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synthesis project



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canadian newssynthesis project

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

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newspapers used

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Financial Post	FP
Ottawa Citizen	OC
Montreal Star	MS
Vancouver Sun	VS
Halifax Chronicle Herald	HCH
Winnipeg Free Press	WFP
Le Devoir	LD
Le Jour	LJ
Hamilton Spectator	HS

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HIGHLIGHTS - JUNE

Business leaders express concern that the free enterprise system is endangered by the present economic crisis. See State of the Economy, pp 6-7.

The federal budget is presented. A variety of responses. pp 30-32.

Important developments among the Native Peoples. pp 11-13.

A new transportation policy is released by Marchand. pp15-16.

The continuing strike at United Aircraft is highlighted in Quebec Labour. pp27.

An important international conference sponsored by the CNTU and the Quebec Teachers Association to discuss common strategies with workers in Third World countries faced with multinational companies took place in Quebec. Although this conference did not receive any attention in English language papers, Le Jour provided extensive coverage. See pp42-43.

International Women's Year Conference in Mexico City. There was division between Third World delegates' concerns for a more just economic and political order in contrast to North American concerns for feminist issues. See pp44-45.

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*The Edmonton Journal (EJ) is being clipped in place of VS.

*The Montreal Gazette(MG) was covered this month as the MS was on strike.

*Due to higher production costs, the "analysis of the canadian press coverage of the green paper on immigration" will be 75¢ plus postage.

FOREIGN INVESTMENT

Introduction: In addition to the current recession, other reasons are beginning to emerge as excuses to delay implementing the second part of the Foreign Investment Review Act (FIRA). The second portion deals with a much more economically significant part of the economy.

Canada has assured potential European investors frightened by FIRA that the government is still open to investment. British businessmen were told that the act was designed to ensure the orderly development of Canadian resources.

FIRA DELAYED

As of May 16, the agency responsible for administering FIRA had disposed of 104 applications. To date, part i of the program has been operative since 1973, governing foreign takeovers of Canadian companies. Part 2, controlling new direct investment and the expansion of foreign controlled companies into different fields has been stalled since December 1974 when it was to be implemented. (see CNSP vol III, no 5). The latter part of FIRA would make public information on multinational operations and business procedures a cloudy zone when judged in the light of the general Canadian public benefit. This more economically significant area of new investment cannot, according to the companies, be brought to light, because release of such information would place applicants at a disadvantage vis a vis their competitors. Another reason against strenuous reviews concerns the transfer of technology. Arrangements between multinationals and their Canadian subsidiaries would be severely hampered by investment controls since the subsidiary would have to pay royalties and fees on parent research and development.

(EJ 25,6,75 p8 c1-3; GM 2,6,75 p9 c5-8)

FIRA ACTION TO DATE:

total reviewable proposals:	167
total resolved:	104
of which, allowed:	67
deemed allowed:	3
disallowed:	16
withdrawn:	18

pending: 63

Source: Bank of Montreal Review June 1975

The Canadian government assured both Britain and Germany that it is still interested in foreign investment. Paul Martin, Canadian High Commissioner to Britain forecast to businessmen there that Canada will need \$115 billion for the development of new energy sources plus \$600 billion for other capital investment in the next decade. FIRA legislation has been designed with an eye towards limiting the export of raw materials for the benefit of Canadian workers.

(WFP 19,6,75 p6 c1-3; FP 14,6,75 p17 c3-5)

The Canadian Development Corporation wants to acquire or form a Canadian oil exploration firm and gain involvement in areas of secondary manufacturing. Oil and gas exploration has declined in the past year, blamed on excessive taxation draining funds. The CDC hopes to have its stocks before the public this year as profits triped to \$63.9 million. 30% ownership in Texasgulf contributed to the increase.

(OC 5,6,75 p12 c1-5; OC 26,5,75 p11 c1-3)

PEI LEADS IN LIMITING LAND OWNERSHIP BY FOREIGNERS

In a unanimous judgment, the Supreme Court of Canada upheld the validity of PEI laws restricting foreign ownership of land in that province. The high court said that PEI with a long history of absentee land ownership, acted within its powers in restricting non-residents to owning not more than 10 acres of land and 330 feet of shoreline. In Victoria B.C., Resources Minister Bob Williams said B.C. legislation can be expected on the issue in the near future.

(HS 27,6,75 p14 c1-2)

RESOURCES: OIL AND GAS

ALBERTA CRUDE OIL SUPPLY DECLINES

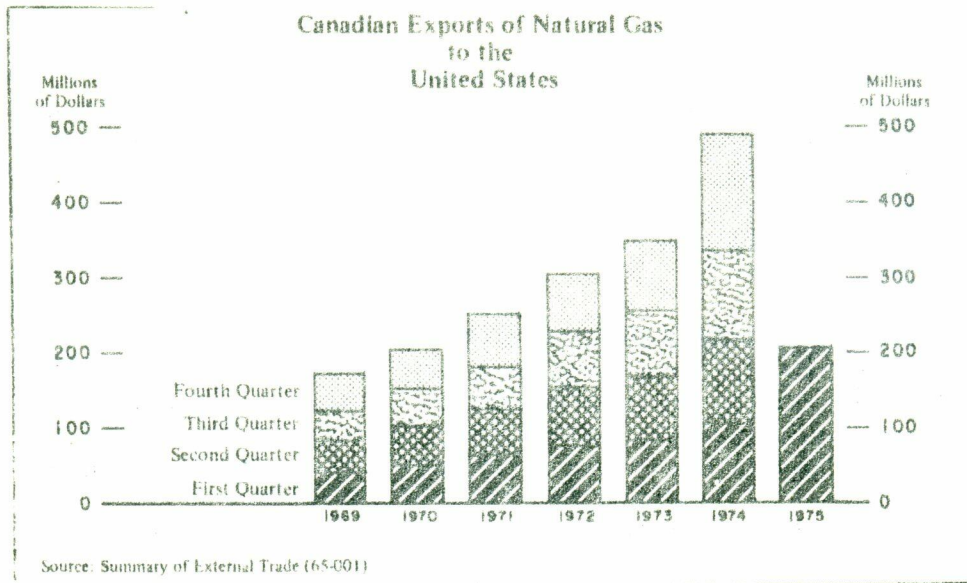
The Alberta Energy Resources Conservation Board's latest estimate of the province's crude oil supply is that on Jan 1, 1975, Alberta had 6.3 billion barrels of readily available oil. The AERCB still feels however that the recoverable reserves total 18 billion barrels. Only 27 million barrels were discovered in 1974, 21 million barrels became available through reassessment of existing pools, and 200 million became available through improvement in recovery methods. While additions totalled 248 million barrels, Alberta produced 497 million barrels for a net drop of reserves of 249 million barrels. Production capacity is expected to drop from 1.59 million barrels per day to below 1 million barrels per day in 1979. While conventional oil recovered is not expected to exceed 18 billion barrels, the Board estimates that it is possible to extract 250 million barrels of synthetic crude oil from an estimated tar sands field of 1,000 billion barrels. (HCH 12,6,75 p11 c2-7; GM 14,6,75 pB1)

EXPORT LIMIT CUT TO 750,000 BARRELS PER DAY

The federal government has lowered its limit on crude oil exports from 800,000 barrels for the first half of 1975 to 750,000 per day for the second half. In fact, it is estimated that exports only averaged 665,000 barrels per day for the period Jan to June 30. Ottawa is reducing its export tax by 80¢ per barrel in an effort to make the oil more attractive to U.S. buyers, but exports will not be allowed to rise beyond 750,000 barrels per day. (GM 4,6,75 pB1 c2)

ONTARIO CONSUMPTION OF ALBERTA CRUDE TO RISE

The demand of Ontario refineries for Alberta crude to be used as feed-stock will increase consumption by 40,000 barrels per day to 419,000 per day. Ontario will now replace the U.S. great lakes and northeast areas as Alberta's biggest customer. (GM 28,6,75 pB1 c2-3)



INFORMAT May 30/75 Resources

FEDERAL BUDGET INCREASES GAS PRICE

The federal budget of June 23 raised the wellhead price of crude oil from \$6.50 to \$8. This will add 5¢ per gallon to gasoline prices. Also a further 10¢ a gallon excise tax was imposed. Initially the purpose of the increases is to subsidize the high cost of imported oil east of the Ottawa Valley. Raising the Canadian wellhead price reduces the difference between domestic and world oil, presently at \$11 a barrel. This reduces the amount to be paid in subsidies, while the 10¢ a gallon tax will increase the federal fund that pays the subsidy to the importers.

(HCH 24,6,75 pl c1-8)

PROVINCES ENCOURAGED TO HELP EXPLORATION

The federal budget has received guarded approval from the industry as being conciliatory in its approach. Although the industry's share of the increase will only be between 5 and 13¢ a barrel, Finance Minister Turner altered the tax structure on oil. Turner announced that a company which spent more on exploration would be entitled to a small tax break. The most significant announcement is that "within reasonable limits" provincial resource levies will be deductible from federal tax assessments. The industry is now pressing Alberta to show similar goodwill by lowering royalties, a step that Alberta is willing to take. Analysts conclude that such a move will help trigger new investor interest both for conventional and frontier oil.

(GM 25,6,75 pB2)

NOVA SCOTIA FIGHTS TO CONTROL OIL PRICES

In public hearings before the Nova Scotia Public Utilities Board in 1974, Imperial Oil vice president G. McLellan, admitted that prices were set independently of costs. The Board found that there was a surplus of refined oil in Nova Scotia. However, prices were rising, not falling. The oil companies which operate on an international scale, and often in collusion with each other, can no longer relate costs and prices, so the Board is attempting to do so for Nova Scotia. Last month, the Board refused to grant price increases requested by all the major companies and is trying to define a cost price relationship for Nova Scotia. The companies were shocked that a government body should attempt this and some are threatening retaliatory action. The outcome of this situation could have important ramifications for the entire Canadian oil industry. (GM 14,6,75 p8 c2-6)

resources; fishing

Originally set up in 1951, the International Commission for the Northwest Atlantic Fisheries held a conference June 11 to 20 in Edinburgh attended by 16 member nations to discuss problems in the fishing industry. The Canadian press concentrated attention solely on Canadian proposals at the conference. Romeo Leblance blames excessive foreign fishing off the Atlantic coast for "an economic and social disaster" for Canadian fishermen. Canada proposed:

- reduction of foreign fishing by 40%;
- Canadian fishermen to receive a bigger share of the allowable catch;
- Canada would say what it needed and the surplus would be shared among other nations (in the area from Hudson Strait to the channel between Brown and George Banks.)

A report by the standing committee on research and statistics stated that the total catch of all species in the Atlantic area slumped by 10% between 1973 and 1974 and that exploitation had passed the point of natural renewal, a point expected to strengthen Canada's position. However, as the conference progressed, indications were that Canada may yet take unilateral action over the 200 mile limit or close all ports to foreign fishing vessels. MacEachan favored a delay in unilateral action. With only the U.S. backing Canada's position, the conference closed to be reconvened in September in Montreal.

(OC 12,6,75 p32 c1-4; WFP same day;
HCH 20,6,75; 21,6,75; FP 28,6,75 p8)

FORESTRY

The concern within the lumber industry presently is with drastically reduced markets. This combined with accusations of harvest mismanagement, insect control (PEI) and feared nationalization (Saskatchewan) presented a gloomy outlook for forestry in June. PEI's forest industry, contributing 20% of the province's economy, is suffering from improper harvesting and woodlot management. "We are convinced that all future life is at the immediate mercy of water and soil maintenance said forestry minister Gaudet. "Forests keep that balance."
(GM June, 75)

The future for ocean lumber transport is unpredictable, F. Howard of the Maritime Lumber Bureau, predicted the continued use of small chartered conventional ships take their lumber cargo to smaller ports in spite of high inventory charges that inevitably result. He could see nothing but uncertainty for the exporter.
(HCH June 75 p 25 col 2-5)

6.5 million acres of prime New Brunswick timber is in danger of being killed by the budworm (moth); lumber is the biggest single dollar earner for the province.
((TS 6,6,75 pB3 c1-9)

The B.C. government thinks the lumber markets have recovered sufficiently and has decided to end special royalty relief on July 1. Last fall the province reduced its timber royalties substantially to encourage companies to keep operating.
(FP 21,6,75 pl c2-3)

There is fear among sawmill owners in Saskatchewan that the government may be planning to nationalize the industry. (FP 28,6,75 p32 c1-3)

BANKING

GOOD TIMES FOR THE BANKS

Despite a recession in the economy, Canadian chartered banks have recorded high profit increases on domestic and international operations. The after tax balance of revenue (profit) for the 10 banks was up 37.9% from a year earlier. The international operations of the banks account for substantial part of these profits; the Toronto Dominion Bank, for example recorded an 86% increase in profit from its international division which now contributes more than 25% of the bank's total profits. (GM 7,6,75 pB1 c2-7)

TORIES URGE GOVERNMENT TO BLOCK B.C. BANK

B.C. proposed alternative provincial bank, the B.C. Savings and Trust Corp. (see last month CNSP for background), should be blocked by the federal government before it becomes too popular for granting low cost loans to low and middle income families and businessmen, according to PC finance critic Sinclair Stevens. Stevens says that some Tory MPs and the existing chartered banks are disturbed about Barrett's move to establish the new bank. He says that the federal government will lose its power to regulate banking, a federal matter, to the provinces and will in consequence also lose control of monetary and fiscal policies. The new B.C. bank was proposed in legislation introduced by Barrett May 16. (WFP 7,6,75 p43 c1-4)

CNSP ANALYSIS: Steven's comment that the existing chartered banks are upset with the B.C. proposal is revealing. It suggests that these banks are less concerned about federal provincial responsibilities, and more about competition from a new bank pledged to serve low and middle income customers with low cost loans. The new bank in other words will serve those presently ignored by the chartered banks.

