

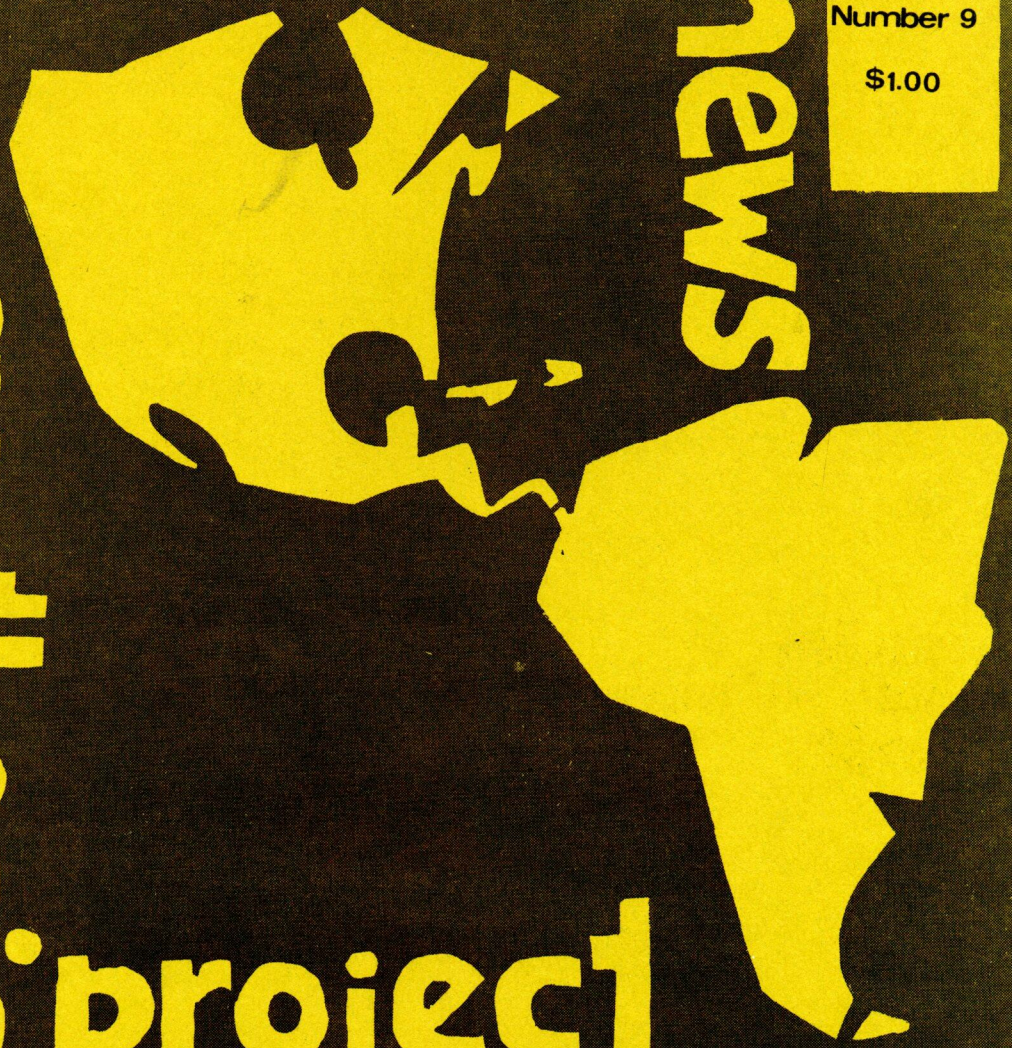
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The **Canadian News Synthesis Project** is a voluntary, non-profit collective, working to synthesize the most important economic, political and cultural forces in Canadian society, using eleven major newspapers from across the country.

Each issue presents current news coverage, and is organized to show the major trends in Canada and Latin America.

clipping service

All clippings are kept on file and are available at a nominal cost to individuals and groups wishing to do research.

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Financial Post	FP
Ottawa Citizen	OC
Montreal Star	MS
Vancouver Sun	VS
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Winnipeg Free Press	WFP
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FOREIGN INVESTMENT:

- * The Foreign Investment Review Agency has handed down another, its eighth, favorable decision for a takeover of a Canadian firm by foreign interests.
- * Mr. Gillespie says that there is no sign that the legislation has acted as a deterrent to foreign investment.

BANKING:

- * David Rockefeller told the Canadian Conference on Banking that foreign banks should be welcomed in Canada to provide the necessary capital for the development of energy supplies.
- * Canadian bankers seem to be open to the entry of foreign banks in Canada if reciprocity is granted to Canadian banks for expansion of their operations in other nations.

TRADE:

- * Canada is experiencing a large \$529 million deficit for the first half of 1974 in trade under the Auto Pact. The fact of U.S. ownership of the industry seems to be favoring U.S. production security and U.S. market needs over Canadian production and the Canadian market.
- * 73% of all exports by U.S. subsidiaries in Canada go to their parent companies; 76% of all imports by U.S. subsidiaries in Canada come from their parent companies.

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RESOURCES:

- * The Canadian Petroleum Association is opposed to the Foreign Investment Act since it could arrest expansion.
- * The Conference Board in Canada says that huge amounts of capital, perhaps \$500 billion, will be needed for energy developments in the next ten years.

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In the economic section we highlight the "food war" - the growing dimensions of the world food crisis and the response of President Ford.

The Native Peoples section contains excerpts from the demands of the Caravan which travelled from B.C. to Ottawa for the opening of Parliament.

In the labor section we concentrate on farm workers and the grain handlers' strike.

In the political section attention was focussed on two Cabinet ministers, Turner and MacEachen and the Premiers' Conference.

In the Latin American newsfile we give special attention to the revelations of CIA activity in Chile prior to the coup. Space did not permit the inclusion of material from the French language press, although analysis and coverage in Le Jour and Le Devoir was extensive.

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FOREIGN INVESTMENT

OVERVIEW:

With the exception of another favorable decision by the Foreign Investment Review Agency and the attempted takeover of Canadian Cannery by Del Monte, the foreign investment issue is again quiet this month. However, the debate continues with speeches by Gillespie, Turner and Mel Hurtig on the subject. Causing some interest in provincial circles are two reports on foreign investment, one by the Ontario Standing Committee on Economic and Cultural Nationalism and the other by some Quebec civil servants. The former is causing some ripples of protest among the Canadian mining community and the latter is being seen by Mr. Bourassa's opponents as a major rift in the Quebec Government's "open door" policy towards foreign investment.

The Foreign Investment Review Agency has handed down another favorable decision, its eighth, for the takeover of a Canadian firm by a foreign owned company. In this case the British firm of Suntract Mfg. Ltd. is buying the Toronto based Mulder Ltd. a custom steel fabrication and welding firm.

(TS 12/9/74 pC13 c7-9)

Canadian Cannery Ltd. of Hamilton is close to becoming totally controlled by Del Monte Corp. of San Francisco, the world largest fruit and vegetable canner.

(HS 21/9/74 p.33 c5-8)

Speaking to the Canadian Conference on Banking, Finance Minister Turner urged bankers to favor small borrowers and Canadian businesses rather than foreign companies. "You should avoid helping to finance takeovers of Canadian companies by foreign interests."

(ICH 17/9/74 p.1 c2-4)

Edmonton publisher and former president of the Committee for an Independent Canada, Mel Hurtig, in a speech to the Canadian Institute of Chartered Accountants predicted that foreign ownership in Canada will increase by a minimum of \$25 billion by 1978. This year alone, according to reports on investment plans issued by the U.S. Department of Commerce, foreign ownership in Canada will grow by a minimum of \$5 billion. Hurtig says that the supposedly valuable two way trade between Canada and the U.S. is mostly conducted between parent firms in the U.S. and their subsidiaries in Canada. Exports, mostly unfinished or raw materials, leave Canada at a relatively low price, and imports come in at unnecessarily high prices on finished products. 73% of all exports by U.S. subsidiaries go to their parent companies, and 76% of the imports are from parent companies. As a result Canada loses billions of dollars, hundreds of thousands of jobs, enormous tax revenues and more and more vital decisions affecting the Canadian economy are made by non-Canadians.

(OC 12/9/74 p6 c2-5) (HS 14/9/74 p11c2-4)

(TS 14/9/74 pF2c1-2 edit)

(VS 14/9/74 p2 c6-7 CP)

Note: Although Hurtig sees foreign investment as a direct contributor to inflation, unemployment, resource depletion, improper development of secondary and service sectors of the economy, etc. he does not advocate nationalization, but rather a broadening of the screening mechanism to include the entry of new firms into Canada and the expansion of existing foreign firms now resident in Canada. Hurtig's suggestion is not far reaching enough for it would do little to stop the sell out of our natural resources by large multinational companies.

Trade and Industry Minister Gillespie says that federal Foreign Investment Review legislation is paying off in three ways:

- a) export possibilities have been expanded
- b) domestic research and development have been encouraged
- c) purchase of component parts in Canada have increased.

There is no sign he said, that the legislation has acted as a deterrent to investment. He dismissed the notion that the present legislation re: investment stymies foreign investment in Canada. Why? Because:

- a) the Canadian dollar is still at a premium compared to the U.S. dollar making investment potential greater.
- b) Canada has 'raw materials' and 'investment opportunities' needed by countries with surpluses of investment capital such as Germany, Japan and the Middle East.

(HCH 18/9/74 p.1 cl-3)

Ottawa plans to widen the scope of its foreign investment screen by Christmas. Under the Foreign Investment Review Act, Ottawa may,

- a) disallow foreign takeovers of Canadian businesses
- b) expansion of existing foreign owned businesses into new fields.
- c) disallow establishment of new businesses in Canada by foreigners.

To date only the sections dealing with foreign takeovers has been officially proclaimed. This represents only a small part of foreign investment in Canada.

(FP 24/9/74 p.1 c7-8)

(TS 28/9/74 p.1 c7-9)

A 5 member all-party committee of the Ontario legislature has urged the gov't to set a target of at least 75% Canadian equity in all new mining ventures over the next 15 years. In addition no more than 10% of the equity would be allowed to be held by any one non-resident or related group. At present, foreign multinationals account for about 70% of the assets, sales and profits in Canadian non-renewable resources. In contrast, foreign control in renewable resources (forestry, agriculture, fishing) is 13% of assets, 7% of sales and 30% of profits.

Economic sanctions would be imposed against foreign corporations that refused to meet Canadian ownership requirements. Firms would be held to a zero rate of growth in gross assets and revenue and their officers and directors would also face fines or jail terms. New mining ventures were defined as proven ore bodies not being exploited when the legislation is passed along with the reopening of established mines not being worked at the effective date. The report also stressed that Canadian resource development has been made at the expense of the more job-intensive manufacturing and processing industries.

(GM 24/9/74 p.B2 cl-3)

A report on foreign investment prepared by a group of senior Quebec civil servants suggests that Bourassa's open door policy toward foreign capital is stifling the emergence of Quebec grown industry and business. The report states that the savings generated by the Quebec economy are sufficient to satisfy the province's investment needs. It states that Canadian subsidiaries of foreign firms raise most of their external capital, or nearly 73% as of 1969, from Canada. "The secondary benefits of a foreign investment are not felt by a local economy but are naturally directed back to the economy from which it originates". As an example, it suggests that "U.S. Steel, which has invested considerable capital here for the purpose of ensuring a stable supply of iron ore for American foundries can hardly be inclined to create a steel industry in Quebec." At present Quebec remains one of the Canadian provinces with the fewest restrictions on the entry of foreign capital. The report which Jacques Parizeau calls "a remarkable document" makes 60 precise recommendations for the use of the Quebec gov't's regulatory powers to ensure that foreign investment serves Quebec's interests and integrates itself properly into the Quebec economy.

(T.S. 19/9/74 pB3 c1-9)

TRADE

MONETARY INSTABILITY

The current high price of gold (it has risen from \$35. to \$180 per ounce but some analysts predict a drop to \$125 this year and eventually \$75-£0) reflects the current instability and lack of confidence in "paper currencies" such as the dollar. Gold has been used as the universal equivalent to facilitate trade. In more recent times the U.S. dollar took on the role of this equivalent until the U.S. balance of payments problems brought about devaluation of the dollar, resulting in the current situation of monetary instability.

(GM 12/9/74 p.B5 c2-9)

GATT REPORT

A recent report by officials of the General Agreement on Tariffs and Trade (GATT) predicts a serious decline in world trade growth and possible degeneration of world trade to measures of national trade restrictions. The GATT experts contend that inflation cannot be fought effectively without accepting higher unemployment levels. Decline in world trade will be felt first in industrialized countries.

