cover such matters as the information stored by computers and data banks, and other forms of surveillance.

The new legislation would make it an offence, for the first time, to intercept wilfully a private communication by means of electromagnetic, acoustic, mechanical, or other devices. A private communication is defined as any oral communication or any telecommunication made under circumstances in which it is reasonable for the originator to expect that it will not be intercepted by anyone other than the person for whom it is intended. "Intercept" is defined, for the purpose of the Act, as to listen to, to record, or to acquire a communication, or its substance, meaning or purport.

It would also be an offence to possess, sell or purchase any electromagnetic, acoustic, mechanical

or other device, or any of its components, knowing that the design rendered it useful primarily for the interception of private communications.

A third new offence would involve the disclosure of any information obtained by a person by means of an unlawful interception, or the disclosure, without proper authority, of information obtained lawfully.

EXCEPTIONS

The two basic exceptions to the general prohibition against interception of private communications would be:

- (1) where the interception or seizure is directed towards prevention or detection of espionage, sabotage, or any other subversive activity directed against Canada, or detrimental to the security of Canada, and where such interception or seizure is necessary in the public interest; or
- (2) where an authorization has been obtained from a judge of a superior court of criminal jurisdiction in aid of a criminal investigation.

Provision is also made in the bill for certain other exceptions. Interceptions would be excused where a person intercepts with the consent of only one of the parties to a communication, or where the interception is necessarily incidental to the ordinary duties of an employee of a telephone company.

Before a judge grants an authorization to intercept a private communication, he must be satisfied that:

- (a) other investigative procedures have been tried and have failed;
- (b) other investigative procedures are unlikely to succeed; or
- (c) the urgency of the matter is such that it would be impractical to carry out the investigation of the offence using only other investigative procedures.

Authorization can only be granted in respect of indictable offences, and it will not be valid for more

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than 30 days. There is provision for renewal if the judge is satisfied by further evidence that it is necessary.

EMERGENCY PROCEDURES

Provision is made for an emergency permit to intercept for a period of not more than 36 hours if the attorney general of any province or the Solicitor General of Canada, or a peace officer or public officer designated in writing by him, is satisfied that conspiratorial activities are being, or will be, carried on involving persons suspected of being engaged in organized crime; and that the situation requires that the interception commence before an authorization could, with reasonable diligence, be obtained. However, under such emergency procedure, an application for an authorization would have to be made as quickly as possible.

USE OF EVIDENCE

A private communication unlawfully intercepted would be inadmissible, but any evidence obtained directly or indirectly as a result of that interception might be used. Before an intercepted private communication could be used in a trial, notice of the intention to use it, with a transcript of its contents, would have to be given to the accused person.

A disclosure of the existence of a private communication or its contents would be prohibited except:

- (a) where the disclosure was made in the course of giving evidence under oath;
- (b) in connection with duties related to a criminal investigation;
- (c) in the course of normal operation of a telecommunication system;
- (d) or where a disclosure to a peace officer was intended to be in the interest of the administration of justice.

The bill would also amend the Crown Liability Act to provide that where an employee of the Federal Government commits an offence under the provisions of the Act, the Federal Government would be liable for all loss or damage caused by his actions. Provision is also made for the recovery of punitive damages in the amount of \$5,000. It is hoped that provincial legislatures will also create a similar right of recovery in damages for illegal surveillance.

The Solicitor General would be required to prepare and lay before Parliament each year a detailed report relating to authorizations for which applications and interceptions have been made thereunder. The attorney general of each province would be required to prepare and publish a similar report.

Mr. Turner said that the bill would be available for public discussion during the summer and would probably be referred after second reading to the Standing Committee on Justice and Legal Affairs in the autumn; the bill is based on a report of studies made by the Committee.