DEVELOPMENT BANK DELAYED

Cutbacks in Turner's new budget will mean that the launching a new Federal Business Development Bank will be deferred indefinitely as part of Turner's effort to axe expenditures on new crown corporations. (FP 28,6,75 p12 c5)

BANK URGES BUSINESS TO DEVELOP TRADE WITH AFRICA

In its latest economic review, the Provincial Bank says that Canadian businessmen should be investing more in Francophone Africa and developing more trading opportunities. In 1973 Canada's trade with Francophone Africa totalled \$111 million, only 0.2% of Canada's external trade. The bank noted that those countries would particularly welcome Canadian investment because Canada is a middle power, without a colonial past and devoid of any imperialistic design. The bank said ties already exist between Canada and Francophone Africa because of a common language and through the Canadian International Development Agency whose aid to those countries increased to \$104 million last year from \$29 million in 1970. (TS 20,6,75 pC7 c7 CP)

STATE OF THE ECONOMY

GNP CONTINUES TO FALL:

The Canadian Gross National Product (GNP) measuring the value of all goods and services produced in the economy declined 1.45% in the first three months of 1975. It is the steepest quarterly drop in 14 years and Canada's productivity has now declined for four consecutive quarters, the first time since the 1930s. The first quarter declined in GNP if measured on a yearly basis would mean a fall of 5.6%. (OC 16,6,75 p9; WFP same day)

PRODUCTION FOR DOMESTIC MARKET DOWN

The real domestic product index was down 1.6% in April from the output in the same month in 1974. The real domestic product index is one broad measurement of how much the economy produces for domestic consumption. It counts the number of items and not the price, discounting the effects of inflation. 9 (WFP 20,6,75 p5 c2-4 CP)

PRICE INDEX UP AGAIN

According to Statistics Canada, the consumer price index rose by 0.8% in May with food and housing costs accounting for major parts of the increase. The overall price index in May was 11.4% above a year earlier. The food prices review board is predicting a 15% rise in food costs this year. (WFP 11,6,75 p1 c1 CP)

CNSP NOTE: the federal budget is covered in Political Federal.

DOOMSDAY VOICES FROM BUSINESS

John Bullock, president of the Canadian Federation of Independent Business, says that high wage settlements for federal and provincial government employees and rising taxation levels are two main factors that will change the economic system from one of free enterprise to a Planned Economy". (WFP 2,6,75 p16 c1-3 CP)

Speaking to the annual meeting of the Canadian Manufacturers Association, Robert McNair, chairman of the Grocery Products Manufacturers of Canada (and president of Bristol Myers Products of Canada Ltd) said that a super council representing business should be formed to meet the super power of big government. Such a council, he said, should convince "the Canadian people, labour and government that private enterprise may be far from perfect, but it is infinitely preferable to the horrors of a government controlled state." (TS 3,6,75 pC8; WFP 5,6,75 p37 c1-4)

Robert Jones, president of the Investors Group, explained that his promotion of a nine week \$500,000 advertising campaign to tell the businessmen's story across Canada, started with the impetus of "self interest". The campaign features interviews with the chief executive officers of major Canadian corporations speaking on a range of issues about the free enterprise system. "What we are trying to point out in the campaign," he said "is that if the trend continues, we are going to find ourselves in a completely changed political and social system. (WFP 6,6,75 p13 c1-2)

Mr. Walter R. Lawson, outgoing president of the Canadian Manufacturers' Association and vice-president of Domtar Packaging Ltd., criticized government spending in his address to the association's annual meeting. "The voters of this country must soon realize the economic dislocation and malaise caused by unrestrained government spending, which will take 40% of our GNP this year and will total \$60,000 million."

(FP, 7/6/75, p.14, c.6-9)

Speaking to members of the Financial Executives Institute, David C. Collier, president of General Motors of Canada, declared that our economic system, with the individual making his or her own decisions, is threatened. "What people need to realize," said Mr. Collier, "is that with the loss of a free choice, competitive market, it is only a step away from the loss of a free political choice society." (HCH, 10/6/75, p.10, c.2-4)

CNSP ANALYSIS

The chroniclers of doom appear in this month's News Synthesis in the form of representatives of the business community decrying the size and power of big government. While the criticism has been growing for some months now, and statistics certainly reveal the important growth of government involvement as a major force in the economy, the angry words for government have taken on a new tone: the future of the free enterprise system is in doubt: drastic action must be taken to stem the trend towards a "planned society" and "government-controlled state". David Collier of General Motors of Canada goes so far as to suggest that political freedom and freedom of the market place are synonymous--as if the choice between a General Motors' product and a Ford automobile is any choice at all.

All the rhetoric suggests that the business community feels, perhaps astutely, that the free enterprise system is outmoded and in danger of being replaced by a different economic and political system. That businessmen feel so defensive at this time may also be reflective of the anti-big business sentiment throughout Canada and the need for the leaders of industry to shift the blame for the present economic conditions away from themselves to the growth of big government. Such strong defensive actions (including the \$500,000 advertising campaign by The Investors Group, can only be in reaction to some real threats to the Canadian corporate elite itself.

HOUSING

NEW BUDGET INITIATES MODEST STIMULUS

The new budget for housing has promised a modest stimulus for the sagging residential construction industry, even though Finance Minister Turner has cited the housing slump as the 'major domestic source of weakness in the economy.'

- CMHC's capital budget will be increased \$200 million, to \$1.6 billion, in which \$1.2 billion will go into housing and the remaining \$400 million for land assembly, sewage treatment and other projects.
- in addition to direct financing, CMHC will increase its mortgage subsidies to low and middle income groups to a maximum of \$100 a month from \$50, or \$1,200 a year from \$600 a year.
- part of the \$200 million will also be allocated to builders wishing to construct rental accommodation. They will be given mortgage financing at the concessional rate of 8% if they agree to hold rents to negotiated levels.
- the government did not attempt to interfere with conventional mortgage rates in the private market. (GM, 24/6/75, p.10, c.5-7, Hugh Windsor)

FINANCIAL NIGHTMARE

The extra \$200 million the federal government will spend on housing this year is "woefully inadequate," says Ontario Housing Minister Donald Irvine. Ontario had demanded that Turner allocate an extra \$500 million for housing and that \$390 million of that go to Ontario. "This money won't help us the least in our efforts to help municipalities provide more housing."

(TS, 24/6/75,p.A7,c.3-7)

ADMINISTRATIVE ADJUSTMENT

Representatives of the Canadian Real Estate Association were left shocked and dismayed after the budget. Blair Jackson, vice president of CREA said, "that \$200 million is virtually not much more than an administrative adjustment... to allow for the cost of inflation." T.F. Zidner, president of the Toronto Real Estate Board, said Turner "hasn't really done anything for the housing industry, and he certainly hasn't done anything for the house-buyer."

(TS, 24/6/75,p.A7,c.3-7)

HOPELESSLY INADEQUATE

Frank Hearley, president of the Toronto Home Builders Association, said that "virtually every segment of the house-building industry, present home-owners and potential home-buyers, received harsh treatment in the budget." The extra \$200 million is "hopelessly inadequate." Hearley forecast about 170,000 starts in 1975--down 60,000 from last year.

INCONGRUOUS

J. Richard Shiff, president of Bramalea Consolidated Development, said that generally, "the building industry must be very, very disappointed with this budget." He said it was incongruous that Turner made \$280 million available for local incentives programs that end in 6 months, and only \$200 million for additional housing for the whole of Canada.

(TS, 28/6/75,p.E1,c.6-8)

THE OSTRICH HAS PUT HIS HEAD IN THE SAND

In effect, all Turner has done is merely beef up existing programs by simply increasing the federal government's equity in low-income projects. And even this is not enough, as it falls short of one of CMHC's estimates--that an additional \$500 million of direct government lending is needed if housing starts are to approach the original expectations of 210,000.

(FP, 28/6/75,p.5,c.2-8, Mark Ricketts)

TRADE AND TREATY

INTRODUCTION AND ANALYSIS

The focus of trade coverage this month was on the international forces shaping Canada's trade policy. The U.S. continues to stall international monetary reform to forestall loss of its dominant position in world trade. The U.S., Europe and Japan are all anxious to ensure access to raw materials and the nuclear field is becoming increasingly important. The impact on Canada is a weakened trade situation, pressure on workers to lower wage demands and pressure to increase the sale of Canadian resources. These impacts suggest that Canada's position is parallel to that of third world trading nations and increases the need for Canadians to examine the struggle of these nations to gain more control of their economies through the demand for a new international economic order (NIEO). A paper entitled "What is the NIEO?" is available from Gattfly, 600 Jarvis St., Toronto.

1st Quarter 1975

Balance of payments deficit	1.53 billion
Merchandise trade deficit	537 million

(GM, 17/6/75,p.B1,c.7)

May merchandise trade deficit 104 million

Passenger car exports dropped	14%	to \$230 million
Crude oil exports dropped	4%	to 200 million
Wood Pulp exports rose	10%	to 179 million
Newsprint exports rose	10%	to 170 million
Lumber exports rose	6%	to 94 million
Natural gas exports rose	13%	to 83 million

(GM, 21/6/75,p.B4,c.5-9)

MONETARY REFORM CHARADE

Finance ministers and central bankers failed to reach agreement on all monetary issues under discussion at the Interim Committee meeting of the IMF on June 10th, and 11th. The Wall St. Journal accused the Treasury of gross dereliction of duty in relation to the world monetary situation. It called the U.S. stance on gold "ridiculous" and its position on floating rates an immense "disservice to the rest of the world." The U.S. also refused to accept a reduction of its voting share in the IMG (presently 24.8%) to below 20%.

(OC, 12,6,75, p.9,c.3-6)

(GM, 21,6,75, p.B2, c.4-7)

SDR's TO BE USED BY OPEC

Special Drawing Rights (SDR's) were created 6 years ago as a reserve asset based on the average of 16 of the world's leading currencies. The reserve fund totals \$9.5 billion. The oil producing countries have decided to work out oil prices in SDR's rather than U.S. dollars. The result will be a stronger stature for the SDR's and improved lprices for the oil producing countries.

(GM, 13/6/75,p.B3,c.8-9)

CANADA-EEC TRADE

The foreign ministers of the European Economic Community have agreed to discuss Canada's plan for closer commerical ties. Detailed negotiation is expected to take 3-4 years.

(OC, 28/6/75,p.6,c.1, edit.)

DEFENCE

NATO ministers hinted that if Canada wants to get more out of Europe by way of trade it had better be prepared to put more into Europe by way of defence

(HCH, 13/6/75,p.7,c.2-4)

NUCLEAR TRADE

Uranium producers of Canada, Australia, the U.K., France and South Africa have formed the Uranium Institute to promote the peaceful use of uranium and publish information on its future supply and demand. It will not act to fix prices or limit production.60% of uranium produced in the non-Communist world comes from these 5 countries. The remaining 40% is produced in the U.S. which did not join for fear of breaking anti-trust laws in the U.S.

(HCH, 14/6/75,p.22,c.2-5)

The Canadian Nuclear Association says it supports additional exports of nuclear reactors. (EJ, 18/6/75,p.10,c.1-8)

An Industry Trade and Commerce report says the projected domestic CANDU program (construction of 43 nuclear reactors over an 8 year period) could result in \$5 billion sales in Canada. Projected exports sales are for \$1.3 billion annually. (GM, 19/6/75,p.B12,c.7-9)

South Korea and Canada agreed (in a joint communique) that a Canadian nuclear power reactor to be supplied by Canada will be used for peaceful non-explosive purposes. (EJ,27/6/75,p. c.2-5)

CNSP NOTE:

A full page Globe and Mail article (19/6/75) outlined the weaknesses of safeguards governing the proliferation of nuclear technology and the rapid spread of the technology to many countries. By the end of 1974 there were 562 reactors in operation in 33 countries. By the end of 1975 there will be 650 reactors in operation in 38 countries. The synthesized articles give an idea of the forces promoting the Canadian nuclear industry.

EXPORTS AND WAGES

The chief economist for the Canadian Labour Congress says the recession, not wage increases is the main factor in lower exports for Canada. Russell Bell said government spokesmen were using straight hourly earnings in comparisons with the U.S. but total compensation is the relevant factor and here Canadian workers are at 82% of the US level.

(GM, 11/6/75,p.A2,c.2-3)

US MOVING INTO CANADA FASTER: EXPERTS

A study by the Independent Trade Policy Research Centre in Britain predicts that "international developments plus the momentum of already existing economic integration will push Canada and the US closer together in the next few years." US need for Canada's resources and tighter markets around the world were cited. (HS, 9/6/75,p.3,c.2-8)

AUTO TRADE

6M Corporation of Detroit has decided to drop Budd Automotive Co. of Canada (Kitchener) as a supplier of standard car frames in the 1977 model year and rely on its 2 US suppliers. Budd's contract represented 17% of its 1974 sales for \$20.2 million. (OC, 19/6/75,p.9,c.1-3)

A report by the Federation of Automobile Dealer Associations of Canada argues that the industry plays an important role in the economy. 67,272 people were employed directly in Canadian auto production in 1974 on an annual payroll of nearly 900,000 a year. The average Canadian dealer will have gross sales of \$3,000,000 a year and will employ a staff of 34 employees. (HCM, 4/6/75,p.31,c.3-8)

TRADE WITH DEVELOPING COUNTRIES

8% of Canada's trade is with developing countries.

(GM, 19/6/75,p.6,c.1-2)

MARGINALIZATION

NATIVE PEOPLES

KENORA--NORTHWEST ONTARIO

Judd Buchanan, Minister of Indian and Northern Affairs (DINA) admitted conditions for native people in Kenora are poor, and "it would be the last place he would want to live, if he was an Indian."

(TS, 3/4/75, p.A22)

The occupation of Anicinabe Park in Kenora last summer by the Ojibway Warriors Society was a scream for attention to the pressing social and economic problems. Everyone participating in the occupation had been touched deeply by a violent death--parents, brother, sister or relative. On WhiteDog and Grassy Narrows Reserves the death rates from January 1970 to June 1973 numbered nearly 200 violent deaths, according to the Kenora Social Planning Council. Alcohol is the commonly blamed cause but in Kenora is there an epidemic of mercury poisoning???

In both these communities, the work force numbers about 200. One hundred and forty fishing and guiding jobs have been lost, because of mercury pollution in the Wabigon-English River systems. (In Minamata Japan, the worst industrial accident of mercury poisoning by the Chisso Chemical Company occurred. Over 700 patients have been designated poisoned. More than 2,000 others await verification. It was 12 or 13 years after contamination of fish before symptoms became obvious)

In the English and Wabigon River systems of northwestern Ontario, the Dryden Chemical Company supplying the Dryden Pulp and Paper Mill has been dumping 10 to 20 pounds daily of inorganic mercury into the river since 1960. Mercury levels in fish were dangerously high in 1970--George Kerr was the Minister of the Environment.