(WFP 11/9/74 p.70 c2-5)

COMMONWEALTH MEETING

Finance Ministers of the Commonwealth met in Ottawa one week before the scheduled International Monetary Fund (IMF) was to convene. While general agreement for cooperative action on the oil price situation was announced, the division in the meeting was indicated by Canadian Finance Minister Turner who advocated that such issues are best handled in forums such as the IMF.

(OC 26/9/74 p .47 c2-3)

TRADE SLUMP

With the decline in trade surplus for the first half of 1974 the value of Canadian exports was up over the previous year. However the real volume of traded products declined, especially in the area of export of manufactured goods and auto products.

(FP 7/9/74 p.8c1)

AUTO-PACT

For the first half of 1974 Canada had a \$529 million deficit in trade with the U.S. under the Auto-Pact as exports slumped 8.5% and imports increased 7.4%. A fall in U.S. demand is cited as the reason. PC critic Hees described it as a "very serious and rapidly deteriorating situation" while Trade Minister Gillespie says that "the auto pact's working very well."

(TS 18,9,74 pB10 c1; WFP 26,9,74 pl c4-5)

CNSP NOTE: The auto pact calls for Canadian production to be in the same proportion as the Canadian share in the North American market. Recently demand for larger cars has fallen off due to the oil crisis, a fact that presumably should benefit Canada whose production lines are geared to smaller, more economical models. However, the above information suggests that Canada is on the losing end of the stick, due to foreign ownership of the auto industry, as the U.S. owned companies re-tool the U.S. production to meet the changing market for smaller cars.

COMMODITY TRADE: THE FOOD WAR

While commodity prices have risen an average of 70% in the past eighteen months (with some declines since June), the less developed nations are not benefitting as much as the industrialized nations such as Canada and the U.S. Export earnings have increased to a larger degree for the U.S. than for the less developed nations:

VALUE OF EXPORTS OF FARM PRODUCTS

	June 1971-June 1972	June 1972-June 1973
U.S.	\$8 billion	\$21 billion
Less developed Nations	\$26 billion	\$34 billion

At the same time, the less developed nations have to pay an additional \$3 billion for the importation of food and fertilizers, and are becoming increasingly dependent on the exportation of primary products.

(FP 7,9,74 p20 c2-4)

CNSP NOTE: The strength of U.S. export earnings from farm products is a most important context for President Ford's U.N. address.

WORLD CROP OUTLOOK NOT HOPEFUL

Crop reports from the U.S., Australia, the U.S.S.R. and Canada are all showing declines over last year's production amounts. Drought, disease and frost are given as some of the reasons for the crop failures or lower production figures. World stockpiles are very low and the less developed nations will have to "scramble" to buy the grains they need.

(FP 7,9,74 p3 c3-8)

SPECTRE OF STARVATION

With low supplies of grains available this year, there has been increasing pressure for more fertilizer supplies for the less developed nations. Disparity between rich and poor nations access to fertilizers is evident in the following facts:

The U.S. used 3 million tons of fertilizer for "cosmetic purposes" such as lawns, gardens, golf courses; an amount that is greater than India's total usage for its entire farming area.

While Asia and Africa require 10 million tons of fertilizer to produce 100 million tons of grain, the U.S. requires 24 million tons of fertilizer to produce the same amount of grain.

(WFP 13,9,74 p17 c7-8)

CANADIAN FOOD AID DOWN

According to CIDA President Gerin-Lajoie, although Canada is a net beneficiary of the present world economic situation, Canada supplied only half the tonnage of food aid in 1973-74 as it did in 1970-71. The World Bank predicts that per capita income in less developed countries will not grow between now and 1980, and that industrialized countries will pull back on aid.

(WFP 23,9,74 p39 c3-8)

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AGRIBUSINESS LEADERS DISCUSS FOOD SHORTAGE

160 world leaders in agribusiness met in Toronto under the auspices of the U.N. to discuss the world food shortage. Some of the big names represented were Massey Ferguson, Mitusi, Mitsubishi, Nestle and Imperial Chemical. Holding closed door sessions and promoting little publicity, the conference was more concerned with issues of how to provide stability for investments in developing countries than with the issue of how to feed a starving world. The situation of global shortages of fertilizers was summarized by the chairman, G.S. Bishop of Booker McConnell Ltd:

"The moral issue is how many people have to die in Bangladesh so golf courses in Florida can grow nicely and my roses in England will bloom."
(FP 21,9,74 p6 c 3-5)

FORD ON FOOD

Addressing the U.N. for the first time, President Ford said that while the U.S. has not used food as a political weapon, it was prepared to do so if "economic confrontation" were to replace "economic cooperation". Presumably Ford was aiming his remarks at any measure taken by another country or group of countries which is unacceptable to the U.S.--such as those actions by the oil producing nations.

(WFP 19,8,74 pl c4-5)



More than 400 million people (nearly 20 times the Canadian population) are not getting enough food to meet their minimum needs of nutrition.

The average person in North America now consumes directly or indirectly five times as much cereal grain, a principal source of protein, as the average citizen of Latin America, Africa and Asia.

The affluent minority in the world feeds as much grain to animals as the deprived majority of humans eats directly!

A North American steer, for example, consumes as much as 21 pounds of inexpensive grain to produce one pound of expensive beef.

The average Canadian now consumes annually 10 pounds more beef, seven pounds more pork, and five pounds more poultry than he did five years ago.

The Bishops Labor Day Statement

RESOURCES: OIL

The OPEC nations, with the exception of Saudi Arabia, decided on Sept. 13 to increase by 3½% the royalties and taxes paid by the oil companies. The increase is an attempt to reduce the profits of the companies without an increase in consumer price. The tax will raise the price of crude oil by seven cents per barrel, so OPEC hopes that government and public opinion in the consumer nations will force the companies to absorb the increase. (MS 16,9,74 pl c5-6)

The multinational oil companies operating in Venezuela said that the government's plan to wipe out tax rebates of \$175 million and to increase taxes in line with the OPEC proposal of 3½% would mean increased prices in eastern Canada and the U.S. (HCH 20,9,74 pl c1)

OPEC rejected President Ford's recommendation that oil prices be reduced and reacted to the U.S. tough line stance by saying that the oil producers could no longer be threatened. The Shah of Iran recommended that the price of oil be related to a world index of 20 to 30 important commodities. He said that if these prices were stabilized or lowered then oil could be too. (WFP 26,9,74 pl c1-3)

The Ottawa Citizen stated that there had to be cooperation and that the U.S. and Europe had to reduce their prices for commodities vital to developing nations. The editorial also pointed out that western trade barriers prevented developing nations from competing freely, and it called for cooperation by all nations to end all of the practices that were causing the world crisis. (OC 23,9,74 p6 c1)

ALBERTA EXPORTS TO U.S. DECLINE

Because of the high cost of Canadian oil and the general world oil surplus, the supply of Alberta oil for September and October has exceeded the demand. The decline in U.S. demand is expected to continue throughout the winter. Alberta oil cost \$12.50 a barrel in Chicago. (GM 26,9,74 pB5 c1-4; GM 28,9,74 pB1)

The Canadian Petroleum Association feels that the Foreign Investment Act could arrest development of the industry because it controls activities of foreign interests "in areas that form the logical sequence of expansion or diversification of existing operations." (GM 11,9,74 pB2 c2-4)

"SEVERE" ENERGY CRISIS IN NEXT TEN YEARS: ECONOMIST

A.J.R. Smith of the industry sponsored Conference Board in Canada said that it is necessary for the federal and provincial governments to provide a plan to supply huge amounts of capital, perhaps \$500 billion, so that an energy crisis can be avoided within the next ten years. (TS 17,9,74 pC6 c3-5)

RESOURCES: GAS

Alberta Gas Trunk Line Co, formerly a member of the Canadian Arctic group announced a proposal for a \$3.7 million, 800 mile "all Canadian" pipeline to carry Canadian Arctic Gas to the already existing Trans-Canada pipeline network. B.C.'s Westcoast Transmission is also involved. (ES 18,9,74 pA10)

BANKING

Introduction: The international economic background would seem to paint a somewhat pessimistic context for this month's banking news. Since the floating of many currencies in relation to each other, there has been a rapid increase in the amount of international speculation in money markets. As a result of a number of losses in this speculation, several banks have gone bankrupt in Italy, four West German banks have recently collapsed and a large British financial institution, Lloyds Bank International, has lost \$80 million. These events have sent shocks through the finance community.

In other sectors there are serious problems as well. The stock markets of western nations have been falling as purchases of stock have fallen off. In part, it is claimed, this is due to the high interest rates of banks that inhibit investors from obtaining loans for stock purchases. The capital surpluses that are being garnered by the oil producing nations have some financial experts worried since the flow of such amounts in international circles could drastically upset monetary stability. Oil interests are seeking huge amounts of capital for new energy exploration; David Rockefeller predicts that the world will have to spend \$1 trillion in the next fifteen years! The largest international banking institutions are trying to overcome domestic fears of "bigness is badness" in their own growth to be able to meet these latter needs.

In the midst of all these factors, the major news items in the Canadian press about banking deal with a bankers' conference in which many of these problems were not discussed. The topics actually tackled by the bankers--intrusion of foreign "near-banks" into Canada, the service rendered by the branch banking system to the regionally less developed areas of Canada, and the general public image of the banking community--have some importance in the Canadian reality. But the topic that has been on everyone's mind, namely inflation, was not seriously examined by the conference. Why? Perhaps because one result of the present inflation has been large gains in assets, revenues and earnings for Canadian banks.

ROYAL BANK AND THE BANK OF COMMERCE RIDING HIGH

As of July 31, 1974 Canada's two biggest banks were experiencing large gains in assets and revenues with earnings up by 15%. In the past year the Royal Bank had increased its assets by 24%, from \$17.4 billion to \$21.5 billion. The Canadian Imperial Bank of Commerce increased its assets from \$15.2 billion to \$18.2 billion.

(TS 6,9,74 pC6 c7-9)

The Royal Bank of Canada has opened several new "community branches" to serve the low-income and jobless 20% of the Canadian population who are most in need of banking services. The new branches are aimed at "exploring a new market" out of a sense of "social responsibility" in an attempt to help low-income people understand and better use banking facilities. The new branches stress contact with the local community, informal and less pompous atmosphere and education in the use of

banking facilities. Two branches have been established; one in the Hochelaga district of Montreal and the other in the Riverdale community of Toronto. A third is being planned for Winnipeg.

(TS 3,9,74 pE1 c1-7)

FOREIGN BANKS IN CANADA

Speaking to the 300 participants in the Canadian Conference on Banking sponsored by the Canadian Bankers Association, Gerald K. Bouey, governor of the Bank of Canada, suggested that the powers of the central bank should be extended to cover the fast-growing operations of foreign-owned and "near-banks" in Canada.

(TS 16,9,74 pB11 c7-9)

David Rockefeller, chairman of the Chase Manhattan Bank of New York, urged the Canadian Conference on Banking to consider the benefits of the entry of foreign-owned banks into Canada to supply the necessary capital for the development of resources and energy. Some of his remarks:

"I believe that the national interests of any host country is best enhanced when it includes effective access to international capital through foreign banks operating within its jurisdiction."

"As business becomes more and more multinational, the ability of banks to service their clients must transcend narrow nationalistic concerns."

"...banks of many nations can and should be a significant force in furthering the kind of growth that is desired by all of us--growth that depends on the free flow of capital across national boundaries."

At present more than 90 foreign banking operations operate in more than 150 Canadian banking or near banking organizations.

(GM 18,9,74 pB1 c4-7; FP 21,9,74 p14)

The foreign banking issue is really a dual one, according to discussion at the Canadian Banking Conference. What to do with near-banks now in Canada and operating outside of the regulatory framework of the Bank Act? What if any sanction should be given to foreign banks to enter Canada directly (ie under the Bank Act and operating as 'branch banks'?) On the second point, bankers agree there should be some official entry of foreign banks providing the country of origin provides reciprocity for Canadian banks to operate and expand in those countries.

(FP 21,9,74 p1 c5-6)

A Toronto Star editorial claims that foreign near-banks presently operating in Canada may not act in Canada's interests. Foreign banks are more likely to finance their operations out of the savings of Canadians rather than import huge sums of outside capital for investment here.