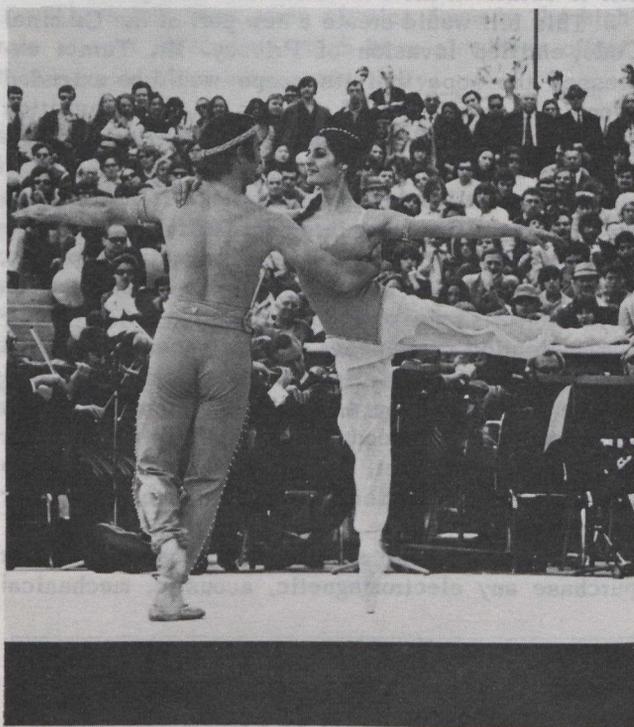
WHEAT SALE TO PERU

The sale to Peru of 225,000 metric tons (8.3 million bushels) of wheat, valued at about \$22 million, by the Canadian Wheat Board, with provision for the purchase of a further 80,000 metric tons (3.0 million bushels), was announced recently by Mr. Otto Lang, Minister responsible for the Canadian Wheat Board. Delivery will start immediately and continue through December 31, 1972. Grades will be Numbers 3 and 4 Northern, or their new grade equivalents, and shipment will be through west coast ports.

This is the third major wheat sale to Peru in the past two years. On July 4, 1969 the sale of 7.5 million bushels was announced, followed on May 7, 1970 by the sale of a further 7.4 million bushels.

Mr. Lang pointed out that the sale was made possible through the Government's revised and expanded credit program which provides for credit guarantees for the sale of grain to developing countries.

NATIONAL BALLET AT ONTARIO PLACE



Two of the leading dancers of the National Ballet of Canada, Hazaros Surmeyan and Veronica Tennant, perform the pas de deux from the ballet Le Corsair at The Forum outdoor amphitheatre at Ontario Place, the giant entertainment complex built by the provincial government on man-made islands on Lake Ontario.

The National Ballet, under the direction of Celia Franca, is appearing in a 13-week series of Wednesday evening performances at The Forum, which began on June 16.

TRADE MISSION TO CHINA

The following communiqué on the visit of the Canadian Government economic mission to the People's Republic of China was issued by the Department of Industry, Trade and Commerce on July 6:

Following the establishment of diplomatic relations between China and Canada on October 13, 1970, and for the purpose of promoting Chinese-Canadian relations in all spheres, a Canadian Government economic mission led by the Canadian Minister of Industry, Trade and Commerce, the Honourable Jean-Luc Pepin, paid a visit to the People's Republic of China from June 28 to July 4, 1971, at the invitation of Pai Hsiang-Kuo, Minister of Foreign Trade of the People's Republic of China.

Represented on the mission were the Canadian Departments of Industry, Trade and Commerce, Agriculture, National Revenue, Energy, Mines and Resources and External Affairs. Parliamentary representatives were the Honourable William Craig McNamara, Senator, and Ray Perrault, M.P. Canadian trade and economic associations were also represented. These included the national associations concerned with agriculture, forestry, pulp and paper, mining, manufacturing, chemical industry, commerce, banking, engineering, exporting and importing.

This was the first Canadian Government delegation to visit the People's Republic of China. During the visit, Premier Chou En-Lai and Vice Premier Li Hsien-Nien of the State Council of the People's Republic of China met the mission on separate occasions and had friendly talks with them. The mission held friendly and constructive talks with the Ministers of Foreign Trade, Agriculture and Forestry and Light Industry, and with the Vice-Ministers of Metallurgical Industry, and Fuel and Chemical Industry. Mission members also held detailed consultations with leading members of the People's Bank of China, the China Council for the Promotion of International Trade and National Import

and Export Corporations.

Although Canada and the People's Republic of China are separated by a vast ocean, there exists a traditional friendship between the two peoples. The two countries have enjoyed important and friendly relations in the field of trade for many years.

The two sides agreed that with the establishment of diplomatic relations, trade, economic and other relationships would be expanded. Both countries shared the desire to build the above-mentioned relationships on the foundation already established, recognizing that the further strengthening of trade and economic relations is an essential part of the development of Sino-Canadian relations as a whole. The two sides noted with satisfaction the many years of mutually beneficial trade in wheat between Canada and China. In accordance with Canada's wishes, China would continue to consider Canada first as a source of wheat as import needs arose.