A report for the Ontario Cabinet, "The Public Health Significance of Methyl Mercury," never released to the public, stated, "In the Wabigon-English River Systems mercury levels in fish are highest in North America and are comparable with those in Minamata, Japan.?"

(Alwasasne Notes, Jan., 1975)

After no satisfaction from provincial and federal governments, Chiefs Keewatin and McDonald of Grassy Narrows and White Dog, invited the Japanese Scientific Team in March 1975 to test band members. Studies done by the Food and Drug Directorate-Toxicology Branch, on cats fed mercury polluted Northern Ontario fish showed these cats had developed mercury poisoning within 100 days. These study results had been kept secret and had to be pryed out of the Ottawa officials by the Japanese scientists. The reserves were warned by government not to rely on fish and in 1974 Welfare tripled from \$56,894 in 1969 to \$162,000 at White Dog Reserve and quadrupled at Grassy Narrows--total population of 1,300.

(HS, 24/3/75, p.3--Betty Lou Lee, Medical Writer); (GM, TS, 24/3/75)

(Kenora Miner and News, 19/3/75, vol. 15, no.55)

About 20% of the Indians of both reserves who had blood tests, received letters from provincial Health Ministry to continue eating fish. This was for lack of alternative protein foods. Then conflicting letters were sent saying not to eat the fish.

The politics include efforts not to damage further the tourist and sport fishing industries of Ontario's North, already severely hurt by the temporary bans on fishing-for-food put out in 1973 to the general public by the Ontario Government.

The Dryden Chemical Company is to convert to a non-mercury system by the end of 1975 if equipemnt comes in time.

An unreleased Ontario Environment Ministry Report of 18 months showed that mercury already laid down in the river sludge--up to 30, 40 feet high near Wainwright Dam, will continue to contaminate the fish.
(GM, 17/4/75,p.5,c.2-6 Peter Whelan)

Ontario Resource Ministry has come through with a \$50,000 Fish Freezer Plan--Indians can stock fish from nearby uncontaminated lakes--they must pass a resolution to allow freezers on reserve property (being federal jurisdiction). The resolution was passed and 6 weeks later still no freezers. The reserves drew an advance from DINA from federal Indian programme to buy their own fréezer, nets, etc. Why the delay? The suggested reason is interministerial conflict.

(GM, 12/6/75,p.6,c.3-4, editorial)

Natural Resource Minister, Leo Bernier, responded in the Globe and Mail (17/6/75, p.8,c.2-5) that the delay was a late request from Indians and not interministerial squabbles.

LAND CLAIMS

Chiefs of the Grand Council Treaty No. 3, representing 23 Ojibway bands in the Lake of the Woods area invited Dr. Lloyd Barber (National Commissioner of Indian Land Claims) to discuss Land Claim mechanisms in general and Anicinabe Park in Kenora. The Chiefs have rejected Judd Buchanan's decision that "insufficient grounds exist to support the Ojibway Indian Bands claim to the Park.

(WTP, 16/4/75,p.13,c.8 CP)

(EJ, 12/4/75,p.12)

The Temagami Band has laid claim to 4,000 square miles in Northern Ontario. An action that's already stalled one major development (a tourist complex at Maple Mountain) and got a member of the Legislature Edward Havrot (PC Timiskaming) fired from a provincial post for making derogatory remarks about Indians. Chief Potts cautioned that Mr. Javrot could be a scapegoat offering by the Davis government. The real issue is land claims--and these were left undiscussed and unchanged.

(GM, 24/5/75,p.11,c.2-7)

BC LAND CLAIMS NOT PRIORITY

Minister Buchanan responded positively to BC Indian proposals--to reduce dependence on government. However certain responsibilities, those dealing with land, could not be transferred to Indian bands under the present Indian Act. He called on the GC government to negotiate the BC aboriginal claim. Since the Indian interests involves provincial land and resources.

(VP, 31/5/75,--James Spearse)

A United Indian Movement in BC consisting of the BC Association of non-status Indians (BCANSI) not registered under the federal Indian Act and the Union of BC Indian Chiefs (UBCIC) representing Status Indians, together totalling 110,000 voted to join forces on Land Claims Issues. All have voted to reject government funding. Status Indians voted to recognize all Indians with one quarter Indian ancestry as equal in any land claims.
(VP, 4/6/75,--James Spearse)

Professor Lloyd Barber told the Native Council of Canada (representing 750,000 metis and non-status Indians) that he believed they have valid aboriginal and land claims. Negotiations are now underway in the Yukon, Northern Quebec and pending in Northwest Territories and BC.
(Evening Telegram, 11/6/75,p.29,c.1-6 CP)

HEALTH

INTERPRETATION: HEALTH

The announcement of the new health budget has sent the angry provinces in a panic seeing who will pay the extra millions now on their shoulders. We may be sure it will be the Canadian public. The press quoted La Londe as blaming the emigrant doctors as one cause of the increased health costs. A good tactic to use to support the "green paper"! What is completely lacking in all the press coverage is why Canadians' health costs are soaring. The only person who talked about any root causes was Hughette LaBelle, the president of the Canadian Nurses Association: "The medical professions have focused its attention and most of its resources into the health care organization. This accounts for 95 cents out of every dollar spent on health care. When we look at the causes of sickness and death in Canada, they are rooted in 3 elements: human biology, environment and life style." 1.6 million Canadian children or 24.5% of all those under 16 years are living in poverty. LaBelle's main focus is on the public gaining more autonomy in their own health care by increased knowledge of the biological, psychosocial and environmental causes of sickness and taking political action against those forces in the society and the environment producing ill health. (HCH, 13/6/75, p.1,c.6-8; GM, 16/6/75,p.11,c.5-9)

It's unlikely that all Canadians would agree with Turner's statement that they have "received comprehensive hospital and medical services." For instance, the 1977 statistics show Ontario as having one doctor per 616 persons while Prince Edward Island had one doctor per 1,143 people.

OTTAWA SETS NEW CEILING ON HEALTH COSTS

Faced with sky-rocketing medical costs the federal government on June 23 told the provinces it no longer will foot the bill. The legislation passed in 1957 makes the federal government liable for 50% of all a province's hospital costs and the federal government cannot end or modify the program without a 5 year notice. Mr. Turner has now given notice for the termination of this agreement.

In a move that puts the burden on the provinces to cut costs or pay the difference, Mr. Turner said the government will limit increases in its contributions to provincial medicare programs to 13% next year, 12% in 1977-78 and 10% after that.

Ottawa's \$3.1 billion share in medicare and hospitalization costs this year is 19.8% higher than last year, and Turner says increases show no sign of abating without major changes. Sources in Ottawa said Turner's plans were bitterly opposed in cabinet since they effectively could halt the growth of medical facilities in low-income and rural areas. However, Turner said that "the fundamental objective of providing comprehensive hospital and medical care services to all Canadians, regardless of income, has long since been met."

The Hospital Insurance and Diagnostic Act will expire in 1980 but the new ceiling imposed under the medical care Act gives provincial health ministers until just next year to slice medical care bills or have the public pay through increased premiums or some form of taxation.

(TS, 24/5/75,p.6A, c.1-2)

(GM, 24/5/75,p.12,c.6-9)

(FP, 28/5/75,p.3,c.3-8)

ONTARIO HEALTH COSTS TO INCREASE SHARPLY

The new Federal Health budget announced by Turner imposing ceilings next year on contributions to medical care programs will cost Ontario an additional \$75 million.

Ontario's health minister, Miller, said the Ontario doctors received only a 4% fee increase last year but are determined for a 20% increase this year. "The doctors don't care where the money comes from, they just want to get it."

Ontario will cut back on psychiatric hospitals by 3%. Already 9 full time doctors have been dismissed from the Whitley Psychiatric Hospital.

(TS, 25/6/75,p.3A, c.2-7)

(GM, 26/6/75,p.1,c.7-9)

MINING SAFETY

A system of mandatory occupational health programs to be operated by mining companies was proposed July 6 by the Ontario Ministry of Health. In a submission to the royal commission on the health and safety of mine workers the ministry said 9 companies in the province "must be required to provide an occupational health program, when there may be significant potential exposures to any harmful substances and for physical agents. These records including audiograms should be available to the Ministry of Health.

Under the program the mining companies will have to monitor workers exposure levels, using guidelines set by the ministry. Maintenance of statistical records of the duration of dust exposure and chest x-ray findings are to remain the responsibility of the Workmen's Compensation Board and the data used by the ministry also.

(GM, 7/6/75,p.4,c.4-9)

SOCIAL WELFARE

PUBLIC NEEDS NEW ATTITUDE

A small percentage of people on welfare programs are abusing the system, Rene Brunelle, Ontario Minister of Community and Social Services says. He said the majority of people living on welfare programs aided by social services are there for legitimate reasons and the public must evolve a different attitude toward these services.

(GM, 3/6/75,p.2,c.7)

MORE PERSONAL SOCIAL SERVICES NEEDED

The Canada Assistance Plan must be liberalized if provincial social welfare services are to improve, says Reuben Baltz, executive director of the Canadian Council on Social Development. A greater emphasis should be put on personal social services such as non-medical services for the aged, day-care centres and residential care for children who cannot live with their families, he said.

WELFARE RECIPIENTS PICK TOMATOES

Welfare recipients in Windsor again this year will be asked to pick tomatoes in Essex County, Ontario, or face the prospect of being cut off welfare. Last summer about 170 Windsor citizens had their welfare status revoked for refusing to accept work. It involves 25 welfare recipients at a time. They enroll voluntarily in a six-week or longer "work activity program"—a combination of counselling, actual work experience and a liberal dosage of learning life skills. The recipients receive a \$20 a week incentive bonus while on the program on top of regular welfare payments.

The Windsor scheme is one of 16 operating across Ontario. Ontario pays 80% of the costs of these projects, with part of the money repaid by the federal Canada Assistance Plan.

(GM, 18/6/75, p.10, c.4-7)

TRANSPORTATION

CNSP INTRODUCTION

Some statements in the house after Marchand's new transportation policy was read, indicate the frustration of the opposition, and in general, of the press critics, when commenting on the supposed "new" policy.

Les Benjamin (NDP Regina)—"I find this, after seven years of waiting... a most incredible and unbelievable submission by a minister of the government. The policy is basically unchanged... a hodge podge of promises warmed over and dusted off."

Jack Murta (PC Manitoba), the opposition spokesman for the house, felt the policy was "no more than an attempt to buy time, a step backward toward studying the problem to death and a statement of the obvious lacking any direction."

(EJ, 17/6/75, p.6, c.6-8)

(WFP, 17/6/75, p.1, c.7-8)

TRAVEL IN CANADA TO BE IMPROVED BUT TO COST MORE

Marchand's 35-minute statement on the policy, supported by 189 pages of background papers, forecasts expenditures of up to 44.5 billion over the next 15 years to improve and increase rail lines, build airports and roads, and develop new transport technology.

The government intends to raise part of the necessary funds by eliminating direct and hidden subsidies for passengers and making the user pay the full cost of transport services, Marchand said. This means that the prices for transportation services will have to go up, likely more rapidly than in the past. Marchand told the Commons that only bus passengers now pay full cost of their service and that they are generally low-income people.

Rail and airline passengers and motorists—generally better off than bus users—are heavily subsidized by the taxpayer, either directly, through government grants to the railroads, or indirectly, through government outlays to build airports and highways.

Under the new government policy, subsidies would be phased out. The same principle would apply to freight rates, although generally, they already meet the cost of operation, except in the case of grain.

- Other policy directions included:
- implementation of high speed rail passenger service in a corridor between Quebec City and Windsor at a demonstration cost of between \$20 and 40 million by 1977-78.
 - construction and operation of a \$35 million bulk cargo ship for the Arctic.
 - placing the CTC under greater ministerial control and broadening the base of interested groups allowed to make appeals.
 - separation of Air Canada from the Canadian National Railways, which now hold the shares of the National airlines.
 - Canadian National and Canadian Pacific will be asked to pool some of their passenger facilities.
 - changes in the national ports policy, although the minister did not specify the nature of any possible changes.

The new policy rejects nationalization of transport as a workable alternative to the current mix of private and government ownership of transport firms.

I said transportation was in a mess...

...so, applying my talents and intellect...

(TS, 17/6/75, p.A1, c.7-9)

(MG, 17/6/75, p.1, c.1-6)

(EJ, 17/6/75, p.1, c.4-8)

(EJ, 17/6/75, p.4, c.1-2)



produced a policy that's more than a match.

it's one HELLUVA mess!



CNSP NOTE: Interestingly, the two major expenditures outlined in the new transport policy: the high speed rail service between Quebec City and Windsor, will service business travellers and the new arctic bulk cargo ship will benefit the oil companies but the public in general will pay the cost through their tax dollar and increased passenger fares.

Housing

INTRODUCTION:

The announced budgetary changes in the area of housing have been a disappointment to everyone. Most outspoken of all the critics has been Donald Irvine, Ontario's Housing Minister, who had earlier demanded that the federal government allocate an additional \$500 million into housing, of which the province of Ontario might receive \$390 million. The \$200 million finally allocated, was construed by many as merely an inflationary adjustment applied to already inadequate programs. Irvine appears to have expressed a general sentiment of all the provinces and municipalities, now caught in the impossible position of being responsible for adequate housing and rental units, and without the financial clout and policy-making power to create programs.

The question of whether the liberal government's policy treats housing as a social concern or an economic stabilizer has been made more unclear than ever. The protests from the construction and housing communities would suggest that the government is not providing the economic incentives necessary in this stagnant sector. Many of this month's housing articles also suggest, however, that the government is not treating it as a social concern--the housing and rental requirements of middle class, not to mention lower classes of Canadians, are clearly not being met. The budget reflects an unclear objective in the area of housing, by promoting programs which both appeal to the building industry, and also reflect a colouring of social benefit.

GOVERNMENTS DE-EMPHASIZE LOW INCOME HOUSING

A consultant's report to the Royal Commission on Metro Toronto says that provincial and federal housing policies indicate housing assistance to low-income groups is no longer a high priority.

Federal Housing policies during the '60s were directed toward assisting low and middle income families in obtaining housing. However, in the past few years, there has been a change in emphasis back to moderate-to-middle income housing and de-emphasis on housing for the poor. What direct involvement there is in assisting low-income groups is primarily aimed at helping senior citizens.