(TS 19,9,74 pB4 c1-2)

STATE OF THE ECONOMY

The number of people in Canada continues to rise with the June 1974 estimate of 22,446,000. Growth of population in the different provinces and regions: B.C. has a rate of 3.5%; the prairie provinces 1.4%; Ontario 2%; Quebec 1%, the Atlantic provinces 1%. Saskatchewan experienced a decline in population from 908,000 to 907,000. (TS 4,9,74 pA4 c1-3 CP)

INFLATION: THE GOVERNMENT RESPONSE

Prices in Canada are up by 14.3% over the past year. More recently bread prices have gone up by 3 to 5¢ a loaf, eggs are up 5¢ a dozen and milk prices in Manitoba are going up 11¢ a quart. The Globe and Mail claims that since these are food products all produced in Canada, the government cannot claim that this is due to internationally induced causes. Rather the government must take responsibility for this internal inflation. (GM 21,9,74 p6 c5-6 editorial)

NATIONAL DEBT

The national debt of Canada will reach \$30 billion by the end of the year. But inflation is making the debt lighter to carry since the dollars to pay back the debt are continually valued, in real terms, lower than the dollars loaned. (OC 19,9,74 p9 c3-4 FP)

ROTTEN EGGS!

Over 28 million eggs were allowed to rot, later to be destroyed by the Canadian Egg Marketing Board. (CEMA) The eggs were withheld from the market in order to limit supply available to consumers, thus pushing egg prices up and ensuring a good return for the thousands of egg producers. The problem does not only lie on the shoulders of the producers since they are attempting to meet a market dominated by a few very large buyers. (TS 10,9,74 PC7 c1-2)

CNSP NOTE: The destruction of eggs on the scale of 28 million is a grim indication that Canadians share some of the blame for undernourishment in the world. Whatever the arguments to explain away such destruction, the loss of such high protein food is a national scandal. (see Third World--the Food Conference).

LD 16/9/74 p4c6-8



MARGINALIZATION: NATIVE PEOPLES

Introduction: Over the past months Canadian people have been confronted through the media by the social, economic and cultural oppression of our native Canadian Indians through demonstrations and protests: in northwestern Ontario by the occupation of Anicinabe Park by the Ojibway Warrior Society; in B.C. at Cache Creek where natives of the Bonaparte Reserve made an armed blockade of Highway 12 which cuts through their reserve. The question remains: is the non-Indian Canadian hearing the message?

To demonstrate more forcefully, a Native People's Caravan was formed led by Ken Basil, chief of the Bonaparte Reserve, Louis Cameron of the Anicinabe occupation, and Ed Burnstic of Edmonton, coordinator of the American Indian Movement (AIM) in Canada. They travelled from B.C. to Ottawa. To clarify their aims, we publish parts of the Manifesto of the Native People's Caravan:

DECLARATION

We, the Native Peoples have banded together to come to Ottawa seeking justice... Today our people exist in the midst of the Canadian extension of European competitive values... We are here to talk about violence. We are against violence. The violence of racism, poverty, economic dependence, alcoholism, land theft and educational warfare. This is the violence that has hurt our people. We say it is time for the democracy of Canada to end its political and social violence against our people.

DEMANDS

The hereditary and treaty rights of all Native Peoples in Canada, including Indian, Metis, Non-status and Inuit, must be recognized and respected in the constitution of Canada.

We demand the repeal of the present Indian Act and the creation by Native People of new legislation recognizing our right to self-determination and sovereignty over our lands.

We demand an end to the destruction of our Native economies.

We demand immediate payment of \$2.5 billion from money not presently allocated to Indian Affairs which will be used by local Native communities to meet their needs for the development of self-sufficient economies. It is racial discrimination and genocide that the federal government pays \$750 million to the province of P.E.I. (with its population of less than 1/3 of the native population) for economic development but has refused to provide equivalent money for the Native peoples, the most impoverished peoples of Canada.

We demand that the standard of housing in Native communities be immediately raised to the Canadian average.

We demand health care facilities and services which are adequate to raise the life expectancy of Native people to the Canadian average within five years.

We demand an end to Federal cutbacks on Native education and an expansion of community controlled Native education.

Native people must no longer fill the prisons and mental wards of Canada.

(from a leaflet distributed by Better Read Graphics, Toronto)

In an interview conducted by a member of the Better Read Graphics Collective, with Louis Cameron, the question was posed:

Do you think that many of the problems of native people, such as a high rate of mental illness, alcoholism, crime and suicide, come from trying to live schizophrenically in two societies?

Louis: Well, a lot of the violence is a result of the oppression from the Department of Indian Affairs, methods of division and control over Indian people. And the businessmen's cooperation with the town police and the federal police is deep down, really isolating Indian people. And what I mean by businessmen is the people who plan the business and really profit from the economy of the area. All these things-- with the education system, the churches, are pushing our people. You know, everyone knows, that people have to be free to express human freedom. They have to laugh, yell and be free to move about. But when you push people into a group like that a lot of that expression turns inside. It's what you call internal aggression. And as a result of that Indians live a dangerous style of life. They fight each other, they drink a lot. And the tendency of suicide is higher. This is the crime, the injustice that is being committed by the government and the businesses around the country. They are taking one segment of society and pushing it violently inwards. So we, the Ojibway Warrior's Society, believe the only way is to bring that internal aggression outwards. It must go out, we must break out the same way we got in.

(Copies of the full interview are available from Better Read)

Leaders of an Indian protest caravan heading to Ottawa said in Winnipeg they were hampered by continuing harassment by the RCMP, city police in major cities and distorted coverage from the newsmedia since leaving Vancouver.

(WFP 23,9,74 p5 c1-2)

Prime Minister Trudeau was urged in a telegram bearing signatures of 25 persons sponsored by the Canadian Council of Churches and the Canadian Catholic Conference, to meet leaders of an Indian protest caravan scheduled to arrive in Ottawa in time for the opening of Parliament.

(WFP 26,9,74 p8 c8 CP)

BATA

Ignoring orders from provincial police about 50 angry residents of the Tyendinaga Reserve near Belleville Ontario locked the doors and refused

to allow band council members to leave the council house. On the reserve in recent days, the battle cry of "Down with the Corporate Structure" has been raised. Indian residents, young and old, are opposed to the opening of an Indian factory that is sewing uppers for Bata Footwear. The group is not against business on the reserve, but against the incorporation of an Indian company. Because an incorporated company comes under provincial and municipal regulation and taxation. They feel that federal responsibilities for Indians could be subverted. Women form dthe bulk of employees. (GM 19,9,74 p8 c4-7 Rudy Platiel)

JAMES BAY

Band leaders from eight James Bay settlements have formed the Grand Council of the Cree and have given the council the exclusive mandate to continue their protest against the \$12 billion La Grande River power project. The Indian Quebec Association will be acting in an advisory role. (OC 23,9,74 p7 c1-6 Southam)

NORTHWEST TERRITORIES

12,000 Eskimos in the Northwest Territories are claiming more than 800,000 square miles, including oil, gas and mineral deposits. In absence of Eskimo treaties, the federal government gave the Eskimos more than \$500,000 to determine what lands they traditionally use and to prepare their negotiating position. (TS 28,9,74 pA3 c6 CP)

NEW MINISTER OF NORTHERN AFFAIRS: Udd Buchanan

Udd Buchanan, insurance broker from London, Ontario, was appointed Minister of Northern Affairs and Northern Development. In 1972 he became parliamentary secretary to Jean Chretien, Indian Affairs minister. He said the intricacies of aboriginal claims "is an immensely complex subject." The government takes the view that Indian claims to the land over which they hunted and fished must be extinguished. Where this has been done by treaty, the government will stand by the treaties. Where there is no treaty, the government will negotiate a settlement to extinguish the Indian interest in surrendered land. In addition, he will soon have to deal with re-writing the Indian act, but he is committed to waiting until after the National Indian Brotherhood has prepared amendments. (GM 26,9,74 p7 c3-6)

SOCIAL WELFARE:

WELFARE INCREASES

The 103,500 people on welfare in Ontario will receive an average increase in their payments of between 12.5 and 13% on October 1, Rene Brunelle, minister of community and social services said. The total cost of the increases announced will be about \$30.7 million. Of that \$22.6 million will be used to pay for the family benefits increases. Trevor Pierce, executive director of the Ontario Welfare Council, said: "it's unfortunate that the changes are related to a fixed amount rather than looking at the built-in system of providing for changes in the allowance related to cost of living changes."

(TS 25,9,74 p1 c1; GM, WFP same day)

The Ontario Government will raise its Guaranteed Annual Income Supplement for about 300,000 elderly, blind and disabled to \$2,700 a year for single people and \$5,400 a year for couples.

(GM 27,9,74 p1 c6-7)

A 9.2% increase in City of Winnipeg welfare rates was approved and will begin October 1. A proposal that a separate lower schedule be prepared to provide food and shelter for employable welfare recipients was referred to a subcommittee for study. Councilman Cherniack of the NDP party said the term "employable" is dangerous because many welfare recipients are only marginally employable and are the first to lose their jobs when layoffs occur.

(WFP 12,9,74 p1 c5-6)

WELFARE PROGRAMS BLAMED FOR \$102 million B.C. DEFICIT

Human Resources Minister Norman Levi said yesterday, an expected \$102.5 million over-run in his department's budget this year can be attributed to unexpected costs for new government programs, the cost of increased benefits, an increase in case-loads for welfare programs, increased wages paid to welfare workers and inflated costs for such things as drugs.

(GM 24,9,74 p8 c1-2; also OC,GM 24,9,74; MS)

CYC RECEIVES \$8,147,000

One of the less-publicized items in Finance Minister John Turner's last budget was \$8,147,000 for the Company of Young Canadians. The company's announced purpose is to help resolve cases of hardship, inequality and poverty, and to involve and reflect the best qualities of initiative and enterprise of the country's youth.

(WFP 21,8,74 p21 c3-4)

SOCIAL WELFARE: HOUSING

OHC

Immigrants and newcomers to Metro will have to live in the city for a year before their names are placed on the waiting list for assisted housing. The waiting list officially contains 10,000 waiting for entry into OHC.

(GM 25,9,74 p5 c3-7)

SMUG TORONTO BANS THE POOR

We have become a community that discriminates against the poor. Not a single OHC unit has been started in Metro this year although the annual target set by Metro itself was 4,000 units a year between 1971 and 1981. Last year only 1,066 units were built. (TS 13,9,74 pB4 c1-2)

Statistics released by CMHC in early September indicate that housing starts have dropped 25% from the same period last year. The Economic Council of Canada recommends that Canada in order to meet its housing needs, must have 250,000 starts a year. It is projected that in 1974 Canada will only have 240,000 starts. The area of construction which has increased over the past year is single family dwellings, a 2-3% increase.

(HCH 19,9,74 p6 c1)

The primary causes of the general accommodation shortage are considered to be: high government interest rates for prospective builders (12% for apartment mortgages); unrealistic tenders submitted by contractors fearing materials and labour price increases, inability of prospective home owners to meet capital requirements previous to buying their homes.

(HCH 19,9,74 p6 c1)

In an effort to curb the 15% apartment construction decline in 1974, a federal program has been announced by Urban Affairs Minister Danson, providing \$50 million in low-interest loans to developers. The rental incentive programs, which will allow federal control of rents on newly-constructed units for fifteen years, will go into effect in ten urban areas. The program will be implemented in areas where the apartment vacancy rates are less than 2%.

(GM 21,9,74 pB1 c2)

Ed Broadbent, NDP parliamentary leader has criticized the federal government for doing little to ease the housing crisis. Interest rates at which the federal government lends mortgage money to provinces for subsidized housing has recently increased from 8 to 10%. Broadbent also accused government of being deceptive about the quantity of low-cost land; a recent 15 city study cited the federal government's ownership of 50,000 urban acres accessible for "quick start" housing developments.

(HCH 12,9,74 p14 c4-6)

The International Woodworkers at their annual western regional conference in Vancouver, called for pressure to be put on federal and provincial governments to lower interest rates, subsidize mortgage and remove sales tax on materials, in order to stimulate the housing industry. The union also called for elimination of profiteering and speculation in low-cost housing, and for massive government intervention to assist working people to own their own homes. (GM 27,9,74 pB14 c1-5)

SOCIAL WELFARE: HEALTH CARE

Doctor Cynthia Carver, a general practitioner in a low-income part of Toronto, in a series of articles details the two-level health care system that exists in and around the teaching hospitals (those associated with the University of Toronto medical school) both for in-patients and for out-patients. It is the low-income standard coverage patient who is encouraged to use the clinics and thus becomes the teaching material for the next generation of doctors. Patients seen in the emergency department are referred to clinics if they do not have a general practitioner rather than to a service that might help them to locate one. They are most often low-income people. (GM 21,9,74 p1 c6-7)

Cost-sharing programs of Ottawa are incentives for the most expensive kind of programs, Canada's provincial health ministers said. They rejected recent federal proposals and called for a federal provincial conference within the next two or three months. Ontario spends \$120 million on nursing home care (one of the programs that can trim hospital costs, and gets no federal help). The same applies to home care, now costing Ontario between \$10 and 11 million. (GM 26,9,74 pW2 c1-4)

REGIONAL DISPARITY

New DREE grants with Nova Scotia offer little creativity in the matter of improving the economic situation of the province. Grants are planned in the high technology and infrastructure sectors. These are not labor-intensive. Other news stories deal with the consequences of DREE grants: company appeals for more government assistance to offset management mistakes; and the harsh environment around Point Tupper caused by severe industrial pollution.