Minister Pepin invited Minister Pai Hsiang-Kuo to visit Canada with a Government trade delegation of the People's Republic of China. Minister Pai Hsiang-Kuo accepted the invitation with pleasure. The two sides look forward to more frequent exchanges of missions in specific fields such as metals and minerals, agricultural products, chemicals, machinery and equipment and power production.

In order to expand two-way trade, the two sides agreed that trade exhibitions would be held in each other's country in the near future. The two sides agreed that there should be periodic consultations between the two countries on the development of trade and economic relations.

The friendly visit of the Canadian Government economic mission to China made positive contributions to the promotion of friendship between the peoples of China and Canada and the development of trade relations between the two countries.

A DECADE OF ADVENTURE AND EXCITEMENT

The following message was issued by Prime Minister Trudeau on July 1:

Today is the one-hundred-and-fourth occasion on which Canadians have paused to reflect on their past, assess their present and conjecture about their future. Conditions have varied considerably during the many years since Confederation, and the mood of Canada has varied with them. There have been periods of peace and of war, others of economic depression and of expansive prosperity, still others both of doubt and of confidence.

Seldom, however, in that century and a fraction have events been so subject to sudden alteration, and conditions in the world so uncertain, as they are

today. Mankind is passing through an era of major change, perhaps the most intensive in recorded history; an era more significant than that of the industrial revolution, one of more daring accomplishment than the Renaissance. Those of us alive in the 1970s are both observers and participants in a decade of adventure and excitement. It is not the easiest period in history; it is not for the complacent or the self-satisfied. It is marked by instability and confusion. But these are the marks of every great age, and who would prefer to live at any other time?

Canadians are well equipped by nature and experience to contribute to such an age, and to profit from it. Our history has not permitted us to relax in contentment, our climate has been a constant challenge, our population has never been monolithic

in origin, and seldom have we taken ourselves too seriously. We are identifiable because of our moderation and our affability, our tolerance of others and our acceptance of change. We believe that our social institutions are of our choosing and for our benefit; we prefer, in this country, to lead lives in which courtesy and good humour and common sense are still regarded as desirable attributes.

Canadians have much for which to be grateful and much about which to be excited. It is well, on this July 1, to look at the world about us and at Canada's good fortune.

INFORMATION TEAMS TO ARCTIC

Mr. Jean Chrétien, Minister of Indian Affairs and Northern Development, recently announced that an information team would visit Eastern Arctic communities during July as part of a long-range project to improve communications with northern residents.

The present plans call for other information groups to visit the Baffin area before the end of summer and the Central and Western Arctic later in the year.

Mr. Chrétien stated that the purpose of the visits was to set up a mechanism for establishing a more effective exchange of information.

The first team began a two-week tour of the Keewatin area on July 5. It is headed by Frank McCall, Regional Director of Northern Resources for the Department in Yellowknife, and includes a representative of the Northwest Territories government, a geologist, a water, lands and forest development and conservation specialist, and an Eskimo interpreter. Communities to be visited include Eskimo Point, Rankin Inlet, Chesterfield Inlet, Coral Harbour, Repulse Bay, Baker Lake and possibly Whale Cove, if airstrip landing and take-off conditions permit.

REASON FOR THE PROGRAM

The need for improved communications has been made necessary by the increasing pace of oil, gas and mineral exploration in the North, often carried out without residents of the exploration areas being informed in advance, or being told about measures the exploration people are required by government to take to ensure that there is minimum disruption of the environment.

"I am concerned that we should have a deeper understanding of the needs of northern residents and gain a closer insight into their fears that exploration will interfere unduly with their way of life, including hunting, trapping and fishing activities," says Mr. Chrétien. "I am equally concerned that northern residents should be fully informed about what oil, gas and mineral exploration involves and the steps my Department is taking to ensure that development of northern resources proceeds in a controlled and orderly fashion."

"In the absence of a free, two-way flow of information," the Minister added, "this kind of mutual understanding is impossible to achieve. This is why we are sending information teams into the northern communities. Members of the teams will talk to the people in the various places visited about resource-development activities in the North, but what is perhaps even more important, they will also listen carefully to what the northern residents themselves have to say."

STAMP HONOURS TRANSPORTATION

Canada's new 7-cent postage stamp, based on a "Communications and Transportation" design originally used on November 1, 1968, will extend a series that dates back to February 1967.