With increasing government involvement throughout the housing process, a clarification of the roles of the various levels, departments and agencies has become crucial. Given existing government structures, it is only the province which is capable of developing an over-all planning strategy. In this instance, it has failed to provide a clear framework for municipal planning activities. (GM, 13/6/75,p.9,c.2-4)

CONTINUING RISE IN RENTS

Developers and apartment building owners across Canada predict that apartment rents will continue to rise for the foreseeable future. There is a consensus among them that rents are too low to support new construction or to maintain adequate profit margins on existing buildings.

Construction of new rental accommodation has slowed drastically in every province. The only new developments being considered seriously are under government-financed schemes that provide mortgage money at below market rates in return for a guarantee from the developer to control rents for a period up to 15 years.

Almost all urban centres in Canada report shortages of rental accommodation and monthly rental increases. High land costs in Ontario are frequently cited as being the primary reason why rents must increase more than in other provinces. Quebec's rent review board has not yet decided what rent increases landlords will be permitted. BC rent control legislation has created an impossible situation for many owners of small apartment buildings. In many cases rent controls mean that rents must remain at levels that prevent an adequate return on investment.

(GM, 13/6/75,p.B1,c.2-7)

LABOUR

Employment Unemployment

The unemployment rate dropped only slightly last month, inspite of massive losses of jobs in manufacturing and construction. A surprising growth in the service industries kept the unemployment rate down however.

The budget contains several measures aimed at combatting unemployment - but finally the burden is shifted to working people - through LIP (funded by tax money) and increased UIC premiums for employers and employees.

UNEMPLOYMENT DIPS SLIGHTLY

May rate down to 7.1% from 7.2% in March and April, but the rate remains highest since July 1961. This represents 714,000 unemployed in a work force of 10.09 million. In Ontario and the Atlantic provinces, unemployment increased or remained at high levels, while decreasing slightly in Quebec and in the west.

(OC 10/6/75 p4 c5-6; WFP 10/6/75 p1 c7-8;
TS 10/6/75 pB2 c3; GM 11/6/75 pB16 c6-9)

OTTAWA (CP) — Statistics Canada reported these job figures, adjusted for seasonal variations, for May compared with the previous month and a year earlier (estimates in thousands):

	May 1975	April 1975	May 1974
CANADA			
Labor force	10,035	9,925	9,905
Employed	9,290	9,208	9,071
Unemployed	715	717	534
NEWFOUNDLAND			
Labor force	194	189	183
Employed	160	156	152
Unemployed	34	33	31
PRINCE EDWARD ISLAND			
Labor force	44	44	44
Employed	39	40	42
Unemployed (1)	—	—	—
NOVA SCOTIA			
Labor force	304	302	294
Employed	273	277	270
Unemployed	31	25	24
NEW BRUNSWICK			
Labor force	243	238	247
Employed	228	227	222
Unemployed	22	29	25

QUEBEC			
Labor force	2,599	2,677	2,609
Employed	2,458	2,435	2,406
Unemployed	231	242	200
ONTARIO			
Labor force	3,806	3,708	3,659
Employed	3,568	3,540	3,513
Unemployed	240	228	146
MANITOBA			
Labor force	428	423	422
Employed	407	405	404
Unemployed	21	20	18
SASKATCHEWAN			
Labor force	380	379	354
Employed	370	359	342
Unemployed	10	10	12
ALBERTA			
Labor force	781	778	774
Employed	752	746	723
Unemployed	29	32	21
BRITISH COLUMBIA			
Labor force	1,122	1,109	1,050
Employed	1,036	1,016	991
Unemployed	26	20	59

1. The estimate of unemployment in P.E.I. is subject to a high sampling error because of the small sample size and therefore is not published by Statistics Canada.

CANADA'S FUTURE - MORE PROBLEMS
A survey by the Organization for Economic Cooperation (OECD) predicts 1975 may be a difficult year for Canada. Unemployment could rise to 800,000 or 8% by mid-1976 with consumer prices rising an average of 11.9% by the end of 1975.

Weak domestic demand and activity, rising unemployment, continuing strong inflationary pressure and a large external deficit are the key factors in Canada's economic problems. The review stated that a rapid increase in wages has created difficulties in demand management and has, in part, led to discussion about prices and income policies. (OC 20/6/75 p9 c1)

(WFP 12/6/75 p21 c1)

SERVICE JOBS GROW

The steady growth of Canada's service sector is keeping the unemployment rate from going up. Even though 82,000 new workers came onto the job market, 32,000 jobs opened up in trade, 23,000 in finance, insurance and real estate, and 23,000 in community, business and personal services. A drop of 17,000 civil service jobs reduced this total somewhat.

The service sector has provided 140,000 jobs in the past six months while manufacturing and construction have dropped by 86,000 and 18,000 jobs respectively. Normal economic theory states that growth in the service sectors depends on the health of the manufacturing sector of the economy, but the current slowdown and

that of the 1970-71 period showed almost steady growth in the service sector in spite of the slump in manufacturing. (OC 11/6/75 p9 c4-6)

BUDGET MEASURES AGAINST UNEMPLOYMENT

The budget brought down on June 23 by Mr. Turner offered a 3% investments tax credit to employers attempting to spur private job creation, but it also gave Manpower Minister Andras the go-ahead to create some 30,000 jobs through a continued LIP program. Over the next two years, \$285 million will be allocated to the LIP fund for the creation of 7-month jobs. These outlays will not be much greater than the 1972-73 amounts. Manpower calculations estimate a drop of .3% in the unemployment rate for every \$100 million spent on LIP. To date, \$350 million has gone into the four-year old program.

The budget also allocates \$60 million for creation of 425,000 student jobs in 1976, and \$23 million for construction and other make-work activity over the next two years.

The Canada Manpower Training Program will receive an additional \$70 million over the next two years, but critics contend the only real effect of this program is to obscure the real unemployment rate since students don't count as unemployed, but few get jobs in their areas of completed study. Another \$10 m. has been allocated to boost the job-location and placement programs. (WEP 28/6/75 p4 c4-5; GM 24/6/75 p10 c5-9)

UIC TIGHTENS UP

New legislation will increase the penalty for those who quit or are fired from their jobs from three to six weeks of benefit payments. The normal waiting period of two weeks will be retained as well. Employers and employee payments will be increased next January. At present, these two groups pay for the cost of the Unemployment Insurance Program up to an unemployment level of 4%. New laws will make the government responsible for levels above 5.3%.

This figure is arrived at by averaging the unemployment rate for the past eight years. It will be adjusted annually to cover the eight most recent years. Special benefits will also be eliminated. This system allows for higher payments for those who were receiving low salaries - 75% instead of 66%. All of these measures will tighten up the unemployment insurance's benefits, and will save the Commission money, but it's not public knowledge just how much. (GM 24/6/75 p10 c5-9; WEP 28/6/75 p5)

LABOUR - GENERAL

This month's coverage concentrated on the wage-inflation discussion that has been warming up in the press over the past couple of months. Government officials - notably Finance Minister John Turner - are still claiming that Canada's trade position is harmed by rising labor costs. Labor Minister John Munro has apparently moved toward this position also, after previous statements to the contrary. Several articles indicate labour's response. CNSP COMMENT follows the article.

Health conditions in asbestos production and manufacturing were extensively covered this month, as well as an Ontario government offer to give miners more say over safety rules in the mines.

TURNER AGAIN PREDICTS TOUGH ACTION ON STRIKES

Finance Minister John Turner in a speech in Montebello, Ontario, warned that the government is going to take tough action against strikes, as wage settlements in Canada are destroying Canada's competitive trade position with the U.S.

(TS 5/6/75 pA1 c7-9)

MUNRO BACKS OFF ON WAGES

Labour Minister Munro backed off from his claim that wages don't cause inflation. Speaking in the Commons he said that some recent wage settlements have been very high and that wages were in fact one of the factors behind inflation. But he stated it is difficult to make comparisons between Canada and the U.S. since statistics coming from the two countries are seldom computed in exactly the same manner. For example, wage statistics do not include the values of fringe benefits, which may be different in the U.S. than in Canada.

(EJ 18/6/75 p51 c1-3; TS 18/6/75 pA19 c1)

CANADIAN LABOUR CONGRESS RESPONSE

CLC spokesmen contacted by the WFP commented on the current wages/inflation debate. They felt wage and price controls would not work for the following reasons:

- workers will end up paying the price since they are only trying to catch up. There would have to be firm guarantees of a freeze in housing prices, on the proportion of national income taken by corporations, as well as protection for low-income workers.
-
- controls quickly cause distortions and freeze the gaps and inequities between different workers' wages. Comparative pay rates become the bargaining reference point.
-
- The over-all level of wage increases will moderate as inflation slows down.
- wages aren't the main cause of inflation anyway.

The controversy on this point is clouded because no one seems able to pinpoint the main cause of inflation. Mr. Turner has pointed out that wages are rising rapidly in Canada, more rapidly than in the U.S., and pushing up the costs of products, which in turn is harming our exports to that country. Labour officials point out the flaws in the government's use of statistics and produce their own to contradict them.

The CLC, however, feels that the decline in exports is not due to labour, but to poor economic demands in the U.S. In any case, even if wages are not rising much more rapidly than in the U.S., it is clear that the trend on a yearly basis is increasing. Several years ago the gap between the countries' average wages was considerable, but each year it has been drawing closer and closer. This can only mean an increasing cost for Canadian products, a cost that is increasing faster than in the U.S.

(WFP 21/6/75 p1 c4-5) Donald Rumbell)

LABOUR IS GOVERNMENT'S SCAPEGOAT

Ed Finn, Public Relations director for the Canadian Brotherhood of Railway, Transport and General workers presented the following viewpoint:

It has been stated by government that Canadian productivity is down compared with the U.S. and yet wages are rising faster in Canada than in

the U.S. The real facts show that productivity - minus the effects of inflation - rose 32% in Canada between 1969 and 1974, compared with only 10.2% in the U.S. Average wage gains in Canada have been running only 1% higher than in the U.S. (TS 23/6/75 pB10 c1-2)

CLC REACTS TO THE BUDGET

CLC spokesmen said that the budget will hit the average working man hardest. The rise in gasoline prices will mean higher costs for many working people who are forced to use cars for transportation to and from work. Meanwhile, professional or executive people can easily handle the increase because it's paid by their expense accounts. Leonard Moynehan, president of Amalgamated Transit Union, said "the way they're fighting inflation is by making sure the working man has nothing to spend." (TS 24/6/75 pA6 c3-6)

LETTER TO THE EDITOR:

It is characteristic of capitalism with its competitive individualistic investment process to periodically generate overproduction of goods, and in such times, the weak perish. The current weakness of U.S. corporations, for example, has produced high inventories of unsold goods, resulting in layoffs which have pushed unemployment close to 10%. The weakness in the Canadian economy is largely a result of Canadian corporations being so dependent on the crumbs of the U.S. market. This is a result of the fragmented American-owned branch plant corporate structure which predominates in Canada and has nothing whatsoever to do with actions by Canadian workers.

Capitalist economies produce sectors of low wages, unemployment, and poverty. Government spending to reduce these problems creates inflationary pressures. While for a few years the government policies were able to trade off inflation against unemployment, we, at present, are experiencing both inflation and unemployment. What is necessary is a publically owned, planned economy in which the component enterprises are run democratically by the workers themselves. (Leo Panitch, Donald Swartz, Assistant Professors, School of Public Administration, Carleton University; GM 21/6/75 p7 c1-4)

CNSP COMMENT: The debate on wages as a cause of inflation gathered force and considerable coverage in the press. On the surface, it is interesting to see the use of statistics in blaming labour for Canada's growing trade deficit. Union and CLC reaction seemed largely to demonstrate the false use of statistics by government, but neither side addressed themselves to the real question: what is the main cause of inflation? For example, the citing of rising labour costs as a factor in pushing up prices was never substantially justified or proven by the government. Nor did the CLC attempt to refute this point. The letter to the editor by the Carleton professors is the only piece of general analysis that appeared.

One conclusion might be that the CLC cannot refute the labour-cost/push thinking, or won't try to take such a hard-line position. Another conclusion might be that the whole debate is a game being played by the government, attempting to blame labour, polarizing public opinion against wage increases and possibly preparing for some form of controls in the future. Munro's change of position could well be a sign of further unity in the Cabinet on this issue.

WORKING CONDITIONS:

ASBESTOS CLAIMS FIVE LIVES

At least five long-term employees at Raybestos-Manhattan of Canada Ltd in Peterboro, Ont. have died of asbestosis. The information was released by the Workmen's Compensation Board. Employees at the plant have been on strike now for three weeks over wages and working conditions and are still out. (WFP 6,6,75 p11 c3)

ALBERTA TOUGHENS ASBESTOS RULES

Alberta is stepping up its program to protect workers using products with asbestos, says the Workmen's Compensation Board. Meanwhile, the International Asbestos Union and STOP (Save Tomorrow, oppose pollution) want asbestos placed on a list of dangerous products so more controls can be used. The Government has increased its standards to allow only 2 fibres per cc. of air (the same as present Ontario standards) and is instituting more monitoring procedures.

(EJ 11,6,75 p3 c1-4)

ONTARIO GOVERNMENT OFFERS MINERS MORE CONTROL OF SAFETY

The Ontario government has offered miners more rights in safety and health matters but will not permit a miner to refuse to work in an area he considers unsafe. The rights were part of a code of ethics proposed by the Ontario Ministry of Natural Resources in a brief to the royal commission on safety and health in the mines. The Ministry offers miners the right to have their own fulltime inspectors to monitor working conditions, to have full access to safety information, and to have full consultation of safety and health plans for their mines. Union spokesmen for the Steelworkers were pleased with the offers. The proposals continue: in the case of a dispute over safety, the Ministry will step in to adjust the problem, but miners will not have the right to refuse work in the area under question.

(GM 5,6,75 p1 c1-5)

ACCIDENTS HURT MORE THAN STRIKES

A new strike record was set in Canada with 9.2 million man-days lost due to strikes. But 11.5 million were lost due to accidents or work related illnesses. Both figures are new records for Canada in 1974. This means that one in ten Canadian workers were absent from work because they hurt themselves or fell ill there. The statistics do not include colds or other illnesses or accidents outside the work place. Both figures are new records for Canada in 1974. The cost to Canada's economy for this loss of man days was about \$2 billion, \$425 million of which was compensation payments. The statistics do not include fatalities which would skyrocket the figures since by an international formula, a fatality due to accident or illness from work counts for 6000 man days lost.