Critiques of Canada's rail transportation system continued this month. Passenger service is under particular scrutiny. Meanwhile CPR marks up a good profit rate and yet urges higher tariffs on grain shipments. The port of Halifax has experienced remarkable growth since container facilities were introduced. Its success is the basis for projected expansion of such facilities (at government expense of course!)

Finally, there is a short analysis of wages in the New Brunswick forest industry.

The premiers met last month to discuss economic disparities between regions. This event is analysed under Political: Federal-Provincial.

NEW DREE AGREEMENT WITH NOVA SCOTIA

Although the new DREE agreement promises to benefit all parts of the province, the projects being planned concentrate on high technology industries and infrastructure improvements which create few jobs:

- developing an inland container terminal and container facilities in the Halifax-Dartmouth area;
- continued development of the Strait of Canso, particularly petroleum refining;
- development of tourism and recreation;
- exploration for offshore oil and gas. (HCH 13,9,74 pl c6-8 D. Harrigan)

AID FOR SYDNEY

The new DREE agreement may provide a new regional water supply system for the urban core area of Sydney, which will benefit Sydney Steel Corp. and a number of outlying regions. (HCH 6,9,74 pl c7-8 L. MacIntyre)

MISMANAGEMENT AT SPRINGHILL

Poor planning at the management level was the reason given yesterday for the lay-off of 71 workers at the government subsidized Buckingham Carpet Mills in Springhill. Production dropped by 80% between January and June. The lay-off was intended to last for two weeks, pending word of assistance from the government. (HCH 10,9,74 p21 c1-3)

GULF'S COMPETITIVE EDGE CUT

The Gulf Point Tupper refinery with a rated refining capacity of 87,000 barrels per day is now producing at a rate of 50,000 barrels and Gulf officials blame the reduction on a federal subsidy on refined petroleum

imports into eastern Canada. Federal energy officials argue that the real reason is a decision by the company to stop processing West African crude oil. The company has scheduled a two week maintenance shut-down for mid-October which will affect 130 employees. (HCH 24,9,74 pl c5-8 Linden MacIntyre)

POLLUTION AT POINT TUPPER

Point Tupper, located next to the Canso Strait is "under a cloud of pollution" from gypsum dust, bark from the Nova Scotia Forest Industries Pulp and Paper Mill (a Swedish concern), water pollution and an inadequate alarm system at the Canadian General Electric Heavy Water plant which is capable of emitting deadly gases. Gerald Regan, premier, will be invited to observe the consequences of such industries locating in the area. A Point Tupper resident, Benny MacNeil, suggested the community take the government to court over its lack of action. (HCH 10,9,74 p21 c1-3)

Raymond Bourgeois, president of the Point Tupper Ratepayers Assoc. summed up the problem: "Our properties have no value because no one wants to buy a house here. We feel we are subsidizing industry. We pay the same taxes as other Nova Scotians but more of the cost for the development of industry." Residents do not want to close down industry but only to protect the well-being of their community. Both the pulp mill and gypsum plant are major employers for the people of Point Tupper.

(HCH 14,9,74 p21 c1-4 Bob Howse)

POOR PASSENGER SERVICE

Right now, Marchand points out, taxpayers are investing \$100 million a year for frequently rotten passenger service. In Britain and France passengers provide between 30-40% of total rail business. With us it is 1.6% (FP 21,9,74 pl c5-7 Clive Baxter)

Mr. Marchand said he felt the railways were not interested in passenger service. Except for CNR's Turbo train there has been no new passenger equipment in 20 years. (GM 27,9,74 pB2 c7-9; also OC)

TARIFF HIKES SOUGHT

A CPR official said Tuesday that higher rail tariffs are being sought for further special grain shipments from the prairies. (WFP 19,8,74 pl c6)

CP PROSPERING

CP has experienced strong profit growth in 1973 and so far into 1974. Profit rose to almost \$120 million in 1973 from \$94.2 million in 1972. (GM 24,9,74 pB10 c1-4)

THE PORT OF HALIFAX

In 1968 Halifax handled 642,133 tons of general cargo; none of it containerized. In 1973 tonnage was 1,840,971, up 287% from 1968, of which 70% was containerized (1,310,955 tons). With such growth it is imperative to plan new facilities but "only a government with the necessary financial resources and a vested interest in the economy of the Halifax metropolitan area, can be expected to undertake the project." (HCH 14,9,74 p25 c1-8

J. Mingo, Chairman of the Halifax Dartmouth Port Commission)

SYSCO

The new contract agreement reached between the Sydney Steel Corp. and its 3,000 employees will cost the company \$9 million for the wage increase and fringe benefits over the next two years. (HCH 14,9,74 p6 editorial)

DREE Minister Don Damieson said that a possible new steel complex on the Canadian Atlantic seaboard, probably in Cape Breton, is expected to be considered by the federal government. The development would require a minimum annual output of 3.5 million metric tons of steel and would require major input from private investors. A final decision is at least a year away. (HCH 13,9,74 pC7 G. Coolen)

NEW BRUNSWICK: CONDITIONS IN THE FOREST INDUSTRY

The Forest Resource study indicates:

- pulp and paper workers are unionized and in 1973 their weekly earnings averaged \$203. with fringe benefits and year round employment.
- in the sawmilling industry only one large plant is unionized and many smaller mills provide only part-time work. Productivity and wages are low with average weekly earnings being \$100.
- Loggers earn about \$40 a day, but lost time and deductions for living and equipment expenses reduce this to an effective wage of about \$140 a week, which is not commensurate with the hardships involved.

(TJ 10,9,74 p3 c5-8)

LABOUREMPLOYMENT - UNEMPLOYMENTUNEMPLOYMENT UP - BUT PARTICIPATION RATE HIGHEST SINCE 1953

Unemployment rose in August to a seasonally adjusted rate of 5.3%, an improvement on last year's 5.4% and the 6.6% of August 1972. The jobless rate is likely to continue rising for the rest of this year and into 1975. More Canadians of working age are now in the job market than at any time in the last 21 years. The participation rate - the percentage of people over 14 who are working or looking for work - reached a high of 58.9% in August. Inflationary pressure on family incomes and the difficulty of making ends meet must have played a large part in this trend. Participation rates for women and young people were at record levels - 37.3% of women over 25 and 25 were in the labour force and 56.2% of young people between 14 - 25 were working or looking for work. The Canadian labour force has grown by 5% since August 1973. Even more remarkable, the number of jobs available has increased 5.1% so the jobless rate is down slightly. However, the present slower pace of economic growth will mean a slower rate of job creation, but declining real incomes could mean more people looking for work; thus, unemployment could rise. Unemployment rates for women have already begun to rise. In August 3.8% of women 25 and over were out of work - a higher percentage than over the last 2 years; 9.4% of workers aged 14 - 24 were without jobs in August.

(O.C. 11,9,74 p.9 c.1-3, Fin. Times)

EMPLOYMENT IN THE EASTERN PROVINCES COULD BE SERIOUSLY AFFECTED

The employment picture in the Atlantic provinces could be precarious this winter unless a continuing trend of decreases in economic growth in the U.S. and Canada are retarded. Canada has reported no economic growth for the second quarter of 1974. Even if Nova Scotia and New Brunswick are not too seriously affected, Newfoundland is already a sore spot because of its dependency on fishing. The fishing industry throughout the Atlantic provinces is in a depressed state.

(H.C.H. 12,9,74 p.1 c.7-8)

IMMIGRATIONHAITIANS COULD BE DEPORTED TO FACE DEATH OR TORTURE

Some 1,500 Haitians, considered illegally in Canada, face deportation to their homeland, to a fate of death or torture at the hands of the Haitian government from which they fled to come to Canada. Take the case of M. Marc-Georges Severe. He declared himself a political refugee but his appeal has been rejected by the Immigration Commission and later by the Supreme Court. "I will be killed", he replied very simply to the judge's decision. Witnesses had testified on M. Severe's behalf that he had belonged to a group sought by the secret police in Haiti.

(L.J. 19,9,74 p.1 c.1-8, CP)

Me. Bienvenue, Quebec Immigration Minister, responded to criticism over the handling of the Haitian cases:

"I would like the people of Quebec to know that Haitians are not exceptional cases but will be treated like all other immigrants. They are treated on the same footing as other ethnic groups which seem to us to be the object of certain situations in their country of origin, for example the Hungarians, the Ugandans, and more recently the Chileans." (continued...)

(continued)

Robert Andras, Federal Minister of Immigration added:

"One can't take for granted without examination that 1,500 Haitians will be in danger of death if they return to their country; it's necessary to investigate."

(L.D. 19,9,74 p.1 c.3-6)

(EDITORIAL) It's necessary to denounce the legalism in this case. When laws are just, it is the duty and honour of civil servants to apply them diligently. When on the contrary, they can give rise to abuses, inequalities and aberrations, then it is necessary to urge the legislators to make changes and to find meantime effective methods for preventing inhuman and criminal consequences from taking place. The majority of Canadians or their ancestors came to America to escape the misery of dictatorships. Now that they have achieved a measure of liberty and prosperity, they too easily close their eyes and the gates of the country to those in very terrible circumstances who wish to follow them. It is time to demand substantial changes in Canadian attitudes with respect to refugees. To deport someone for a just cause is one thing; to send someone to death or worse is another.

(L.D. 19,9,74 p.4 c.1-3)

GESTAPO METHODS

On August 25, with the connivance of the Montreal City Police, immigration officers imprisoned two Haitians whose only crime was to attempt to bring aid to another Haitian held in secret in the cells of Bouchard Avenue at Dorval. They were held in secret, tortured, their homes searched apparently without warrant, and then released.

(L.J. 21,9,74 p.1 c.4-6, Jean-Pierre Fournier)

Father Paul Lejean, director of the Montreal Christian Haitian Community, said that M. Severe who is destined to be deported will be in grave danger when he returns to Haiti. Commenting on the difficulty refugees have he said: "it is not easy for refugees to prove concretely to the satisfaction of Canadian authorities that their political activity exposes them to reprisals in their country of origin".

(L.D. 21,9,74 p.1 c.7-8)

HAITI AND OURSELVES

Haitians are the condemned of the earth in their country. With an illiteracy rate of 90%, their average life expectancy is 32 years, their annual income is \$60. Their country is open to the looting of a colonial economy and the brutality of the dictatorship of Jean Claude Duvalier. At the same time, 10,000 Quebec tourists visited Haiti and in 1971 Haiti had 500 religious belonging to 20 different congregations. The most basic decency demands that Canadians welcome those who have fled such a regime.

(L.J. 23,9,74 p.5 c.1-2, Claude Lagadec)

LABOUR - GENERAL

NO END SEEN TO LABOUR UNREST THIS YEAR

The unsurpassed labour unrest caused by inflation this year seems unlikely to lessen in the coming fall and winter as crucial contracts come up for renegotiation and unions issue warnings of tough bargaining ahead.

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For the government and federal mediators, December 31 could be a disastrous day. Contracts end simultaneously for nearly 100,000 railway workers, 35,000 postal workers, 1,700 Thunder Bay grain handlers, 3,300 B.C. longshoremen, 620 Montreal grain handlers and 3,500 St. Lawrence River longshoremen. Pay increases to offset past and future inflation cost-of-living clauses and in some cases, job security will be the main issues. Outside federal jurisdiction, there are a large number of industrial contracts to be renegotiated. These include 1,200 Noranda Mines employees in Quebec, 2,300 asbestos workers also in Quebec, 2,500 lumber and sawmill workers in Newfoundland, 3,000 coal miners in Cape Breton and 6,000 New Brunswick public servants.

(V.S. 11,9,74 p.7 c.1-8)

(H.C.N. 11,9,74 p.1 c.1-3)

MUNRO URGES PRESS TO BE POSITIVE

In a speech prepared for the Canadian Daily Newspaper Publishers Association regarding the formation of a tripartite body for labour relations, Labour Minister Munro noted that the press has some responsibility for improved industrial relations. The public is deluged with reports on strikes, lockouts, picket lines and other indications of industrial disharmony. Munro suggested that the public has the right to see the positive side of agreements achieved without conflict and work stoppages.