This stamp, which was issued on June 30, in a format similar to other values illustrating the five major economic regions of Canada, pays tribute to the importance of transportation and communications in linking the extremities of this vast country. The microwave tower, part of a coast-to-coast system supplementing land-line and cable connections, stands for communications. Transportation is illustrated by a variety of land, air and water vehicles.



TRANSPORTATION FACTS

Extraordinary transportation statistics become commonplace in a land approximately 5,000 by 3,000 miles. Canada's vital transport needs in the commercial development of nearly 22 million population are served by an estimated 60,000 miles of railway tracks, more mileage *per capita* than any other country in the world. Over 500,000 miles of highways and streets, mostly surfaced, are available for some 8.5 million registered motor-vehicles. "Main Street, Canada", a dream for decades, became a reality in 1962 with the completion of the Trans-Canada Highway. This \$1-billion project, co-ordinated by an act of Parliament passed in 1949, stretches more than 4,800 miles from St. John's, Newfoundland, to Victoria, British Columbia.

RAILWAY FIRST

Herculean engineering feats in the construction of the Trans-Canada Highway recall epic achievements

in the 1880s, when the nation's Pacific Coast province, British Columbia, was first linked with the eastern provinces by a transcontinental rail line. Only 65 miles of railway track were in existence in all British North American colonies in the year 1850; by 1860 the ribbons of steel exceeded 2,000 miles in length.

AIR TRAVEL

Since Alexander Graham Bell's *Silver Dart* achieved Canada's first flight in 1909, conquest of the air has made vast contributions to the nation's economy and to communications with remote areas. Today powerful jets speed passengers and goods from ocean to ocean in a few hours; by contrast, in 1920, the first

coast-to-coast flight, organized by the Canadian Air Board, required a flying time of 45 hours from October 7 to October 17.

WATER TRAVEL

Waterways had been the first highways and the development of these natural routes was simultaneous with the spread of commerce. Nature's barriers in the form of waterfalls and rapids, have been overcome by great engineering works, the most notable being the St. Lawrence Seaway. Completed in 1959 at a total cost of \$470 million, Canada's share of which was \$330 million, the Seaway transformed inland lake cities into seaports and enables all but the largest seagoing vessels to steam 2,000 miles inland.

"ALL-UP" INTERNATIONAL MAIL

Mr. Jean-Pierre Côté, Postmaster General, recently announced the inauguration of a new service for international letter-mail. His statement to the House of Commons on June 23 follows:

...Extensive testing of surface letter-mail has indicated that it has been taking from 20 to 40 days to reach destinations in Europe, and still longer to the Orient. This interval time is unsatisfactory. Commencing July 1, 1971, Canada will become the first nation in the world to adopt the Universal "All-Up" Service for international mail. This service provides that all letters up to eight ounces in weight, addressed to any foreign country (except the United States) will now be carried exclusively by air.

This service now takes from three to five days.

Prior to deciding that the Post Office should implement this improved service, we had to make a difficult decision that concerned the cost to the customer of such a service. It was imperative that any new rate structure be simple and be applied on a uniform basis on all letter-class mail sent from Canada.

This meant that existing preferential surface letter-mail rates to certain countries would be abolished. Canadians mailing letters internationally would be charged the same rates for the new All-Up Service, irrespective of destination.

NEW RATES

Under the new structure, the Universal All-Up rates

are as follows: (a) up to one ounce - 15 cents; (b) over one ounce to two ounces - 30 cents; (c) over two ounces to four ounces - 40 cents; (d) over four ounces to eight ounces - 90 cents. The previous airmail rates were 15 cents each half ounce to Europe and South America, and 25 cents a half ounce to Asia. Thus, a letter airmailed to Europe weighing three ounces previously cost 90 cents. Under the new service, it will cost 40 cents - a reduction of over 50 per cent.

On international letters being carried by the new Universal All-Up Service, the customer must still affix a blue airmail sticker as before, even though all letters up to eight ounces are carried by air. This will ensure that these letters will be carried by air right through to destination.

Canadian airlines, along with the airlines of other nations, have helped to make this new All-Up Service possible by participating in the planning and costing of the program. In addition, the Universal Postal Union has endorsed the forward step the Canada Post Office has taken.

A new category of international mail, called "small packets", will also be introduced on July 1, 1971. This category will provide a more economical service for items weighing up to one pound. Packets containing small goods, gramophone records, recorded tapes, automatic data processing cards and similar material will be carried at a lower rate than parcel post....