Reasons for the rapid rise in illness and accidents at work were given by H.G. Currie, director of the labour department's accident prevention and compensation branch. The rise in the work force certainly helps account for the increase, but the use of new chemicals and changing technology are significant reasons as well. He hopes that the shift in union negotiations towards working conditions over wage issues will mean improved conditions, but added that overlapping and

conflicting jurisdictions on the matter make standardization difficult.

(EJ 20,6,75 p43 c1-4)

UNION OF INJURED WORKMEN

The Ontario Union of Injured Workmen adopted a charter on June 22 in Toronto. It has a membership of 1000 and claims its main purpose is to assure changes in the Workmen's Compensation Act. The constitution lists four major demands:

- injured workers should be guaranteed a job or get 100% compensation;
- injured workers should also retain eligibility for Canada Pension Plan, Unemployment Insurance and other fringe benefits.
- a cost of living clause in payment schemes.
- injured workers should be examined by independent physicians and not by the board's physicians. (GM 23,6,75 p5 c8-9)

LABOUR MOVEMENTS

THE POSTAL DISPUTE: AUTOMATION IS THE CENTRAL ISSUE

Introduction: Since April there have been problems over the use of non union casual labour in Montreal to deal with mail backlogs. The pile up was a result of Canadian Union of Postal Workers (inside workers) booking off sick to protest slow contract talks. During that period some employees were fired, 50 were suspended indefinitely and 700 received one day suspensions for evicting the casual help. At the heart of the unrest is the fact that under the Public Services Staff Relations Act, workers are not permitted to negotiate job classifications, introduction of new technology, contracting out and standards and procedures governing appointments, promotions, demotions, transfers, lay offs and firings. The key issue to look at is the question of automation. Postmaster General Bryce Mackasey has all along assured the union that they will have the right to negotiate these important issues but legislation, economic fact and his own statements this month prove otherwise. Meanwhile internal dis-agreement in the union has led to a petition by some locals who want bargaining to go ahead despite the view of the national executive who feel the Montreal issue and the question of automation should be settled first. (For further background on the question of automation, see CNSP issues for 1973 when the same issue was important and some of the same promises were made to the postal workers, and the Feb. 1975 issue)

Mackasey announced in France that postal rates in Canada will rise 33.3% within a year. Authorities in Ottawa believed the remark may have been taken out of context. (TS 13,6,75 pA3 c7-8)

Mackasey said work stoppages by postal workers pose a threat to their job security by helping private couriers compete with the government service. Postal officials say a large American company, United Parcel Services, has been investigating the lucrative delivery service business between Montreal and Toronto which generates a large proportion of Post Office revenues. (OC 7,6,75 p5 c1-4)

Because of the practice of stamping letters with the words Boycott the Postal Code, Mackasey said the government will propose a law if necessary requiring use of the postal code on all mail. Presently letters posted in Ottawa, Calgary, Regina, Saskatoon and Winnipeg are now sorted using the code. The business community, the biggest group of mail users, supports the postal code. (GM 17,6,75 p3 c2)

Government officials have been quoting \$96-143 million for the automation plan which hinges on the use by the public of the postal code. Figures in a Post Office document, made public by the union, show the cost to be \$864 million to \$1 billion for the program. The breakdown of these figures are:

- \$98.5 million on letter sorting machines and coding desks;
- 8.6 million on culler, facer cancellors, which cancel letters;
- 10.7 million on optical character readers which read coded mail for sorting;
- 411.0 million for planning and construction of new buildings;
- 154.0 million in other machinery;
- 181.0 million on 1,218 projects costing less than \$1 million each before 1981-2.

(GM 28,6,75 p2 c1-2)

THE LONGSHOREMEN'S STRIKE IN MONTREAL

Introduction: This month saw the government using legislative power to control labour militancy by rigidly enforcing the law. Five executive members of the International Longshoremen's Association are facing charges under the Criminal and Labour Code that could bring fines of \$10,000 and two years imprisonment. The longshoremen voted not to work under a back-to-work order that backs a conciliator's report that did not guarantee a full forty hour work week.

In April, the federal government passed legislation ordering an end to a six week strike by 2,100 longshoremen at three key St. Lawrence River ports: Montreal, Quebec City and Trois Rivieres. The legislation backed the findings of a conciliator's report which the longshoremen oppose because it did not guarantee a full 40 hour work week. The men remained on strike another two weeks, while the union executive tested the constitutionality of the back to work order in the courts. Justice Deschenes upheld the legislation and ordered the men back to work. After three weeks of work, the men voted once again to go out. Immediately the Maritime Employers Association began pressuring Justice Minister Otto Lang for action saying they feared losing their clients because the ports' international reputation was in jeopardy. Lang then laid charges of contempt against Local 375, of the International Longshoremen's Association, for disobeying the Quebec Superior Court injunction. If the union is found guilty, it is subject to a fine of up to \$50,000. The government also laid charges against five members of the local under both the Criminal Code and the Canadian Labour Code. Charges under the Labour Code are punishable by fines of up to \$10,000 for union officers and \$1000 for rank and file unionists. Breach of a law passed by Parliament is punishable by up to two years imprisonment. (TS 2,6,75 pA3; HCH 4,6,75 p1; TS 6,6,75 pA3)

NOVA SCOTIA NURSES STRIKE

Introduction: In Nova Scotia back to work legislation was being debated during the nurses walkout, intimidating them into a position of having to accept a lower increase rather than binding arbitration.

Less than ten hours after 15,00 nurses walked off the job at twelve N.S. hospitals on June 12, Premier Regan's Liberal government presented compulsory back to work legislation in the legislature. Last year the nurses won the right to strike from the same government. The nurses are seeking wage parity with Ontario nurses. They are asking for \$945 a month from the current base rate of \$651. The Nova Scotia Nurses Staff Association claimed they were set up as an example to other labour groups. Mrs. Murphy, president of the N.S.N.S.A. said the government "dragged us on from day to day and appointed an inquiry commission to stall strike action until the legislature reconvened. She said that there were innuendoes expressed during negotiations that legislation might be used. On June 21, Halifax nurses accepted a contract proposal offering 37.5% wage increases in a two year contract, which would bring them to \$800 per month. On June 25 the Cape Breton nurses returned to work. The nurses association felt the legislation intimidated local nurses who felt they were pawns of political ambition. They feared the government would force them back to work or into binding arbitration at a time convenient to the government alone.

(TS 13,6,75 pA3 c8-9; HCH same day;
HCH 21,6,75 p1 c6-8)

RIGHT TO STRIKE FOR MORE ONTARIO TEACHERS

The Ontario government introduced legislation giving about 8,500 community college employees the right to strike. It removes community college teachers and support staff from the Crown Employees Collective Bargaining Act, which forbids strikes, and allows them to set up one or more unions to bargain with the Ontario Council of Regents. These employees are presently represented by the Civil Service Association of Ontario (CSAO).

The 749 teachers employed in schools operated by the Ontario government (including correctional services teachers) will have the same bargaining rights as the public school teachers according to new legislation yesterday.

(GM 28/6/75 p4 c6-8; 14/6/75 p57 c3-6)

ONTARIO TEACHER LAW -- EDITORIAL POSITIONS

Shortly after Bill 100 was introduced into the Ontario legislature concerning teacher negotiations procedures, the Hamilton Spectator and the Ottawa Citizen took completely opposing positions. (Both are Southam papers). The Globe and Mail, like the Spectator, took an anti-teacher stand.

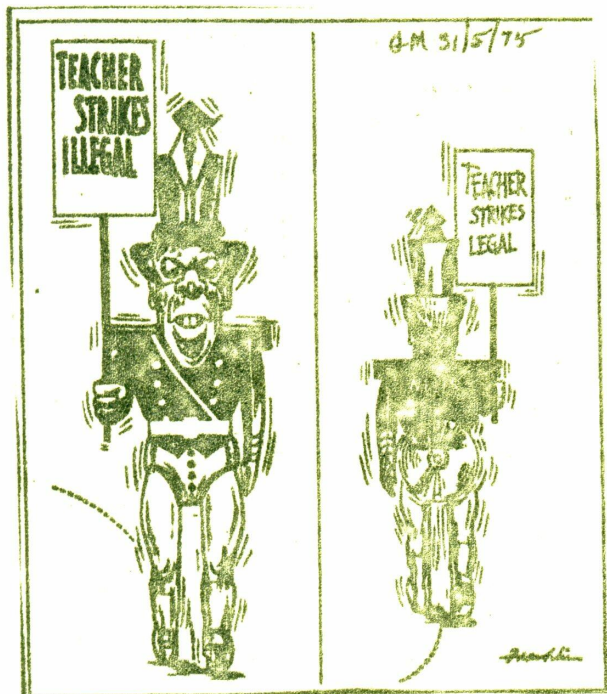
The Citizen praises Premier Davis and Education Minister Wells for courage in the unpopular decision to allow teacher strikes. The law provides mechanisms for alternative solutions besides striking and provides skilled and professional negotiators. The Citizen thinks it wise for the government, to reconsider the provision which excludes principals and vice-principals from striking as it raises the danger of a labour-management dichotomy within individual schools which could impair their smooth daily function.

The Spectator condemns the government for letting down the public and giving in to the teachers. But having allowed the strike, the government is quite right in insisting that principals and vice-principals be excluded

from the bargaining units, because as in industry, supervisors and department heads are no longer part of the rank and file and are the owner's deputies to see that the purpose of the enterprise is fulfilled.

The Globe and Mail condemns principals who criticize the section of Bill 100 which excludes principals and vice-principals from strike action. "They might have considered their first responsibility to see that the students in the schools are educated, not used as pawns in labour-management disputes. They might have considered that the parents who pay their inflationary salaries would like to see some return from their investment". To solve the problem of divided loyalties, the Globe and Mail suggests that principals be barred from the Ontario Teachers' Federation.

Editorials: OC 4/6/75 p6 c1-2;
 HS 4/6/75 p6 c1-2;
 HS 6/6/75 p6 c1-2;
 GM 26/6/75 p6 c2-3;



Quebec Labour

THE UNITED AIRCRAFT DISPUTE: THE COMPANY KEEPS DRAGGING ITS HEELS

Background: On May 31, 1975 Premier Bourassa was assured by management at United Aircraft that they were ready to take back workers and settle the long strike. A month later the strike is still dragging on. The company this month insisted on another recount of workers wishing to return to the company plant at Longueuil. The management consider the number of workers wishing to return around 250 while union and government officials estimate over 900.

Press coverage: French language coverage concentrated on company denials that they had accepted the government report, counter claims by government and union officials and the recount undertaken by a committee of seven prominent Quebecois to establish accurately the number of workers wishing to return to work at United Aircraft. English coverage was almost non-existent on the issue.

CNSP NOTE ON THE ADVERTISEMENT: It seems an apt symbol of the company's changing tactics that have made this strike one of the most protracted in recent Quebec history.

Roy Heenan, the company negotiator denied that the company had agreed to take back the almost 1000 workers. The company he said estimates the number about 250. (LD 4,6,75 p2 c1-4)

Bourassa denies that United Aircraft will not take back all workers. (LJ 6,6,75 p4)

A committee of seven citizens will begin a recount of workers wishing to return to employment at United Aircraft, at the request of company officials. (LJ 10,6,75 p1)

NEW FEDERAL CONTRACT FOR UNITED AIRCRAFT

Despite the lack of a firm settlement of the strike, the federal government has given a new contract worth more than \$3 million to United Aircraft. (LJ 11,6,75 p1)

Top management at United Aircraft in the U.S. said it is up to the Quebec government to settle the strike at the Longueuil plant. (LJ 18,6,75 p1 c2-4)

CNSP NOTE: Events this month illustrate a continuing pattern of federal and Quebec government pussy-footing with the powerful multinational company instead of taking firm action to resolve the dispute.

More than 500 workers presented themselves for the recount the first day that the committee was open. (LD 27,6,75 p3 c1-3)

United
Aircraft
OF CANADA LIMITED



**We've changed the name of our company
to the name we've always put on our engines.**

When our parent company decided to change the name from United Aircraft to United Technologies—for the reason that the corporation now makes far more than aircraft products—we didn't know what

to do. Because we at Pratt & Whitney continue to make aircraft products and their derivatives—aircraft and most importantly engines in their class in the world. Our P16 and JT3D are engines—

now that 60% of them now—have bigger than 16,000 hp in 1975 to air in more than 1000 aircraft in 15 countries across the world. An achievement that no other manufacturer of turbine engines in this size category can reach.

When these helicopters and jet or turbine engines, and also turbo-propellers, are powered by our turbine engines. Our P16 and JT3D are engines—

as well as larger than 16,000 hp.

Whitney Aircraft engines up to 40,000 HP, are operating on variable power sources, generating electricity, pumping gas, providing land vehicles and ships.

All of these engines, and all the many hundreds of other engines which power aircraft, have always been the honored name of Pratt & Whitney Aircraft. That's why United Aircraft of Canada Limited is now Pratt & Whitney Aircraft of Canada Limited.

PRATT & WHITNEY AIRCRAFT OF CANADA LTD. 

CNSP NOTE: One of the most important events in Quebec Labour this month was the international conference on worker solidarity held in Montreal. This event is covered under International Conferences at the end of this issue.

LABERGE IMPRISONED FOR THREE YEARS

Louis Laberge, head of the Quebec Federation of Labour, was sentenced to three years in prison for inciting workers to sabotage an assembly line. The company estimated damages at \$20,000. Laberge in defence argued that he had urged a slowdown, not sabotage. (MG 21,6,75 p1 c5-7)

CNSP NOTE: Yvon Duhamel was given a two year sentence recently for the estimated \$2 million damage he caused last spring at James Bay.