(M.S. 13,9,74 p.A5 c.3-6 CP)

FORUM PROPOSED TO DISCUSS NATIONAL GOALS

Labour Minister John Munro sees one of the biggest flaws in the present industrial relations structure in the fact that there is no permanent council for constructive debate between leaders of labour, management and government. Munro concedes that the adversary approach to labour-management relations has gone to far. He speaks of profit-sharing arrangements and employee ownership of shares of the company. These are things that might grow out of a continuing tripartite conference. Certainly the answer is not to legislate against strikes in essential industries and services, nor is it to enforce the law too harshly when unions defy court orders, says Munro. Nor does he favour legislating strike settlement.

(M.S. 7,9,74 p.B2 c.1-6, P. Thomson)

FARMING AND LABOUR

There was more coverage than usual this month on the farm labour situation, a direct reflection of the harvest season which highlights the working conditions of farm laborers every year at this time.

ALMOST NOTHING HAS CHANGED

Last summer a federal group studying the conditions of migrants in Kent and Essex counties in Ontario presented its findings to the Minister of Manpower and Immigration, Robert Andras, who promised to take every action possible. The report described the plight of "child labour, sick, pregnant and otherwise unfit adults working in the fields with only the head of the family being paid." After one year, members of the Migrant Farm Workers Association say almost nothing has changed. They described the crowded living conditions and diseases suffered by the migrants, many of whom are French-Canadians. Canadian migrant workers have no minimum wage standards, no child labour laws, no toilet facilities in the fields, no contract protection and no minimum housing standards. Only Newfoundland

includes farming occupations under provincial labour standards law. Other provinces, including Ontario with an estimated 100,000 farm workers do not allow the formation of farm unions and deny the workers the legal protection on jobs, pay and working conditions.

This year Mr. Andras called on the provinces to bring farm workers under the protection of labor standards legislation. He said migrant workers who are being ill-treated are those who by-passed Manpower centres and farm labor pools to make private job arrangements with farmers. In Kent County, a Manpower officer estimates that less than 25% of the workers are sent to farms by Manpower. The Federal government has moved to protect foreign laborers--notably West Indians and Mexicans, by signing agreements with those countries to guarantee at least a minimum wage and inspected housing accommodation. Ironically, the result is that often foreign farm workers live in good housing while Canadians live in tents, toolsheds, hovels and barns. (GM 18,9,74 p c1-5; VS p16 c1-3; HS 20,9,74)

FARM WORKERS MAY GET LABOUR LAW PROTECTION

John MacBeth, Ontario Labor Minister and Agricultural Minister William Stewart said Ontario is conducting a review of farm labour laws affecting farm workers to -e completed by the end of this year. (TS 24,9,74 pA13 c6-9)

PRESSURE FOR LEGAL PROTECTION FOR MIGRANT FARM WORKERS

Two major farmers' organizations, the National Farmers Union (NFU) and the Ontario Federation of Agriculture (OFA) gave their support to Mr. Andras appeal for change in provincial laws to give farm employees the same protection as industrial workers with the same rights to form unions and to strike. The Ontario Federation of Labor also plans to cooperate with student and church groups working in the farm areas to promote Government standards. Despite reservations about the ability of unions to organize farm workers, because of the temporary nature of the work, the OFL executive reaffirmed the position that all workers should be extended coverage under the Ontario Labor Relations Act. Meanwhile the federally-financed Company of Young Canadians is sponsoring a campaign to recruit migrant workers in Ontario into a labor association aimed at eventually bringing free collective bargaining to the agricultural industry. (GM 14,9,74 p5 c4-6; MS 24,9,74; HS 20,9,74)

LAND BANKS

The NFU at their annual regional conference held in Moncton accepted resolutions asking the provincial government through legislation to set up a land bank whereby workable land would become Crown land and be leased to those wishing to farm. It will also ask for the expropriation of all workable land held by giant corporations to be held by the government for lease with security of tenure to viable farmers. A proposal from P.E.I. moved to escalate pressure on their provincial government for vertical integration legislation, which would limit large corporations control of all resources needed to produce a finished product, from the land and means of production through its marketing, processing and retailing. The N.F.U. also petitioned the federal government for an investigation under the Combines Act into price fixing by multinational fertilizer corporations. (HCH 3,9,74 p5 c1-4)

Saskatchewan has a land bank commission program set up by the NDP government two years ago in an attempt to reverse a world wide trend: the drift of people from the farms to the cities and the disappearance of family farms and rural towns. Saskatchewan was becoming an urban province, without an industrial base to support city dwellers, and highly efficient family farms were being absorbed by large operations which inevitably would have to battle for a desperate shortage of labor. In the last few years, however, the demand for food has pumped new health into agriculture, making it an attractive proposition. The program was designed to benefit farmers in the average income range. The commission chooses tenants on a points formula, which takes into account income, experience, education and potential for success. Direct descendants can inherit the lease, provided they pass a government competency test. The Land Bank has so far invested about \$27 million in land and buildings and now owns about 300,000 of the 47 million cultivated acres in Saskatchewan. The government wants the Land Bank to grow only until it can exert a stabilizing influence on agricultural land prices. The 5% rental rate for the land remains constant for 10 years with periodic reassessments of the land's market value. The rented land can be bought five years after signing the lease, a waiting period to encourage farmers to spend cash on livestock and machinery rather than land and to prove its contention that ownership isn't necessary for efficient farming, security, or the handing down of farms from generation to generation. (TS 21,9,74 pB1 c1-7)

FARMERS ATTACK CORPORATIONS

Sixty people attending the second public farmers' inquiry in Bathurst New Brunswick concluded that large corporations and government are to blame for problems in agriculture and unfair profits in the marketplace. The Farmers' Inquiry Commission was established to give farmers a voice in their own affairs, to establish the productivity of New Brunswick farmers, to root out the real problems and to develop a "straight-line" of consumers and farmers in order to establish who exactly is responsible for unfair profits. The inquiry is an independent body, unconnected to the NFU or the Canadian Federation of Agriculture and supports itself on private funds.

During the inquiry McCain Foods was identified as a company which related to farmers like a spider does to a fly. Briefs were submitted that said the farmers gets 'clipped' while processors, brokers, wholesalers and retailers increase profits and minimize costs. Commodity and marketing boards were criticized because they kept farmers from being united and gave government a place to lay the blame when things go wrong. The inquiry passed a motion to approach fishermen, miners, wood producers and laborers to join forces with farmers. (TJ 7,9,74 p5)

The number of farms in New Brunswick is declining (37% between 1966-1971) as farmers leave the land where their returns are low, costs are high and hours are long. At the same time some of the land that is being left is being absorbed by larger, corporate farm operations. Darrell McLaughlin chairman of the Farmers' Inquiry Commission, which hopes to unite farmers and consumers as a counterforce in society, says: "two or three years ago in Canada, we were dumping wheat, we were dumping potatoes, we were

dumping milk. At the same time, people in underdeveloped countries were starving. Out west, they offered their wheat to ship to an underdeveloped country but the mills wouldn't process it. We feel it is our God-given right to produce as much food as possible especially since people are starving to death."
 (TJ 4,9,74 p12 c1-7)

THE GRAIN HANDLERS DISPUTE

The dispute between grain elevator companies and the Grain workers union goes back to November 30, 1973 when the union contract expired. When the companies said bargaining was fruitless, the labor code was followed and a conciliator named, Neil Perry. The companies rejected his recommendations as inflationary. It would have given grand handlers parity with the longshoremen they work beside. The terms would add one cent to the cost of a bushel of grain. During the dispute Labor and Justice ministers Munro and Lang came under heavy pressure to recall Parliament to terminate the strike-lockout. Munro was concerned that "if Parliament is called on to intervene too often, it will lose its effectiveness to deal with these disputes because enforcement of imposed labor settlements will become increasingly difficult and defiance of the law is likely to become common." Also imposed settlement is an avenue of buck passing to government which results in little commitment by negotiating parties to make regular negotiations work. However the Liberal government plans to enforce legislation in this case. As an additional step the government will proceed to form a tripartite group composed of government, management and labor, whose job will be to find new directions for collective bargaining in Canada. Compulsory arbitration and banning of strikes in essential services could be the ultimate answer arising out of this process.

Meanwhile the Canadian Wheat Board kept turning down orders until the current backlog is cleared up some time next spring. Stock also ran out in St. Lawrence River ports. The lost sales work out at about \$250 million. The Wheat Board is also responsible to pay demurrage charges (penalties payable to ships in waiting) estimated at \$10-20 million, ultimately from the farmers' pocket. The National Farmers Union is asking the federal government to pick up this tab. Most of Canada's traditional customers who have a storage capacity of between six weeks and two months, began running short of grain and started purchasing on the American market. The Wheat Board expected that it would be unable to catch up with its commitments before the navigation season closes on the St. Lawrence between November and January, meaning that export grain would not get back on track until next April. The president of the Manitoba Federation of Labor accused the four prairie grain companies of using tactics designed to restrict the flow of grain stock to ready customers forcing grain prices to rise. The companies can then capitalize on the inflated market.

(GM 5,9,74 p8 c1-3; WFP 10,9,74 p1 c1;
 HS 14,9,74 p1 c1-7; FP 14,9,74 p6;)

QUEBEC LABOUR

Two major stories dominated Quebec labour over the past month:
 -the transport strike which paralysed Montreal's public transit system;
 -violence in the construction industry. The Commission set up to investigate the industry following the destruction at James Bay last spring, has begun its hearings.

THE TRANSIT STRIKE

Press coverage concentrated largely on the inconvenience which Montrealers experienced as a result of the work stoppage. There were arguments about whether illegal strikes warrant government and court intervention. Two major points emerged from the dispute. The strikers received a settlement that introduced cost of living increases. The strike is seen as precedent setting since the workers forced a reopening of contract negotiations before their contract was due to expire. The second major precedent involved the courts. The judge who was under pressure to force the strikers back to work, refused to use the courts in such a way, arguing that the courts should not be made the scapegoat as they are increasingly being used to grant injunctions in the private sector.

VIOLENCE IN THE CONSTRUCTION INDUSTRY

English language coverage concentrated largely on reports of criminal activity and specialized in headlines like: "The Construction Industry--a Crime Infested Jungle". Typical of this attitude was the cartoon from the Montreal Star, showing Laberge, head of the FTQ, the largest union involved in construction. It was the FTQ who was responsible for the damage at James Bay. Some coverage was given to union claims that problems in the construction industry go deeper than inter-union rivalries, and mafia-type strong arm tactics. Other coverage also had inflammatory headlines citing violence, articles which gave the points of view of the FTQ and CSN, government complicity in the chaos of the industry, and lack of security and high rate of turnover and instability.

French language coverage also had inflammatory headlines citing violence, but had longer articles which gave the points of view of the FTQ and CSN, probed government complicity in the chaos of the industry and discussed the general lack of security and high rate of turnover and



mobility among construction workers. In an editorial, *Le Devoir* pointed out some of the dimensions of mobility and insecurity in the industry, taken from the FTQ brief to the Commission:

In 1973 alone, no less than 6,000 new employers came on the construction scene, and 4,000 others disappeared. Of 16,553 employers, this represents a very high rate of turnover.

The same situation is reflected on the side of construction workers. According to the last report of the Construction Industry Commission, there were in 1973 144,000 workers who had at one time or another during that year worked in construction. 8,000 were qualified skilled workers and 67,350 were unskilled. Of the total number, three out of five had worked in the industry the previous two years. All the rest were newcomers. Of the 131,651 workers in 1971, more than a third, 47,122, had left the construction industry two years later. (LD 21,9,74 p4 cl-3 editorial)

CNSP NOTE: Lack of space does not allow for more coverage of this story in this News Synthesis. However, the articles in both English and French are on file, and we would be glad to make these available to any reader wishing to do further research on this subject.

UNITED AIRCRAFT: QUEBEC'S 'INDUSTRIAL VIETNAM'

United Aircraft, a U.S. based multinational company specializing in aircraft engines, has a history of poor labor relations. The following article describes some of their positions in face of a strike that has been going on for eight months. Of particular interest as well, is the fact that the federal government has been generous with taxpayers' money to this American corporation: \$80 million in research funds and \$220 million in defence contracts. In the midst of the strike in July, the Canadian government came through with more engine-overhaul contracts totalling nearly \$4 million.