POWER PROJECT IN MALAYSIA

Canadian experts will help Malaysia develop the power potential of the Perak and Temengor rivers under a \$3.5-million loan agreement announced recently by Mr. Mitchell Sharp, Secretary of State for External Affairs.

Design, engineering and supervision of con-

struction work will be financed by a 30-year loan that bears three percent interest with seven years' grace on repayments. Canada will also consider providing up to \$46.5 million for financing further Canadian goods and services required for the project as indicated by Prime Minister Trudeau in Malaysia during last year's tour of the Pacific countries.

The Temengor project in Western Malaysia,

which was planned to help meet the need for electric power up to 1985, will also yield irrigation and benefits for the control of floods. The total estimated cost of the project is \$70 million. Canadian consultants studied the feasibility of various alternatives in the mid-1960s and recommended the present idea of a 260-megawatt mixed thermal and hydroelectric power development.

Malaysia, a member of the Commonwealth with more than 10 million people, has been a major recipient of Canadian assistance under the Colombo Plan; Perak is one of its most populous states. Electricity is needed to support the rapidly-growing economy, which is based on tin, agriculture and timber resources and the world's largest production of rubber.

Assistance from Canada has been concentrated on natural-resource surveys and education. Present projects include forestry studies in Sabah, a sawmill training-school in Sarawak and a technical teachers' training college in Kuala Lumpur, the capital.

Consultant services will be provided by the Shawinigan Engineering Company Limited of Montreal under a contract to Malaysia's National Electricity Board.

MINING PRODUCTIVITY

The Economic Council of Canada recently released a report by John Dawson entitled *Productivity Change in Canadian Mining Industries*.

This study of Canadian mining was undertaken to provide background information and analysis for the seventh annual review, *Patterns of Growth*, which attempted to clarify the basic elements of growth in major groups of industries over the past two decades. The seventh review pointed out that output of the mineral industries increased over the two postwar decades at an annual average rate of 8.5 per cent, compared to slightly over 4.5 per cent for the whole economy. It cautioned, however, that widespread attention focused on the rapid growth of "labour productivity" in mining could be misleading because these industries have for some time been very "capital-intensive" and have become much more so during the postwar period. Under those circumstances, it was important to relate output increases more adequately to the increases in all resources used.

This study examines the growth of "factor productivity" – that is, the increases in output other than those accounted for by the changes in labour and capital inputs – in the mining sector as a whole and for individual subgroups of mining industries.

Dr. Dawson points out that the capital per employed person in 1967 dollars increased from less than \$25,000 in the early postwar years to more than

\$100,000 in recent years, with a particularly large rise in the 1960s. As a result, the rate of growth of factor productivity, which had averaged more than 4 per cent a year over the period 1947-57, dropped to a negligible rate of increase over the period 1957-68. The study goes on to examine factor productivity increases for major groups of mining industries over the period 1957-68, and finds that the rates of increase were small for most of them. For the largest group – metal mining – there was no increase, although one of the industries in this group – iron mining – showed a substantial increase. In the mineral fuels group, the rate of increase in factor productivity for the large crude petroleum and natural gas industry was also relatively low in 1957-68.

REASONS FOR LAGGING RATES

A number of reasons for the recent slow rates of productivity increase are suggested. There are long lags between the build-up of investment, including that entailed in exploration, and the subsequent increases in production. In essence, the process that is examined is a dynamic one in which there is a creation of capacity to meet future, rather than merely current, demands. This is a significant aspect in industries such as potash and crude petroleum and natural gas. In addition, developments tending to increase factor productivity may be offset to a considerable extent by the greater amounts of capital employed in exploration and development of lower quality, deeper, or more remote mineral or oil and gas deposits.

CONCLUSIONS

The author concludes that the long-run employment effects of mining activities are not great, although increasingly skilled manpower is required. While there are considerable employment effects during the construction stages, the general increases in employment in mining are not likely to be very significant. Employment may increase in some mineral industries, but such increases will likely be largely offset by further declines in employment in gold mining and in Nova Scotia coal mining. These two industries still accounted for 20 per cent of total mining employment in 1967.

The way in which the mineral industries develop is of special significance to particular parts of Canada, including the Northwest Territories, the Yukon and remote areas in the provinces, because they represent practically the only basis for commercial activity in these areas. New capital-intensive mining developments in remote areas, though not employing large numbers of workers beyond the exploration and development phases, will continue to add new dimensions to the economies of these areas.