Labour leaders in Quebec and the rest of Canada condemned the harsh sentence handed down to Laberge. One union official recalled that a reporter waited four years to win damages for a beating he received from police in 1971. "We slap workers in jail for revolting against low wages, health hazards and management and police violence, but those who perpetrate violence against workers go free." (MG 25,6,75 p9 c1-3)

THE CLICHE REPORT AND THE CONSTRUCTION INDUSTRY

Interpretation: After May's swift legislation, the Quebec government has slowed down implementation of further recommendations of the Cliche report. Fernand Daoust of the QFL and Guy Chevrette (a Cliche commissioner) offer explanations for the slowdown. Significantly, the Quebec government has not legislated the safety and security recommendations, will wait a year before enacting legislation to introduce a new construction office to regulate hiring and may not abolish union hiring halls as recommended in the Cliche report. The government will not demand that contracts be agreed on by 75% of construction workers but instead will retain legislation that calls for only a simple majority vote. Since the QFL has 72% of construction workers within its organization, the QFL retains its decisive power in negotiations, to the detriment of its rival, the Confederation of National Trade Unions (CNTU).

Fernand Daoust pointed out a basic contradiction in the construction industry not sufficiently recognized by the cliche report. Employers want profit maximization whereas workers desire a certain stability of employment, a decent wage, and safe working conditions. The two desires are incompatible and the Cliche report offers no solutions to this dilemma.

(LJ 12,6,75 p4 c6-8)

GOVERNMENT AND QFL COLLABORATING OVER CLICHE REPORT, CHEVRETTE SAYS

Without accusing anyone by name, Chevrette said the QFL and the Quebec government have reached an understanding to slow application of key recommendations. His accusation echoed a charge by Marcel Pepin of the CNTU who alleged that the province had made a deal with the QFL not to implement certain recommendations in return for a guarantee of labour peace at the Olympic construction sites. Chevrette said vital recommendations concerning union hiring halls, job security and job safety have not been implemented.

(MG 16,6,75 p4 c4)

The government will not change the law which allows a simple majority to agree in construction negotiations. (LJ 14,6,75 p4 c5-8)

CNSP NOTE: The Quebec construction industry is governed by industry-wide bargaining procedures.

Cournoyer announced the introduction of legislation to set up a new agency to deal with construction industry problems. While the legislation gives the agency power to control hiring, it does not abolish union hiring halls. (TS 26,6,75 pA8 c1-4)

It will be a year before the new agency begins to regulate hiring. (LJ 28,6,75 p4 c5-8)

THE ASBESTOS STRIKE

Striking asbestos workers from the region of Thetford Mines, in their fourth month of strike, are preparing for a "long march" of 75 miles to the National Assembly in Quebec City, if the government does not legislate stiffer controls to prevent asbestosis. (LJ 12,6,75 p2)

Some 3500 workers are preparing to march tomorrow on the Quebec National Assembly. (LJ 25,6,75 p3 c4-7)

Marcel Pepin spoke to a rally celebrating the victory of gaining more compensation for asbestos workers afflicted with asbestosis or silicosis. Under legislation passed yesterday, workers are eligible to receive 90% of their net salary if forced to quit work. (LJ 30,6,75 p4 c5-8)

CSN STRIKE FUNDS IN TROUBLE

With nearly 6000 members of the CNTU currently on strike the executive of the union central is calling for an emergency conference to study ways of replenishing the strike fund. (LJ 4,6,75 p3 c1-4)

The executive of the CNTU suggested an additional collection of \$1 per month from its members and a reduction of strike pay as solutions to the current indebted position of the central. (LD 5,6,75 p1 c3-6)

Public service workers do not agree with the suggestion of a \$1 per month collection. Renaud Flynn of the public service unions affiliated with the CNTU said that hospital workers for example earn \$128 a week and the additional union dues would be a tremendous burden. (LJ 5,6,75 p3 c1-4)

It has been suggested that a fairer way of dealing with the current deficit would be to ask each workers to contribute the equivalent to one hour's pay per month to the strike fund. (LD 7,6,75 p3 c1-4)

According to research done by the CNTU, Quebec workers contribute the equivalent of between two and six months work to finance companies in a given year because the average Quebec family has a yearly debt of \$4600. The interest payments often go as high as 30%. In contrast, workers contribute two to six days pay to their union which is attempting to change the situation whereby capitalists gain at the expense of ordinary workers. (LJ 7,6,75 p5)

POLITICAL

Federal

The major story this month was Turner's fifth budget. The press, in its handling of the story furthered the process of hiding what is actually happening in the economy. It did this by straight reporting of the budget items with no attempt to pull the different pieces together, to explain the underlying decisions or to assess the impact upon their readers.

However, very cursory examination reveals the not unexpected.- Capital gains at the expense of labour. A rise in unemployment insurance premiums, the 1&1/2-2% increase in the cost of living index because of oil and gas price increases, the cut-back in government health care spending and the direct attack on civil servants wages are not going to deal with Turner's major problem - "rising wage rates". Conspicuously absent from Turner's list of problems, - (recession, wage rates and oil and gas prices)- is the present unemployment rate hovering at about 8%.

THE BUDGET

In his budget speech, Turner again warned that rising wages are forcing Canadian goods out of the international, and particularly, the U.S. market. Turner claimed that under the current conditions of "escalating domestic costs in an under-employed economy".. . . ."controls could provide the most direct response to the problem". Controls were finally rejected because of the bureaucratic difficulties of imposing them and because the "government would have to interfere in every type of business decision and wage settlement". (WFP 24/6/75; pl c6;p31)

MEASURES

Natural Resources:

-an excise tax of 10¢/gallon on gasoline consumed for personal use. The excise tax was imposed to cover the deficit caused by falling sales to the U.S.

-rise in the price of crude oil from \$6.50 to \$8.00 per barrel. In real terms, this measure means another 5¢ at least on a gallon of gasoline.

-as of Nov.1, natural gas will rise from 82¢ per 1,000 cubic feet to \$1.25 per 1,000 cubic feet.

25% increase in exploration tax write-offs, giving companies an additional \$40 million this year;
-reduction of the 50% tax rate (largely illusory now) for oil, gas and mining companies to 46%.

Investment:

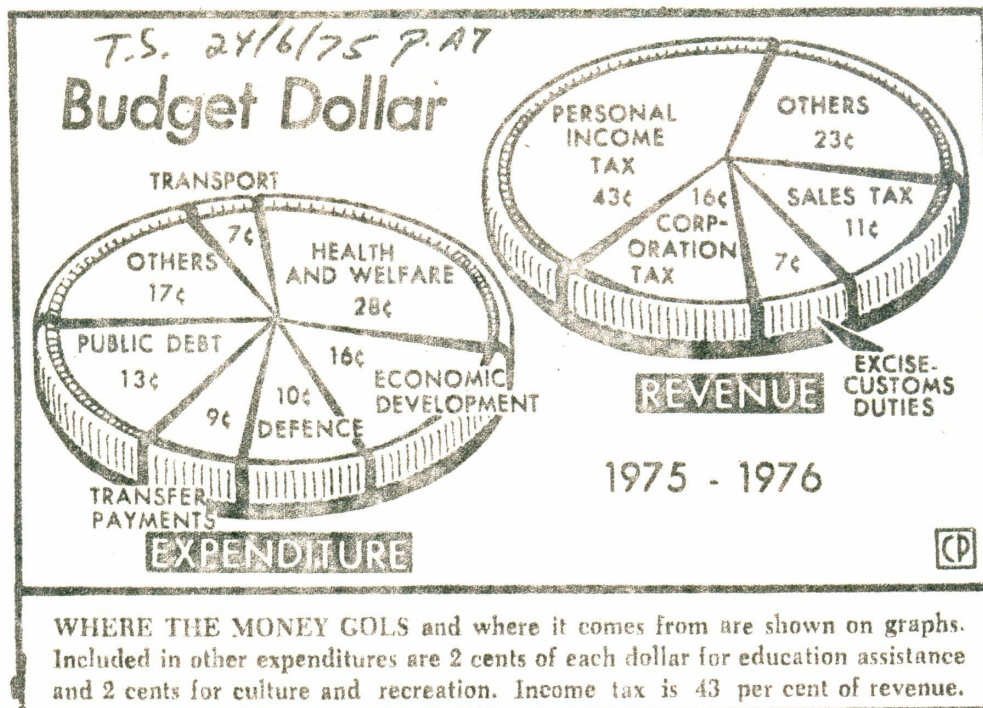
-5% tax credit on purchase of new productive facilities for petroleum, mining, forestry, fishing and agricultural companies;
-withdrawal of the withholding tax on interest paid on money borrowed in foreign markets.

HOUSING:

-increase in the Canadian Housing and Mortgage Corporation (CMHC) budget of \$200 million to be spent primarily in federally sponsored home ownership and rental programs. These programs, introduced in March, were to have pruned \$1 billion from private lenders.
-removal of the 5% tax on insulating material.

Health:

-limit per capita growth of hospitalization to 13% in 1976-77, 10.5% in



1977-78 and 8.5% thereafter. Federal contributions in 1973-74 were 19.6% higher than in 1972-73.

-terminate existing hospital insurance agreements, which covers in and out patient care, within five years.

Employment:

-change the present system of full federal funding for unemployment insurance when the unemployment rate goes above 4% to setting the figure for full federal funding at a level determined by the average unemployment rate for the past 8 years.

-consequently, unemployment insurance premiums will rise an, as yet, unspecified amount;

-lengthening of the waiting period to six weeks for people who quit jobs, refuse work or are fired for misconduct.

These changes are designed to deal with the "undesirable effects" of UIC "on work incentives".

-\$450 million on job creation over the next two years and the lengthening of LIP projects to 8 months.

Cuts:

-\$1 billion in expenditure cuts in a \$28 billion budget;

-curbs on civil service growth to 3.1%

-\$30-\$60 million cut from federal payroll;

-cut of total Petrocan exploration budget;

-Turner warned that government austerity might lead to more work stoppages;

REACTIONS.....

Progressive Conservatives:

-an exercise in cynicism;

-ineffective, inflationary, treacherous, a joke;

-"underestimated the magnitude of the housing crisis".

New Democratic Party:

-indifferent, cruel, "glum and hard";

-failure in three areas of unemployment, cost of living and housing.

-working Canadians are going to "pay a hell of a lot".

Peter Lougheed:

- "we were able to get the federal government to move on an increase in price in cooperation with us at a time of very serious inflation over the objections of the government of Ontario and other provincial governments."

Chamber Of Commerce:

- "very disappointing", did not deal with inflation;

Canadian Export Association:

- did not come to grips with the problem of rising wages;

Canadian Manufacturer's Association:

- "Turner....got his priorities right".

Canadian Construction Association:

- "too timid...., totally inadequate".

CNSP NOTE: *Notice that the term revenue has been replaced by cash flow in corporate linguistics.*

Canadian Real Estate Association:

- "Next to inflation, housing is our number 1 social and economic problem. But it was virtually a non-consideration in the budget".

Canadian Petroleum Association:

- "Ottawa should perhaps increase the price of domestic crude higher" (rather than placing a 10¢/gallon excise tax). "In that case, the consumer would face the same increase but the industry would be provided more cash flow for exploration and development".

(WFP, 24/6/75, p1 c1-8)

(WFP, 24/6/75, p13 c1-8)

(WFP, 24/6/75, p1 c1-2)

(WFP, 24/6/75, p4)

(TS, 25/6/75, pA3 c4-6)

CONSUMER PROTECTION

Consumer Affairs Minister Ouellet ruled out the possibility of consumers bringing joint actions under the first phase amendments to the Combines Investigation Act dealing with unfair corporate practices. Penalties for conviction will be 2 years in prison and a maximum fine of \$10,000. Since consumers must sue individually, the bill has been rendered "meaningless". John Rodriguez (NDP) noted it would "take 100 years for an individual consumer to win a court action against a large company".

Ralph Nader stated that consumers will continue to lose the battle against bureaucratic red tape and unfair practices of giant corporations while the Official Secrets Act is in force.

(WFP 4/6/75 p31 c6-8;

WFP 7/6/75 p17 c1-2;

WFP 12/6/75 p29 c4-7)

NO MORE AIRLINES

A new air service between Manitoba and Saskatchewan formed jointly by the two provincial governments, will be piloted by the Manitoba' government's air division. Marchand complained that it was bad policy to allow government owned airlines to compete with private carriers and threatened to "talk to Manitoba officials".

(WFP, 13/6/75 p28 c1-2)

POLITICAL - PROVINCIAL

Natural resources again dominated provincial politics. Saskatchewan, Manitoba and Ontario all adopted increasingly tough positions with the natural resource corporations who, in turn, battled back.

Tensions between the provinces seem on the increase, as well, with Lougheed's rather untactful gloating about his "victory" over his Tory counterpart in Ontario.

Since the inauguration of the First Minister's Conferences in the 1960's, the balance of state power has been slowly shifting from federal to united provincial hands. Through clever manoeuvring on the resource issue, the federal government has effectively (if only temporarily) put an end to provincial unity.

NDP RE-ELECTED IN SASKATCHEWAN

In his first four years in power, Blakeney has increased public benefits from natural resources by 100%, introduced denticare, pharmacare, land-lease programs, a provincially-owned oil exploration company and provincial participation in coal and gas. The voters responded with a "socialism if necessary but not too much of it" message. The NDP lost 7 seats to the revitalized Progressive Conservatives.

	SEATS		POPULAR VOTE	
	1975	1971	1975	1971
NDP	38	45	40%	55%
Liberal	15	15	32%	43%
PC's	7	-	28%	2%

(OC 12/6/75 pl c3-5; TS 12/6/75 pA1 c3-5; 21/6/75)

MANITOBA MINES MOVING

Having given cautious approval to Manitoba's new mining legislation, the corporations read the fine print and are now threatening to pull out of the exploration in the province. Sherritt Gordon and Newmont Mining Co. have already done so. Mines Minister Green is not worried, having a crown corporation ready to pick up where private enterprise leaves off. Curiously, the head of the Crown corporation is a former Hudson Bay Mining and Smelting Co. executive who "took on the controversial job in the hope of leavening Green's socialist bent".

(FP 25/6/75 p28 c1-3)

ONTARIO SCRAMBLING FOR PROTECTION (AND VOTES?)

The Ontario government has suggested to the 7 sisters (oil companies) that the 5¢/gallon gas hike caused by the increase in the cost of crude oil be delayed until October 1. The crude oil increase comes into effect July 1, 1975. The federal government estimated that companies would have 45 days worth of oil bought at the old price and therefore asked that the price increase be delayed until August 15. Ontario estimates that the companies will have at least 90 days supply on hand at July 1.