Despite a legal strike by UAW Local 510, the company has continued production at its four plants in Montreal's south shore suburbs with non-union personnel. Cournoyer, the Quebec Labor Minister, complains that the parent firm, United Aircraft Corp of East Hartford, Conn. makes all policy decisions regarding the Quebec plants. "From reading their letters, I can say they probably regard Quebec as a hotbed of anarchy, which is not true. Cournoyer said the Hartford executives follow a dangerous course by going over the heads of legitimate union officials. The company also refuses to accept the Rand formula, an accepted feature in labor contracts for 30 years, which states that all members of a bargaining unit must pay dues to a union that has won a representation vote. The parent company reported sales of \$2.3 billion and net profits of \$58 million last year, placing among the top 60 corporations based in the U.S. (TS 14,9,74 pF6 cl-7 Ronald Lebel)

POLITICALFEDERAL GOVERNMENT

Introduction: Press coverage this month focussed on two cabinet ministers, Turner in finance and MacEachen in External Affairs. Turner's speeches and plans for a European tour received substantial coverage. Although no specific details of the forthcoming budget were revealed, analysts suggest that Turner is anxious to reassure Canadian businessmen that his government will do something about inflation on two levels: restraint on government spending (no indication about what programs may be cut) and efforts to get the international community to work together on the problem of inflation. Turner is clearly worried that the Canadian economy is highly vulnerable to world trade patterns and particularly to decisions made in the U.S. That Turner's first concern is the business community is clear from his criticism of labor for increasing inflation by wage demands. His suggestion that workers opt for cost-of-living clauses rather than large wage increases may make sound economic sense, but it ignores the problem which workers who are already receiving low wages have. Cost-of-living clauses only perpetuate their low wages. Although one article admitted the economic situation in the world today is one that traditional economists cannot adequately explain or deal with, the press has not raised the question of whether the economic system itself is the problem.

Coverage on foreign affairs included a report on MacEachen's meeting with Kissinger and his talk to the U.N. Several articles reported Ivan Head's announcement of a new role for Canadian foreign policy in the direction of moral issues. Although Trudeau specifically rejects a "posturing" approach, it remains to be seen what this new role will translate into in concrete terms. The only press reaction to this "new direction" was an angry editorial in the Toronto Star which pooh-poohed left wing moralists generally, pointed out their lack of concern about left wing violations of civil rights and hoped that Canada's foreign policy would look after the interests of Canadians first. There seems no danger yet, that Canada will not look after her own interests, with Gillespie seeking more funds for the EDC, a corporation that helps Canadian companies export their goods to developing countries, with Trudeau meeting with Japan and France's prime ministers to foster increased trade, and with Turner travelling the world to ensure that Canada is not damaged by decisions of the powerful trading and monetary blocks.

Next month's issue will cover the Speech from the Throne, but a few articles are included this month to suggest what Parliament will and will not be tackling in the months ahead. (The ill-fated anti-profiteering bill seems headed for limbo for the time being.)

One duty of the finance minister is to try to sustain confidence in the business community. Turner is now seeking to reassure business by a new emphasis on financial restraint coupled with postponement of new programs. Business uncertainty stems from the apparent lack of concerted international action to sustain the world economy; Turner may be attempting some reassurance of businessmen by plans to visit Washington and European finance ministers. (WFP 11,9,74 p23 c4-7 M. Western)

INFLATION POSES CRITICAL CHOICES

Overall Canadian economic growth will likely show no major increase before mid 1975; unemployment is likely to rise in the same period. This puts the Canadian government in the position of trying to solve the problem of curbing inflation without increasing unemployment, a dilemma traditional economics has shown itself unable to resolve. (OC 13,9,74 p6 editorial)

LONG FIGHT ON INFLATION: TURNER

In Vancouver Turner said that "industrial disputes in Canada were a greater threat to the expansion of the economy than inflationary developments abroad." He hinted at government approval of "wage agreements incorporating cost of living boosts rather than large wage increases. His speech is regarded as a keystone of the government's economic policy in the months ahead. On the question of taxing mining and petroleum production Turner said he "understood the concern of the companies" and that the "government is anxious to ensure the maintenance of a healthy and viable oil and mining industry." "Inflation is going to take a more prolonged effort to beat than earlier anticipated. Problems Turner saw resulting for oil price increases included:

- immense balance of payments difficulties;
- problem of recycling oil revenues of OPEC countries into investment in nations requiring capital inflow to balance trade deficits;
- the danger of nations adopting restrictive trade policies to deal with inflation and balance of trade problems which could push the world into severe and prolonged depression. (WFP 14,9,74 p1 c4-6 V. Machie)

INDUSTRY, LABOR REBUFF TURNER

Business and labor spokesmen said the proposals suggested in Turner's Vancouver speech were "too simplistic". Organized labor said "workers were being asked to carry the biggest burden. (MS 16,9,74 p1 c1-3)

TO CUT THE FAT

The Winnipeg Free Press editorial admitted that Canada's economy is vulnerable to the world economy but suggested that Turner's budget must set "an example of restraint and economic sanity" by cutting down government spending and reducing deficits. (WFP 17,9,74 p25 c1 editorial)

TURNER TOURS EUROPE FOR ECONOMIC ADVICE

In meetings with the finance ministers of West Germany, France and Britain, Turner will stress the need for coordinated action through the International Monetary Fund and GATT and warn against unilateral deflationary measures. He will urge Germany to provide a market for exports for countries with deficit trade balances; he will explore the possibility of stronger trade links between Canada and the European Economic Community. (OC 18,9,74 p9; MS next day; OC 21,9,74)

MACEACHEN MEETS KISSINGER

In New York for U.N. meetings MacEachen met with Kissinger to arrange visits by Trudeau to Washington and Kissinger to Ottawa. MacEachen did not indicate what Kissinger's views were on the bilateral issues of beef sales and gas exports nor did he elaborate on their discussion of international problems. (OC 25,9,74 p80 c5-8)

MacEACHEN ON U.N. PEACEKEEPING ROLE

Greater efforts are needed to achieve peace through political means. The temporary peace keeping forces are asked to maintain peace but they must be accompanied by greater efforts to achieve something more lasting. "My government asks the international community...not to contribute to the uncontrolled spread of nuclear explosive capacity and to develop the necessary safeguards." (MS 26,9,74 pC5 c6-8 CP)

TRUDEAU PLANS NEW FOREIGN ROLE

There will be a new emphasis on the human problems affecting people wherever they live. Canada will strengthen ties with Europe, Japan and the developing nations. Trudeau is apparently impressed by Sweden's activist foreign policy and has stated; "We will be more outspoken on some of the moral issues than we have in the past." Relations with U.S. still remain one of the most vital aspects of Canadian foreign policy. (MS 26,9,74 pC5 c1-5; also OC;WFP; TS)

MORALLY LEFTWARD

The great thing about leftwing moralism in foreign affairs is that the world supplies the moralist with an endless series of issues to moralize about. We can only hope the government will also have a little time to care for the primary responsibility of foreign policy--to protect and further the interests of the Canadian people. (TS 28,9,74 pB2 c1-2 editor)

ANTI-PROFITEERING BILL MAY FADE

Although mentioned in the throne speech, the bill will not be introduced before next year. The government's independence from the NDP removes much of the political motivation for the bill. (FP 14,9,74 p3 c1)

URGENT LEGISLATION ONLY?

There will be no spectacular legislative performance this fall from Parliament. Government spending estimates must get approval. Bills expected to be given early attention:

- to authorize expanded capital for the EDC;
- to incorporate and grant extended capital to the Federal Business Development Bank which will replace the Industrial Development Bank.
- to authorize government to collect the oil export tax (and perhaps increase it by .35 per barrel to offset increased prices of oil Canada imports from OPEC countries.
- to amend the Canada Pension Plan to expand benefits effective January 1, 1975.
- electoral reform;
- in addition the budget and related legislation must be considered.

(GM 19,9,74 p6 c1-2)

POLITICAL PARTIES: FEDERAL

The Social Credit party has won the right to official opposition status in Parliament. (TS 28,9,74 pA9 cl-2)

Robert Stanfield appointed businessman-economist Ronald Ritchie as his principal assistant. He was a former director and senior vice-president of Imperial Oil., executive director of the Classco Commission on government operations, in 1965 undertook a special study for Trudeau on public policy research organizations. He predicted that in six months continuing inflation will have convinced more Canadians that wage and price controls may be necessary. (TS 5,9,74 pA10 cl-4)

A new political party should be formed to reflect the views of the business community, according to E.A. Walker, vice president of ACF Management Ltd of Toronto. He said the Liberal and PC parties have moved "far to the left" and businessmen are being divided and conquered by spreading their support between these two parties. (GM 11,9,74 pB2 c2-5)

POLITICAL PARTIES: PROVINCIALB.C.

David Lewis, leader of the NDP, warned the divided B.C. NDP party to close ranks, that "division and rancor" merely feed the corporate establishment and its apologists. The B.C. government has been accused of acting independent of the party. (TS 3,9,74 p A7 c3-5 CP)

Ontario

The Ontario NDP at its convention in Sudbury wound up with a call for public ownership of natural resources, a more radical and revitalized party. (TS 9,9,74 pC2 c2-4)

Quebec

Claude Morin outlined a "Go Slow" approach for the PQ and called for the following steps leading to separation:

- get elected to power;
- pass a vote in principle in the national assembly for independence;
- negotiations with Ottawa for the gradual transfer of political and economic power;
- hold a regular general election (open to federalist parties) if agreement with Ottawa doesn't come within the party's first 5 year mandate;
- continue negotiations with Ottawa if elected, this time applying more pressure;
- go to the polls for one final consultation process before severing all ties with Confederation. (MS 26,9,74 pA3 cl-2)

QUEBEC'S SHRINKING POPULATION IS A POLITICAL TIME BOMB

A study of population trends in Canada over the next 30 years indicated that Quebec's share of Canada's total population could shrink from the present 28% to 22.6%. Quebec seats in the Commons would shrink to 60 from the present 74. Alberta and B.C. combined would hold 60 seats and Ontario would have twice as many. It would then be much easier to form a majority government without Quebec. (TS 6,9,74 pB3 cl-7 Robert McKenzie)

FEDERAL-PROVINCIAL RELATIONS: THE PROVINCIAL PREMIERS CONFERENCE

"Two days of discussion on the economy produced a communique barren of ideas or decisions--except what amounted to a request that Ottawa raise personal income taxes by about \$500 million."

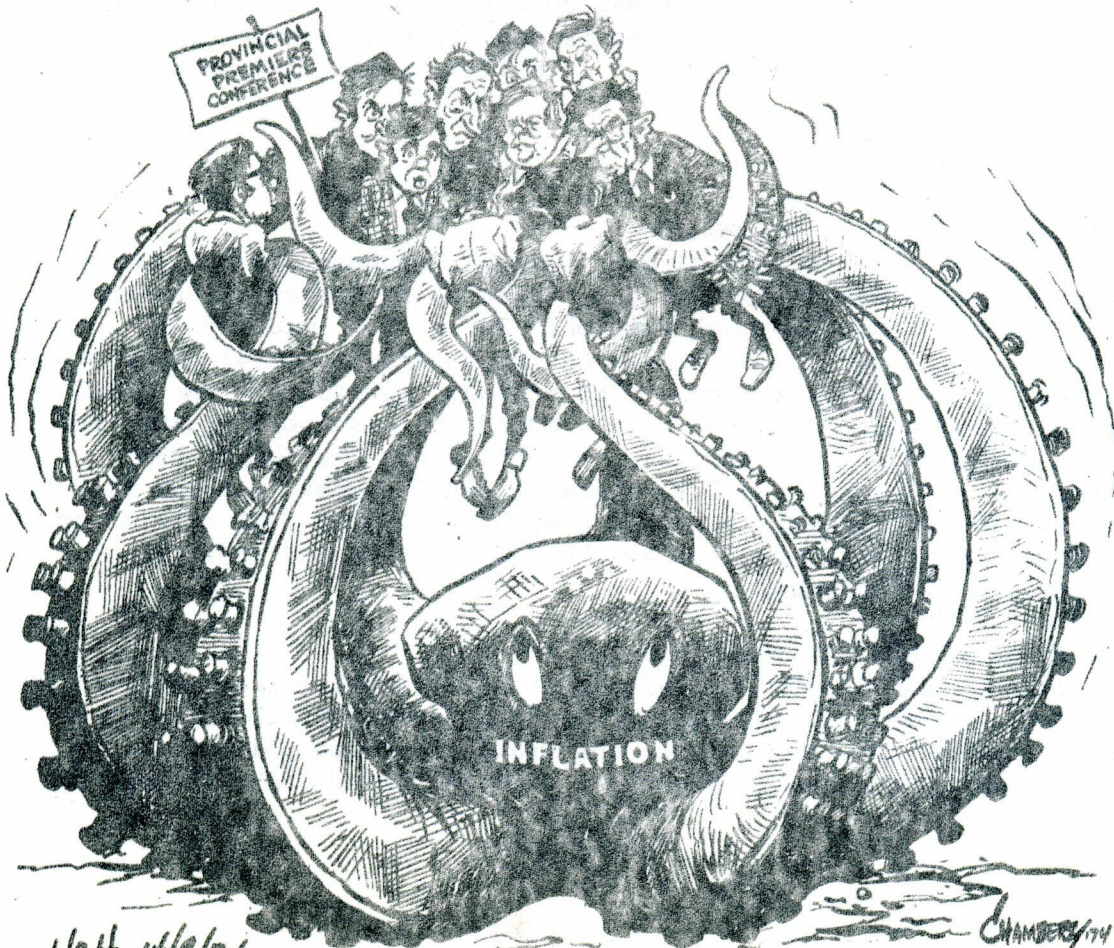
--Richard Gwyn of the Toronto Star

The premiers were meeting above all to discuss problems in the economy. The wage and price control solution was proposed again. However it was felt that the Canadian people clearly rejected that solution in the last federal election. Labor wanted no part of the wage restraint and a temporary price freeze seemed no solution to international inflation.