Oil companies claim the delay in raising the price will simply result in higher prices later to recoup losses. Jerry McAfee, president of Gulf Oil, argued that any profit from selling old oil at the new price would go towards buying new stock at the higher price so "there just aren't any "inventory profits". (TS 25/6/75 pA1 c7-9; TS 26/6/75 pA1 c7-9; OC 28/6/75 p1)

CNSP NOTE: *Study McAfee's logic carefully. Sounds good but does it work? Only if he goes out of business. In the short run, the profit is plowed back in; in the long run, it's there as pure gravy.*

ALBERTA FLEXES ITS MUSCLES - OR REVENGE ON BAY STREET

Alberta is considering controls on the marketing of natural gas products as well as its present controls on gas and oil. It is also considering imposing controls to ensure an adequate future provincial supply of crude oil. Such controls now apply to natural gas.

In a related development, Alberta is about to consider two applications by Trans Canada Pipelines to move additional natural gas out of Alberta. If approved, the additional gas would relieve expected Eastern shortages. Betting is favouring Alberta rejection of the application. (WFP, 10/6/75 p12 c3-4; TS 24/6/75 pA1 c7)

CNSP NOTE: *If Alberta refuses the release of additional natural gas, watch for a speed-up in the Polar Gas Pipeline Project. This project will move gas found in the Arctic Islands to Winnipeg or Ontario.*

CANADA-U.S. RELATIONS

The Sage Of The Garrison Dam

The Garrison Dam Project will divert water from the Missouri River to irrigate 250,000 acres of North Dakota farmland. The irrigated water will be dumped in the Souri's and Red-Rainy River basin and hence flow over the border into Manitoba. The water is expected to contain excessive pollutants.

In 1973, Canada demanded a moratorium on the dam. The U.S. refused but guaranteed not to violate the Boundary Water Treaty (I.E. send pollutants into Canadian waters).

Recently American environmental groups released information indicating the U.S. did indeed plan to break the Treaty. In an open letter to Scheyer, the environmental group urged Manitoba to take a strong stand to avoid "being sent down the river" by both Ottawa and Washington.

Since neither Manitoba nor Ottawa protested, the environmentalists have now taken their case to the Minnesota State legislature and the House of Congress.

(WFP 29/5/75 p8 c1-5;

WFP 29/5/75 p1 c5;

WFP 23/6/75 p1 c4-5;

WFP 23/6/75 p2 c1-8)

CNSP NOTE: *Press coverage of this story was so confused, one can only assume deliberate mystification perhaps on the part of the U.S. government.*

Military

ARMS RACE

A United Nations disarmament expert said that recent nuclear test bans and non-proliferation treaties have done nothing to slow "the international insanity of the arms race".

The United States' defence budget for 1975 is \$104 billion - roughly 2/3 of Canada's Gross National Product.

William Epstein, special advisor to the U.N. said, "Military strategists use the term 'stable deterrents' to explain away this logic of madness".

(OC 9/6/75 p14 c3)

CANADIAN FORCES

Faced with an increasing turnover rate, the armed forces this year will recruit about 12,000 people, the largest number since 1968. About 9,000 were recruited last year.

Department spokesmen said the reduction in forces which Defence Minister James Richardson called for last October was achieved in the last fiscal year because of the increasing rate at which people are leaving the forces.

(GM 6/6/75 p29 c1)

USAF WILL PULL OUT OF GOOSE BAY IN 1976

The United States will be leaving the Goose Bay base in Labrador which its air force has occupied since the Second World War.

The base has been the economic mainstay of the adjacent town, Happy Valley, since it was first established. But Happy Valley, a town of about 12,000, now receives some income from a logging operation that employs 500 at peak periods, and is also looking for benefits from construction of a \$1.8 billion power project on the lower Churchill River. (GM 19/6/75 p9 c1-2; HCH 21/6/75)

CNSP NOTE: The move from Goose Bay seems to indicate another step in the process of centralising military forces. The article was not clear as to whether the income from the logging operation or the power project would sustain the town. The Halifax Chronicle Herald did state that Newfoundland will suffer more unemployment because of the American action.

Police

Introduction With Press Analysis

The attempted escape of three prisoners from the New Westminister Penitentiary in British Columbia resulting in the death of one female prison worker has inevitably increased pressure in the capital punishment debate.

Press coverage in the form of letters to the editor have increased. The Ontario Provincial Police Association placed a considerably large advertisement in the Globe and Mail, the Toronto Star, and the Ottawa Citizen stating its position strongly in favour of capital punishment and against the current bail bond system. The ad makes a special appeal to the three papers' combined readership of 875,000 people asking them to tell federal ministers of Parliament either to hang murderers or abolish the death penalty altogether. The article

directly puts pressure on choosing the former.

Only one article helped to clarify the reason for the outburst in B.C. as resulting from inhuman conditions, indicative of many penitentiaries in Canada.

Canada's judicial system seems to be clearly in the throes of insecurity with pressure mounting also in the debates of firmer gun control, bail reform act changes, and the ending of life sentences. This barrage of judicial issues and the increase of secret service personnel (see last month's CNSP re: CIA and LIEU) seems to indicate growing concern for civil rights which is symptomatic of increased social unrest.

HOW ISOLATION CAN TURN PRISONERS INTO 'ANIMALS'

Conservative MP John Reynold* who represents a suburban Vancouver riding called the three prisoners who held 15 hostages "animals" three times in press interviews, said: "Half the people in the B.C. penitentiary could just about be classified as animals".

All three of the convicts had spent months in "the hole", as isolation or solitary confinement is called.

Some of the detailed charges being brought to court are:

-unwarranted use of tear gas in solitary confinement cells where it is impossible for prisoners to escape the "cruel and torturous effects".

-confinement in a cell 10 feet by 5 feet with a five-inch square window for 23 hours a day without daily exercise outdoors - contrary to penitentiary regulations. (TS 14/6/75 pB1 c1-7)

*Reynolds was responsible, a few months ago, for putting together a 200,000 name petition of those in favour of capital punishment.

A local of the British Columbia Government Employees Union wants federal Solicitor-General Allmand to resign. (TS 16/6/75 pA9 c5)

The New Brunswick Federation of Labour endorsed the Canadian Labour Congress' position against capital punishment after a debate that stretched over two days in Moncton where two policemen were murdered six months ago. (HCH 5/6/75 p28 c3-8)

The Government intends to change the bail law so that in some situations the accused person - not the police - will carry the burden of showing why release on bail is warranted, Justice Minister Otto Lang said. (OC 19/6/75 p5 c1-4 CP)

The Federal Law Reform Commission called for sweeping changes in the sentencing and paroling of prisoners, including a reduction of the maximum jail term to 20 years. In its eleventh working paper, the Commission urged judges to exercise restraint before sending anyone to jail and to resort to imprisonment only when no other alternative is available. (OC 19/6/75 p1 c6)

F.L. 11/16/75 p. 8, c1 Stat-Judicial

Through thick and thin

Crime Index Rates, 1973
Per 100,000 population

	CANADA	U.S.
Murder, manslaughter.....	2.4	9.3
Rape.....	7.2	24.3
Robbery.....	59.6	182.4
Wounding, attempted murder*.....	10.7	198.4
Breaking & entering.....	886.3	1,210.8
Theft.....	2,163.3	2,051.2
Theft - motor vehicles.....	324.0	440.1
TOTAL CRIME INDEX.....	3,483.5	4,116.4

Source: Statistics Canada.
* Canada - U.S. figures are not completely comparable for this category.

Note that during this time of economic stress, the crime rate for theft is by far the highest; the rate for murder and manslaughter is comparatively low.

At a time when the index of industrial production is sliding downhill, Statistics Canada has come up with one index that apparently can be counted on to rise through recession and boom years alike. It's the so-called crime index, arrived at by adding up the rates for seven major offences. In its first report on the index, StatCan's judicial division calculates the rate in 1973 came to 3,483 per 100,000 total population vs a rate of 4,116 in the U.S. Out of a list of 25 Canadian cities, 14, including the nation's capital, have crime rates that are higher than Montreal's. The reason: Ottawa's rates for the truly serious crimes — murder, rape, robbery, etc. — are below Montreal's. But Ottawa has a much bigger rate for theft — “the unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another,” according to a U.S. definition. A close study of StatCan's group of seven crimes by city may well provide companies and individuals with some additional reasons, other than economic, for choosing or rejecting cities for expansion or relocation.

Cultural

Communications

CANADIAN RADIO & TELEVISION COMMISSION (CRTC)

Television is embattled on several fronts. The fact that the CRTC must toe a line between maintaining a market, promoting an indigenous Canadian television industry, and promoting Canadian awareness has led to the following developments:

*Ottawa-Quebec Clash Over Cable TV

A RCMP officer cut wires to Raymond d'Autiel's independent cable company for defying CRTC authority. The clash over cable control between Ottawa and the provinces is now in the courts. CRTC chairman Pierre Juneau is determined that a central regulatory agency is required for cable T.V. to ensure priority for Canadian programming. (TS 18/6/75 pB10 c1-7; FP 7/6/75 pE3 c1-8)

*Pay T.V.

Some form of prepaid viewer selected programming will soon be given birth by the CRTC to open up opportunities for the development of Canadian creative talent and the film production industry. Pay T.V. is regarded as inevitable in Canada as long as it does no harm to Canadian networks. This means that the already fragmented audience market must not be allowed to be further divided as fragmentation decreases the power of advertisers. (TS 11/6/75 pB4 c1-2)

*Stripping ads

CRTC action in 1972 stating that Canadian cable companies could strip out ads from U.S. transmissions to repatriate money spent by Canadians to advertise on U.S. stations has led to wider repercussions (acted on by Rogers Cable TV of Toronto). One main problem which has just surfaced is that U.S. multinational parent companies have to appropriate special funds for Canadian advertising - affecting the North American marketing process. (MG 19/6/75 p21 c1-8)

CONVICTIONS AGAINST IRVING

Finding no proof of detriment to the public, the New Brunswick appeals court overturned the monopoly conviction against Irving. The company was charged in 1972 under the Combines Investigation Act with operating a monopoly by controlling all 5 English-language dailies in New Brunswick. Witnesses maintained that commonly-owned newspapers can operate independently. They gave Southam and Thompson as examples. Justice Minister Otto Lang revealed that an appeal to the Supreme Court of Canada on the overruling is being considered.

(HCH 5/6/75 p1 c1-3; 13/6/75 p8 c8)

GOVERNMENT REPORT CRITICIZES THE CABINET

The federal cabinet is described in a report as the best informed and least informative mechanism in government. D.F. Wall, who released the report in the House of Commons, had been commissioned by the Cabinet in late 1973 to look at the way information is provided to parliament and to the public. The cabinet is "the point in the process of government where it all comes together, yet there is a growing gulf between the government and the governed." Wall used the following developments to back up his criticism:

-many younger educated Canadians have lost faith in the relevancy of government institutions and are directing their efforts in wholly extra-parliamentary areas and pursuits within smaller communities.

- the rural and urban poor are bewildered by the form and language of the government directives that affect their lives.
 - Information Canada has no clear frame of reference, nor much information to give;
 - special interest groups, usually commercial, have more access to decision-making processes than the general public.
- (GM 26/6/75 p10 c1-7)

EDUCATION

UNIVERSITIES ON THE ROAD TO RUIN - ONTARIO

In the next academic year the Ontario government will spend \$654 million to provide services already denounced as inadequate, deteriorating and irrelevant by students and faculty alike. The question is whether to control the rate of growth or to let standards fall. There are two underlying problems:

- 1) a lack of general achievement testing for students entering university -resulting in lower standards;
- 2) the per capita grant system which forces universities to keep up enrolment in order to maintain their budgets.

The traditional role of the university to produce a group of graduates with a higher consciousness of education and knowledge of their subject is no longer true.

A government committee is reviewing admission standards and will publish a report by 1978.

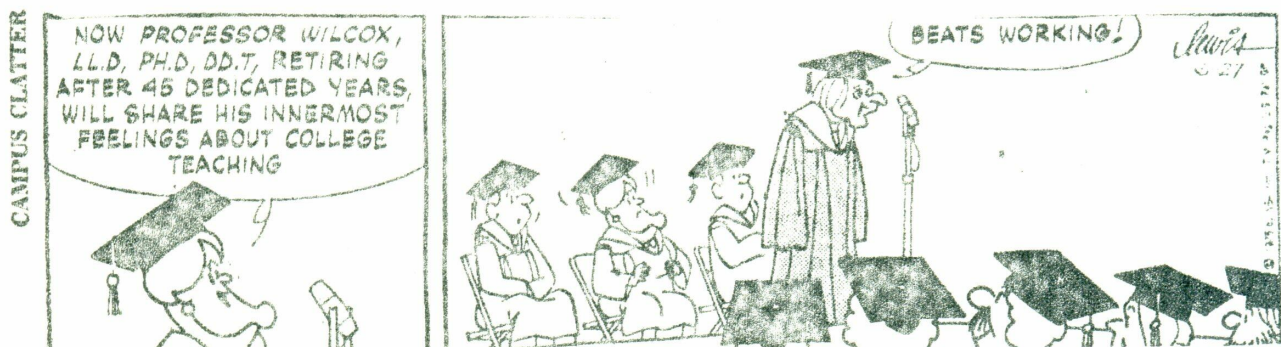
"In the meantime, the government will have to come to terms with a prospective change in philosophy. A good education system depends on quality, not just quantity."

(TS 21/6/75 pb2 c1-3; editorial)

NEW PROGRAMS FOR IMMIGRANT STUDENTS IN TORONTO

The Toronto school trustees approved programs, strategy and support to help immigrant children fit into the regular school program and succeed "academically and socially". The recommendations would encourage children to use their native languages in primary grades and to study ethnic culture courses in later years.

(GM 20/6/75 p5 c1-3)



LATIN AMERICA

ARGENTINA

LABOUR BATTLES ADMINISTRATION

After two union assassinations this week, thousands of metal workers went out on strike yesterday in a growing wave of labour discontent in Argentina. Last Friday, police battled 2,000 metal workers with tear gas to break up a rally against price increases.

(MG 12,6,75 p 31 c1 UPI)

RANSOM PAID

Juan and Jorge Born, sons of the founder and chairman of the world's third largest grain dealer, were freed today after their multinational company, Bunge and Born, paid \$60 million in ransom (believed to be a world record) to the left-wing Montonero guerrillas who kidnapped them nine months ago. The company met the Montoneros' demands to distribute food and clothing worth more than \$1 million to the poor in several Argentinian cities, and placed advertisements in local and foreign newspapers accusing the company of exploiting the Argentinian people.

(TS 21,6,75 pA1 c1-2 Reuter)

The \$60 million ransom for the release of Juan and Jorge Born provides the Montoneros with an important war chest for buying arms and communications equipment and for maintaining their clandestine organization in Argentina. The operation has been so successful that others seem certain to follow. The Montoneros are succeeding, as the Tupamaros succeeded for a while in Uruguay, in defying the state and establishing an invulnerable autonomy. This can of course be swiftly shattered as happened to the Tupamaros in 1972. But the cost is great, and in Argentina there is likely to be a far higher level of popular resistance than in Uruguay. Furthermore, the Montoneros, unlike the Tupamaros or Ejercito Revolucionario del Pueblo (ERP) have a popular base which gives them a far better chance of survival. The economic situation may help them too. Although the wage increase of 45% negotiated by most major unions was substantially above the limit envisaged by the Economy Minister, he is unlikely to give up his aim of holding back wages as a means of curbing inflation. Minor currency devaluations are likely to be frequent, and it remains to be seen whether the labour minister's promise that wage contracts will be re-examined every three months can be made effective. The battle for the maintenance of real wages is not yet over.

(Latin America, 27,6,75 vol 9, no 25 p 1)

TV STATIONS EXPROPRIATED

The Senate has approved the expropriation of three privately owned TV stations in Buenos Aires, Mendoza and Mar del Plata. All TV stations in Buenos Aires are now under state control. Of Argentina's thirty four stations, twenty two are still in private hands, but the Buenos Aires stations supply 80% of all material used.

(Latin America, 27,6,75 vol 9, no 25, p1)

Brazil

Brazil has arranged to obtain from West Germany the technology that would give Brazil the capability to produce nuclear arms. U.S. officials are concerned that the military-dominated Brazilian government has decided to opt for the bomb. Neither Brazil nor Argentina signed the 1970 nuclear nonproliferation treaty, and both appear on the list of countries expected soon to be capable of joining the U.S., U.S.S.R., U.K., France, China and India in the nuclear club.

Brazilian authorities insist that the sole purpose of the contract with West Germany is to generate electricity. It is considered possible that Brazil will pay for the technology with the enriched uranium eventually produced. It has deposits of natural uranium and the hydro-electric power in large quantities needed for the new uranium enrichment process in West Germany which requires the enriched uranium for its own nuclear generators. (WFP 4,6,75 p 63 c8 TFSM Lewis H. Diuguid)

CHILE

BEGGING INCREASES

El Mercurio, Chile's right wing daily newspaper, has admitted that "begging has increased in the streets", particularly in the areas near the city centre. Young women, often with two or three children, stand in front of buildings and the children ask for money. On the outskirts, adds the newspaper, the problem is even more serious and public transportation is invaded by children of both sexes begging for money or bread.

(LJ 4,6,75 p 7 c1-4 PL)

COLOMBIA

A few hours after the announcement of a state of siege in Colombia, military sources claimed the death of four extremist leftist guerrillas of the Ejercito de Liberacion Nacional (ELN), killed in a battle with government forces in the northern part of the country. They also claimed several captured guerrillas. Six government batallions are tracking an ELN column in the northern jungle. (LD 28,6,75 p 9 c1-2 Reuter)

DOMINICAN REPUBLIC

COMMANDO GROUP ARRIVES IN THE DOMINICAN REPUBLIC

An army and national police communique, issued Saturday, has announced that a group of Cuban guerrillas has landed in the Dominican Republic, headed by Claudio Caamano, who led a guerrilla attack in 1973. Since the landing, the police have carried out a series of arrests and searches in several cities in the country. (LJ 9,6,75 p6 c1-2 AFP)

Hamlet Herman, survivor of the Caamano guerrilla landing in 1973 in the Dominican Republic, denied the accusation that Cuban guerrillas had landed on the island and attributed the story to a manoeuvre by President Balaguer to divert public attention from struggles between the police and military. (LJ 11,6,75 p7 c2-3 PL)

Several hundred people have been arrested recently by the police and army after the announcement of a guerrilla landing in the Dominican Republic. Among those arrested, 16 were considered "political and unionist activists" and accused of trying to mobilize against the government. (LJ 12,6,75 p7 AFP)

Three Puerto Rican fishermen have confessed to a Dominican court that they brought three guerrillas to the Dominican Republic on June 2. They said they had been ordered to do so by the Partido Socialista Puertorriqueno (PSP). In San Juan, the PSP leader dismissed the confession which he said was extracted from the three men after twenty days of imprisonment, isolation and terror. (Latin America 27,6,75 vol (9) no 25 p 4.)

THE INTERNATIONAL CONFERENCE ON WORKER SOLIDARITY: MONTREAL

Introduction: The Conference internationale de solidarite ouvriere, (CISO) was held in Montreal during June. The conference was planned and coordinated by the CNTU and the Quebec Teachers Federation. At the conference the question of the multinational company was foremost and both Quebec and international delegates attempted to acquaint one another with the realities of the multinationals in each other's areas. The first conference of this kind had been held in Chile, during the Allende regime. Evidence that conferences such as these are worrisome for the multinational companies, is perhaps suggested by CNTU allegations prior to the opening of the Montreal conference, that RCMP officers on two separate occasions tried to bribe union workers into giving information on the names of international delegates to the conference. And in the Dominican Republic, the government jailed one of the delegates planning to attend the conference.

POLICE TRIED TO INFILTRATE THE CNTU

CNTU officials charged that the RCMP had questioned workers in its Montreal union office about the personalities invited to attend the CISO conference, to take place June 12-15. The officers offered a first bribe of \$100 to a union secretary in exchange for such information. Earlier this year, the union revealed, Pierre Breton, a union official of thirty years tenure had been dismissed when it was learned he had acted as an RCMP informer.

(LD 2,6,75 pl c5-6)

OPENING OF THE CONFERENCE

The CISO conference opened yesterday evening with 44 delegations of unions, representing 27 organizations and 20 countries. (LJ 13,6,75 pl c1-2)

NEWS FROM THE CONFERENCE

On their arrival at the airport Thursday evening, the Palestinian delegation was detained for two to three hours of interrogation by the RCMP on the purpose of their visit. Their bags were thoroughly searched. The secretary of the General Union of Dominican Workers (CGT), Antonio Santos, who had planned to attend the CISO conference, has been imprisoned shortly before his departure in a new wave of repression by the Balaguer government. In the course of the opening of the conference foreign delegates were presented with the famous fleur-de-lys pendants made by striking workers at United Aircraft. As the Quebec delegations were presented, the Thetford delegation of striking asbestos workers (the asbestos companies are multinational) received the loudest applause. (LJ 14,6,75 p6 c5-8)

THIRD WORLD CONCERNS:

Rafael Gumucio, coordinator of the Popular Unity under Allende in Chile, spoke to the CISO conference and stressed that one obstacle to be overcome if the multinational companies are to be controlled is a prevailing union attitude which concentrates attention on wage increases and fringe benefits but neglects wider political action. (LJ 13,6,75 p8 c6-8)

There is a wall of silence between Quebec and Latin America said Andres Mercau, secretary general of the Venezuelan Federation of Workers. This conference offers an opportunity to pierce that wall and begin a dialogue. We are struggling against the same form of imperialism whether in Quebec or in Latin America. Gumucio reminded delegates that during the present

regime of the junta in Chile, 70 union leaders have officially been killed and at least 120 detained in prison. (LJ 13,6,75 p8 c1-5)

Delegates from Africa, Latin America and the arab world expressed astonishment at learning of the extent of foreign domination of the Quebec economy, the evidence of its underdevelopment and the collusion between its government and the multinational companies. (LJ 14,6,75 p6 c1-4)

The south African and Caribbean delegates reminded delegates to the conference of the presence of powerful "Canadian" multinationals in their countries. Companies mentioned were Falconbridge, Alcan, Inco and Brascan. (LJ 14,6,75 p5 c1-4)

In Trinidad, 10,000 peasants on sugar plantations do not yet have the right to form a union. In the Dominican Republic (where Falconbridge has a plant) the Balaguer government has begun a new wave of repression against union leaders, including the official delegate of the conference from the CGT. "After the American defeat in Indo China, American imperialism is going to concentrate its efforts on Latin America and the Caribbean" said Raffique Shah the Trinidadian delegate. (LJ 14,6,75 p5-6)

The Haitian delegate told the CISO conference that all union rights in his country are suppressed. The minimum salary in Haiti in 1946 was 70¢ a day. In 1970 it had increased to only \$1.30 a day. The cost of living is very high. In 1975, the Haitian delegate stated, the Haitian workers are the most exploited in the world. (LJ 14,6,75 p6)

QUEBEC RESPONSE

Quebec delegates to the CISO conference expressed astonishment at the degree of resistance third world workers were mounting against forms of foreign domination in their countries despite severe repression. Serge Painchaud a teacher from Drummondville was struck by their capacity to sacrifice everything to fight against imperialist domination (referring to the Guinea-Bissau armed struggle of 12 years duration). Andre Lauzon, a worker from Laval was encouraged by the resistance of the Algerian people, above all the peasants, against French domination. Nicole Pomerleau, a CEQ worker said: "I have the impression that we're as oppressed in Quebec as workers in third world countries; only the gap in living standards is different, and as a result consciousness is more advanced in third world countries among the majority of the population. (LJ 14,6,75 p 6)

CONCLUSION OF THE CONFERENCE:

Quebec delegations promised to create regional committees of solidarity with third world workers and to begin a process of identifying more precisely which companies are operating in Quebec as well as the third world, what are their profits and attitudes to workers in different countries, what political support the companies in different countries in order to plan strategy more effectively. In a common declaration, the 500 delegates denounced the Canadian government for its support of oppressive regimes in the third world and the Quebec government for its legislation against the increasingly militant union movement in that province. (LJ 16,6,75 p6)

CNSP NOTE: THIS important conference received no coverage at all in English language papers, with exception of a small announcement in the Montreal Gazette of its occurrence. Why??? Vol III, no 6.

INTERNATIONAL CONFERENCES:INTERNATIONAL WOMEN'S YEAR CONFERENCE--MEXICO CITY JUNE 19 to JULY 2

HISTORY

In 1967, the United Nations approved a declaration which proclaimed the total elimination of discrimination towards women and integrated this proposal in its international program of development. In 1973, a plan for international women's year got underway, to attempt to realize the aims of 1967.
(LJ 10,6,75)

The principle theme of the 1975 two week women's year conference held in Mexico City was: "equality, peace and development from a feminist perspective". Delegates from 135 countries totalled 5000 women, with the exception of Mexico, Iran and Lebanon, who sent male representatives.
(WFP 19,6,75 p31 c2; WFP 20,6,75)

OPENING ADDRESS

Luis Echeverria opened the conference with an appeal to place the rearrangement of world economic distribution before specific problems dealing with women. "Only critical, radical effort will make possible the true liberation of women, that is the liberation of humanity and transformation of the world economic order", said Echeverria, as 100 women factory workers were refused entrance to the meeting by military police. (WFP 20,6,75 p15)

ISSUES

Specific issues touched upon were:

Abortion: Betty Friedan (not an official member of the conference), urged worldwide legalization of abortion. This proposal was met with opposition from third world delegates who argued that abortion and free love are "false liberation and harm women". (EJ 23,6,75 p3 c8)

Rural Women: Attention was given to the third world woman farmworker, mainly by the American Association for the advancement of Science and CIDA. As agricultural training programs now stand, men alone benefit, when it is estimated that 70% of the farming in Africa, much of Asia and Latin America is done by women. Britain is already promising \$1.4 million to the UN in aid of agricultural training programs for women in developing nations.
(WFP 23,6,75 p 21 c6; GM 26,6,75 p5)

Caughnawaga Indians: A more pressing problem of inequality was voiced by Mary Two Axe Early, a Canadian Indian who married a white. Under Canadian law, female Indians who marry whites are divested of their Indian rights and status. The Canadian government was urged by all the delegates to ameliorate the situation of female Indians who live under the threat of expulsion from their reservations. (LJ 30,6,75 p1 c1-2)

SPLITS

The conference was characterized by a separation of groups, depending upon particular aims and perspectives. There were three explicit splits. The IWY conference vs. the IWY tribune. A split not among the conference members as such, but more as a reaction to the official conference, was observed in the formation of the IWY tribune, an unofficial conference,

attended by such prominent American feminists as Betty Friedan and Germaine Greer. The tribune was formed to countermand "political messing around" in the hopes of getting down to "real-life women's issues."
(TS 23,6,75)

Majority vs. minority groups: Black and Mexican Americans loudly protested the inadequate representation of minority and poor groups. Wyna Baynes and Esther Urista were most vocal in protesting the 4 to 36 representation of minority groups in the U.S. (GM 23,6,75 p12; WFP 23,6,75 p 21)

Western vs. Developing nations: The most obvious split was observed here as American feminists were termed "vulgar" and were deplored by third world delegates for using "female chauvinism and discrimination to gain equality." The salient third world theme was "no sexual equality as long as there exists a gap between poor and rich nations." Imelda Marcos, Philippine representative, summed up the third world position as "equal pay for equal work may be imperative for other women, but for an Asian woman struggling for scraps of food in a city dump, such a demand is meaningless." Western delegates were frustrated by the continual talk of a "new economic order" which was threaded through discussion by developing nations delegates. Elizabeth Reid, head delegate for Australia, explicitly voiced an opinion that third world problems were taking precedence over women's problems, thereby losing the objective of the conference. (WFP 19,6,75 p31; GM 21,6,75 p13)

RESULTS:

The result of the two week IWY conference ending July 2, took the form of a "World Plan of Action" agreed upon by the delegates and proposing the following:

- 1) equal partnership for men and women in the domestic setting;
- 2) legislation to bring equality in the labour force;
- 3) greater political participation by women;
- 4) greater access to non-sexist education for women.

Observations made which reveal faults or failures of the conference are:
--the UN cannot force the World Plan of Action in any country; the delegates are faced with a long and difficult struggle in their respective countries.

-delegates to the conference were often termed as simply the "mouthpieces" for supervising males at home.

The next ten years have been proposed as a decade of observation to examine the effects of the Plan, its success and failure. Helvi Spila, secretary general of the UN IWY conference, hopes to call a second conference in two years. (TS 3,7,75 pE3 cl-7)