Ontario showed its usual paternalistic attitude to the "have not" provinces by saying that of course, Ontario wishes to see her sister provinces develop economically because Ontario will benefit from their development and "it buys many resources from them, even though the prices are too high." One premier said Ontario could afford such generous attitudes because it already has 98% of the country's industry!

Antagonism to the federal government and an attitude of blaming that government for the country's woes was characteristic of the conference. It seems likely that as in the 1920s and 30s when the Canadian economy was also in deep trouble, that the provinces will attempt to wrest more power from the federal government and that the weaknesses of the Confederation structure of government will emerge even more dramatically as the crisis deepens. What is particularly disturbing about this conference is that basic issues were left untackled as premiers and Trudeau both engaged in fruitless buck-passing.

A unifying force



Hett 11/9/74

The Premiers of Canada met in Toronto September 11 and 12. They issued a communique dealing with issues brought to the conference by the various provinces. The premiers felt there were three basic challenges:

- to sustain the public confidence in the economy;
- to reduce the persistent rate of price increases;
- to maintain an adequate rate of job creation.

Other major statements of the communique were that:

- it reaffirmed the provinces responsibility for mining taxes and oil and gas royalties and said Ottawa's action in making them non-deductible was contrary to the spirit of Confederation;
- urged the federal government to work with the provinces in developing stabilization plans to eliminate gluts and shortages in agriculture and fishing;
- contained agreement by the provinces to establish an inter-provincial advising body on energy policy within 60 days;
- called for improvement and extension of federal job creation programs and suggested greater provincial involvement in LIP programs;
- stated that agreement had been reached to study jointly whether the Bank of Canada should help in channelling funds to the provinces and to pay particular attention to major resource and energy projects;
- expressed disappointment at Ottawa's decision to index personal income taxes without provincial consultation;
- urged that the federal subsidy of 5¢ a gallon on milk be maintained to avoid consumer price increases.

On September 13, the premiers asked for a greater say in federal budget proposals by challenging Trudeau to meet with them before the next budget which is expected within six weeks. This request came two days after Trudeau rejected the idea of a national conference on inflation saying: "there's no point in calling such a conference to have people wringing their hands...and blaming each other." (TS 14,9,74 pA1 c6-8; HCH 14,9,74)

POLITICAL: MILITARY

POLICY DECISIONS REQUIRED FOR NORAD

The existing North American Air Defence Command agreement is due to expire next May unless both Canada and the U.S. agree to a further extension or alternatively to some reshaped version. In the U.S. much of the internal interest to date has centered on the continuing development of new surveillance and detection systems. The official objective of the NORAD arrangement, unchanged since 1958, is to guard the continent against the threat of a manned bomber attack, but over the years the threat has diminished. At the moment the U.S. share of NORAD's cost is about \$1,200 million annually and Canada's share is somewhere between \$130 million and \$150 million. Board deliberations are held in private and there is no public report of proceedings.

ARMED FORCES RANKS GET PAY INCREASES

Most of the more than 82,000 men and women in the armed forces will receive pay increases averaging 11.13% October 1. The increases are to cover cost of living increases and also to halt the drain of pilots going from the forces to higher-paid private industry. (HCH 14,9,74 p1 c4-5 GM same day)

POLICE

The story of major importance was the dispute over availability to the public of documents pertaining to the dismissal last December of two RCMP officers, Staff Sergeant Donald McCleary and Sergeant Gilles Brunet.

OTTAWA STALLS LOOK AT FIRING OF MOUNTIES

The Federal government took unprecedented action to prevent public scrutiny of its attempt to arbitrarily fire two senior non-commissioned officers of the RCMP security division. While a Toronto Star reporter, Tom Haslitt, demanded his rights as a citizen to inspect evidence normally available to anyone, lawyers for Solicitor-General Warren Allmand prepared a notice of motion that effectively buries the evidence, declaring the entire matter confidential.

At stake is the future of former staff sergeant McCleary and Giles Brunet both top investigators in the RCMP's anti-espionage division until they were fired last december without required documentary explanation of why they should be dismissed after twenty years of exemplary service. Mr. McCleary is generally credited with breaking the James Cross kidnapping case and Mr. Brunet is a veteran security agent.

(TS 7,9,74 pA1 c9; GM 13,9,74 p8)

MOUNTIES FEAR ORGANIZED CRIME HAS INFILTRATED THE SECURITY DIVISION

Fears that organized crime has infiltrated the security division of the RCMP plus references to a clandestine operation by agents of U.S. Military Intelligence in Montreal, dominate a mass of top secret information that may become public. The material was filed with the federal Court of Appeal in a case involving an appeal by two former RCMP security agents against their dismissal last December. According to the best information available, evidence shortly to be released, will show:

-the RCMP has grave fears that it has been infiltrated and perhaps used by organized crime, which in turn is moving into legitimate fields of business and industry as it has in the U.S.;

-at least two officers of U.S. Military Intelligence were in Canada for a period of months, conducting clandestine operations on behalf of Washington with at least the tacit approval of the RCMP;

-illegal wiretaps are used by the RCMP as a matter of course and these infringe on a broad sector of society, normally considered immune to invasions of privacy in a free society;

Justice Minister Otto Lang said such operations take place from time to time with the approval of Canadian authorities.

-one source suggested part of the evidence now held secret involves the fact that one or both of the fired officers entertained two agents of the U.S. military intelligence who were in Montreal on a secret mission.

-the government repeatedly has denied the existence of U.S. intelligence forces in Canada.

(TS 25,9,74 p1 c8-9; TS 28,9,74 pA1 c5-6)

SECRET PAPERS COULD BE MADE PUBLIC

The two former RCMP officers have withdrawn their application for a hearing in Federal Court. The surprise move came hours before top-secret documents in the case would have been made public. RCMP Commissioner Nadon sent the court about 150 pages of documents to be used in the hearing while other sets of documents were withheld from the court on the basis of national security. A section of the Federal Court Act allows the minister to invoke such a privilege. Mr. Campeau, lawyer for the two former Mounties said that secret RCMP files in the hands of the courts will not harm national security if they are made public but would prejudice his clients' chances of getting a fair hearing.

(G&M 26,9,74 p.1 c.1-5; TS 26,9,74
p. A1 c.4-9)

AFFILIATES GAVE SECRETS TO MOUNTIES, LANG SAYS

Justice Minister O'ttt Lang has ordered information concerning the firing of the two RCMP officers kept secret because "it was furnished to the RCMP in confidence by an affiliated organization". In Lang's affidavit, he said information in the evidence was received from an affiliated organization and failure to maintain confidentiality in such cases would "prejudice the effective operation of the force". The term "affiliated organization" could refer to Canadian organizations such as the Quebec Provincial Police, Montreal City Police or Canadian Armed Forces Intelligence, or could refer to U.S. organizations such as the Central Intelligence Agency, The Federal Bureau of Investigation or the U.S Military Intelligence, all of which have had links with the RCMP security division in the past.

(T.S. 27,9,74 p.A3 c.6-9)

RCMP COMPUTOR JAILED THREE INNOCENT MEN FOR SIX DAYS

Three Canadians who had committed no crimes were recently jailed by a little-publicized computer system - called the Canadian Police Information Centre - to which all major police departments across the country have rapid access. Police departments in Ontario alone supply the Ottawa computer with information contained in 4,000 warrants each week.

(T.S. 17,9,74 p.A1 c.1-9)

NEW POLICE COMPUTOR

A new \$1.3 million Metro Toronto police computer to document crimes and suspects will not be linked with a RCMP computer. However, each Metro Police Station will be linked to the RCMP computer and will both receive information from it and feed information to it.

(T.S. 18,9,74 p.A1 c.3-6)

WIRETAP CONSENT IS SIDETRACKED

About 15% of Ottawa policemen refused to sign a wiretapping consent form in July. Some were advised by lawyers that the consent form gave senior officers the right to eavesdrop on any conversation of a policeman, including private talks with family or friends. No action is being taken on the refusals.

(G&M 18,9,74 p.9 c.5-7)

ONTARIO ORDERS STUDY OF PRIVATE SECURITY SERVICES

The Ontario Government has ordered a \$29,500 study by the University of Toronto Centre of Criminology to explore the role that government should play in regulating a private police industry that is presently the same size as Ontario's public police forces.

(T.S. 5,9,74 p. A7 c.1-5)

JUDICIAL - COURTS

FAMILY COURTS FAVOUR THE RICH

Justice Minister Otto Lang said the present system often requires lower income people to go through as many as four or five courts before resolving their matrimonial disputes. The woman who is not wealthy and cannot afford to launch a divorce action must go through a deserted wives' proceeding in a provincial family court. This provincial court is the lowest rung on the judicial ladder and cannot grant a divorce or separation; its orders for support "may be more difficult to enforce", says Lang. The Law Reform Commission estimated in its brief that 75% of men ordered by family courts to support their wives and families default on payments. (T.S. 28,9,74 p.A3 c.6-9)

JUDGE RULES LAWYER-CLIENT RELATIONSHIP HAS PRECEDENCE

A judge of the Supreme Court of Ontario has ruled that the privileged relationship between a lawyer and his client takes precedence over the powers of the federal bureau of competition policy to search a company's files. Oliver McKeag, general counsel for Shell Canada Ltd., said the case resulted from his refusal to turn over documents he felt were protected by the lawyer's privilege. (G&M 19,9,74 p.5 c.1-5)

LOWER JUVENILE AGE

Manitoba municipal leaders want the age of a juvenile before the courts to be lowered from 18 to 16 on the grounds that the light penalties given to older young people fail to discourage them from crime. (F.P. 21,9,74 p.1 c.1-2)

PENITENTIARIES

SENATE COMMITTEE OFFERS REVAMPED PAROLE SYSTEM

A Senate committee has recommended the creation of a new category of dangerous offenders who would serve indefinite sentences in prison and would in effect be on parole for life. Under the proposals, anyone sentenced to life imprisonment would continue to be eligible for parole after 10 years and all prisoners would normally be released by the time they had served two-thirds of a sentence. (W.F.P. 12,9,74 p.1 c.8-9)

The committee also calls for a "substantially intensified" system of parole supervision. The report suggests that beyond the minimum requirement that one-third of a term be served, other criteria for release "should be based on the principle of protection of society and on the concept of parole as one step in the correctional process". In effect, every sentence would consist of three parts: the first being incarceration in an institution; the second a period during which the parole authority may release the inmate on discretionary parole; should the inmate not be granted discretionary parole, he would be entitled to be released on minimum parole to serve the last third of his sentence under supervision in the community. (G&M 12,9,74 p.1 c.5-9)

(EDITORIAL) While fairness to prisoners is, of course, a fundamental part of parole and rehabilitation, when it comes to a choice between fairness and public safety, the latter should take precedence.

(H.S. 19,9,74 p.6 c.1-2)

COMMUNICATIONSIrving's Appeal Against Monopoly Decision

K.C. Irving's appeal to the New Brunswick Supreme Court ended in a delayed decision. His lawyers based their appeal against the monopoly ruling on two major points.

- a) the mere existence of a monopoly is not an offence in itself, but only if detrimental to the public interest.
- b) fines imposed were excessive and dissolution inoperative as Irving's three sons had shared ownership since 1972. The order did not directly mention any particular son.

The crown argued that the sons had too many common interests to promote free open competition in the journalism field.

(GM 25/9/74 p33c3-7)

THOMSON CHAIN EXPANDS

Thomson Newspapers Ltd. of Toronto bought the Citizen of Key West, Fla. now the 48th U.S. daily paper owned by Thomson. The company controls 34 Canadian dailies.

(GM 6/9/74 pB3 c3)

BELL CANADA

Introduction: Although Jean de Grandpre, Bell Canada President feels the government has taken an enlightened view of the total situation, governmental approval of the rate hike aroused much opposition. Parliament backed the Canadian Transport Commission, the public agency granting Bell's requests. New rates will add 10 cents a month to residential lines, a monthly hike of 7.5% to business lines, one cent a minute increase on overtime charges, and 25¢ for directory assistance on the fourth and subsequent requests each month. Some public booths will now toll 20¢.

CTC APPROVES BELL RATE INCREASES

The CTC recognized the need to improve earning on common stock so that Bell can raise equity for borrowing money on its enormous projected capital program. Increased dividends depend on increased yield as her stock is money stock. The CTC approved a return on total capital from 7.8%-8.2% to 8.6%-9.1%. The question of whether Bell should be allowed to make independent adjustments in rates for inflationary cost increases has been deferred for later this year. Also to come up for future consideration is the question of whether basic telephone service is subsidizing other forms of communication. The CTC required Bell to improve rural telephone service as well as service to low income subscribers. Funds would be extracted from urban affluent subscribers.

(FP 24/9/74 p.15 c1-4)

RATE STRUCTURE REVISED

Bell has adjusted the rate structure to overcome price discrimination against people in small exchanges. The company now determines the size of the free calling areas by the number of telephones. In Toronto extensions number from 30% to 40% of all telephones. Businesses

now pay \$20.75 per individual line as an average. Among factors which should perhaps be considered in accounting for the rate increases is Toronto is the multiplication of extensions. *During late 1972 Bell Canada advertized installation of extensions free of charge in Toronto and other parts of its Western territory.*
(FP 28/9/74 p19 c3-6)

OTTAWA SHRUGS OFF OPPOSITION TO BELL RATE HIKES

A nine group coalition representing political, native rights, anti-poverty, labor and civil liberties organizations in Ontario and Quebec objected to the rate hikes. Spokesman Ken Rubin of Action Bell expressed the group's concern to Communication minister Pelletier that the governmental system is business oriented. He pointed out that a government proposal to shift regulatory responsibility for telephones from the CTC to the Radio-Television Commission will not increase subscribers' ability to influence rate questions. The coalition did not recommend boycott or guerilla tactics.

(WS 12/9/74 p.30 c1-8)

EDUCATION

U. of T. SOCIOLOGIST CLAIMS COLLEAGUES PUT CANADA SECOND

Shirley Small censures her own dept. of Sociology for the recent hiring of 8 non-Canadians (7 are U.S. citizens). She says that it is a fiction that hiring, firing and promoting are done on objective criteria. "It seems incredible to me that knowledge and experience of Caaadian society is not considered the crucial aspect of competence in current appointments".

She states that sociological theory has developed out of the process of analysing American society and "if a Canadian sociologist conducts research for a governmental commission (an excellent way of gathering data) he runs the risk of criticism from his American-trained colleagues for being unscholarly, and making no significant contribution to the discipline."

(TS 4/9/74 p.B3 c1-4)

CHURCH

Gregory Baum, a Roman Catholic theologian says the bishops of his Church have "an underdeveloped sense of sin" in his critique of the document on the formation of conscience issued by the Canadian hierarchy. In his view the church must awaken to the fact of its participation in systems that are sinful. While some institutions today, including some Catholic, begin to assume responsibility for thier financial investments, the major institutions, the dioceses and especially the Vatican, still hesitate to reveal their books to the Christian people from whose contributions the money comes and to examine their investment policies in the light of moral principles. By concentrating almost totally on old-fashioned concepts of sin that sees it as a matter of free choice by an individual and ignores the social or corporate side, the bishops simply accept the status quo. Baum's concern is with social sin and corporate crimes that happen not so much by deliberate choice as by "common blindness, or group involvement in destructive action in which people take part despite their good will." Knowledge of sin comes not just from personal awareness but also from community self-examination in light of the Gospel.

(T.S. 31,8,74 p.G19 c.1-3)

CHURCH LEADER DENOUNCES CANADIAN SUPPORT OF THE CHILEAN JUNTA

Rev. John Zimmerman of the Inter-Church Ad Hoc Committee on Chilean Refugees criticized the Canadian Government for rushing to the support of Chile's military dictatorship. He said Canada favored the International Monetary Fund's extension of a \$95 million credit to Chile and two loans totalling \$100 million from the Inter-American Development Bank, both since the Military Junta took power. Such loans tend to strengthen the hand of the Junta and the privileged rich of that country, "and we know that the wealth is not trickling down", he said. Zimmerman said that the Canadian International Development Agency (CIDA) is planning an investment seminar this fall for Canadian companies that may be interested in investing in Latin America including Chile. Falconbridge Nickel Mines Ltd. is considering a \$300 million copper investment in Chile ... "in a country controlled by a fascist government where it can be assured of high profits at the expense of cheap labour".

(G&M 12,9,74 p.2 c.7-9)

LATIN AMERICAN NEWSFILEARGENTINA

The two largest political parties in Argentina, the Peronist and Radical Parties, have announced their support for Mrs. Isobel Peron, president of Argentina, whose power seems to be weakening during the recent violence. A dozen smaller formations, including the Communists, have added their support, according to one well-informed source.

(LJ 5,9,74 p10 c6 AP)

The government of Argentina has begun the process of nationalization of two large petroleum corporations, Shell and Esso, which will reduce their profits by about \$20 million, unless they decide to pull out entirely. These two companies control 78% of the private market, and are among the top 10 corporations in the country. The oil industry is Argentina's largest and accounts for the greatest movement of funds.

(LJ 5,9,74 p11 c7-8 PL)

An Argentinian organization originally formed of leftist Peronists, called Montoneros, had decided to go underground, and to declare open war on the government of Isabel Peron. Mr. Mario Firmenich, principal spokesman for the group, admitted the possibility of joint action with the Peoples Revolutionary Army (ERP). He was accompanied at a clandestine press conference by leaders from six other groups in the revolutionary wing of the justicialist movement.

(LD 9,9,74 p14 c5-6 AFP; also LJ same day)

The Argentinian left Peronist organization Montoneros has claimed responsibility for the kidnapping of Jorge and Juan Born. They are asking for \$50 million ransom for these two brothers who are directors of Bunge and Born, a company which has interests in 80 countries and whose annual grain sales total between \$700 and \$800 million. The company owns, among many others, the Rio de la Plata mines, chemical industries and a paint factory, and operates in Brazil about a dozen chemical and textile industries, a bank and an insurance company.

(LJ 21,9,74 p9 c2-3 AFP)

Silvio Frondizi, brother of former Argentinian president Arturo Frondizi, and defence lawyer for left-wing political prisoners, was assassinated yesterday in Buenos Aires, after having been kidnapped by a dozen people belonging to an extreme right-wing organization called "Argentinian Anti-Communist Alliance." (LJ 28,9,74 p9 AFP)

BOLIVIA

It was revealed by the Bolivian Catholic newspaper "Presencia" last week that a company called Sanjor Ltd in the capital of La Paz has been paying the very low price of 50 pesos (\$2.50) for 600 cubic centimetres of blood. It claimed that the repeated extraction of blood was contributing to the endemic malnutrition of Bolivians, who have the highest mortality rate on the continent. The company's representatives have confirmed that they have been operating with the authorization of the Ministry of Public Health and exports surplus blood to a Swiss firm and Medical Investigation Labs of Houston.

(LJ 21,9,74 p 7 c6-8 PL)

CUBA

Cuba and the U.S. have initiated high-level diplomatic contacts in Switzerland. Cuban Foreign Minister Raul Roa met with U.S. officials in Bern. Senators Jacob Javits (R. New York) and Claiborne Pell (D. R.I.) announced this week that they will visit Cuba, the first such trip by U.S. senators since the U.S. severed diplomatic relations in January 1961.

(TS 6,9,74 pA1 c1)

Opposition to the lifting of the sanctions against Cuba by the OAS seems now to be reduced to two countries: Chile and Uruguay. There are indications that the proposal to lift the embargo put forth by Colombia, Costa Rica and Venezuela, has a good chance of being approved by the U.S. and 18 countries who are signatories to the InterAmerican treaty on mutual assistance. The two most important factors are: the more "flexible" attitude of the new U.S. president, Gerald Ford, and the OAS meeting has been set for November 11, 1974, in Quito, following U.S. congressional elections.

(LD 19,9,74 p7 c3-4 AFP)

The U.S. supported a proposal yesterday to review the economic and political sanctions imposed on Cuba 10 years ago by the OAS; 14 Latin nations favor ending the sanctions. Brazil, Uruguay, Nicaragua, Bolivia, Chile and Paraguay favor retaining the sanctions. 14 votes are the required 2/3 majority necessary to lift the sanctions. Haiti, the fourteenth nation, is thought to favor lifting them. (HCH 21,9,74 p5 c1-4; MS 21,9,74 pA6)

COMMENTARY IN THE PRESS

In an analysis article, written for the New York Times, Herbert L. Matthews, says that "the mountains are moving to Mohammed" in the move to re-accept Cuba in the hemispheric fold. Fidel is in no hurry, the trade embargo might well be gotten rid of, but sugar prices are high and the harvest excellent. 2.16 million tons will be sold at world market prices even to China and the price on the London market on Sept 6 was 42 cents a pound. Exports of fish, nickel, citrus, tobacco and some beef are bringing in currency from hard currency countries. Fidel stated in 1971 that Cuba will never return to "that rotting corpse"--the OAS--"which makes us vomit." Cuba is now trading with every developed country in the world. Her credit rating is high. There has been far greater progress in education, public health and social services than in any other Latin American country. The U.S. and Latin America must now negotiate with a new, different and far stronger Cuba.

(MS 23,9,74 pA7 c5-6; WFP 26,9,74 p26)

COSTA RICA

Standard Fruit in Costa Rica has accepted the government's tax of 25¢ for each box of bananas exported. The company has also come to an agreement with the government on a new purchasing price, as well as the return of many uncultivated lands to the state. (LJ 21,9,74 p9 c1 PL)

ECUADOR

Ecuador is in the process of speeding up the conversion of the basis of its economy from banana production to petroleum. It has become Latin America's second largest oil exporter. (LJ 7,9,74 p9 c2-4 PL)

THIRD WORLD

THE WORLD POPULATION CONFERENCE IN BUCHAREST

INTRODUCTION: Although this conference did not receive much coverage in English-language press, we are including a summary of what occurred that appeared in Le Jour. The conference voted down the U.S. position which favored a heavy emphasis on family planning as the solution to over-population.

The world conference on population held at Bucharest marks a turning point in population policy for the majority of countries of the Third World. Led by China, Algeria and Argentina, a coalition formed by Latin American, African and socialist countries, obtained a fundamental revision of the U.N. "plan of action" whose two objectives were diffusion of information on family planning and a lowering of the global birth rate. The coalition, representing the majority of countries, adopted an amendment declaring that the situation of under-developed countries is due to inequality in international economic relations and included a demand for a better division of world riches and resources. They denounced domination, colonialism and oppression in all its forms. They argued that the only effective solution to demographic problems was economic and social transformation and that no population policy alone would substitute.

(LJ 31,8,74 AFP)

Col. Raul Mandonado Mejias, Minister of Public Health in Ecuador, in a statement at the conference supported the thesis that man and his society have the right to establish the number of members of that society. This helped contribute to the failure of the thesis of some capitalist countries, who see in massive sterilization the solution to misery and underdevelopment. If Ecuador were develop itself integrally, he said, it could support more than 100 million people. Specialists claim it has the largest fish reserves in the world and unlimited agricultural possibilities. The population is now six and a half million. (LJ 27,9,74 p11 PL)

THE FOOD CONFERENCE

Introduction: The Food Conference to be held in November promises to be equally important for the Third World in particular. The U.S. is taking a hard line position (see this issue Trade: the Food War) and one suspects Canada will second that position. In preparation, we include an article which sums up some of the issues at stake.

Loaves and fishes

In November a world food conference opens in Rome to consider solutions to the appalling hunger which cripples so much of our planet. Much future hope for the alleviation of this situation is focused upon enriching the resources of the land and harnessing the vast, virtually unplumbed potential of the seas. Yet even dramatic advances in cultivation and production will not suffice unless the means are found to improve the marketing and distribution of all foodstuffs. Allusion to loaves and fishes suggests a somewhat wistful reliance on miracles, but it will take a change of attitude approaching the miraculous to ...make sure that earth's riches are adequately and fairly shared...The issue raised is whether so essential a commodity as food should continue to be governed by traditional market forces which drive the price of basic items up and up... Put in the simplest terms, it is this: That the underlying causes of the existing food crisis are found "in the consuming and marketing practices of economic systems..." Affluent, industrialized, Western man has an obligation, as never before, to re-examine the notorious extravagance which we have all found too easy to take for granted. We live in a throw-away society, and there is a very real sense in which everything we carelessly discard, half-used and unappreciated, means throwing away someone else's chance to live decently.

(MS 24,9,74)