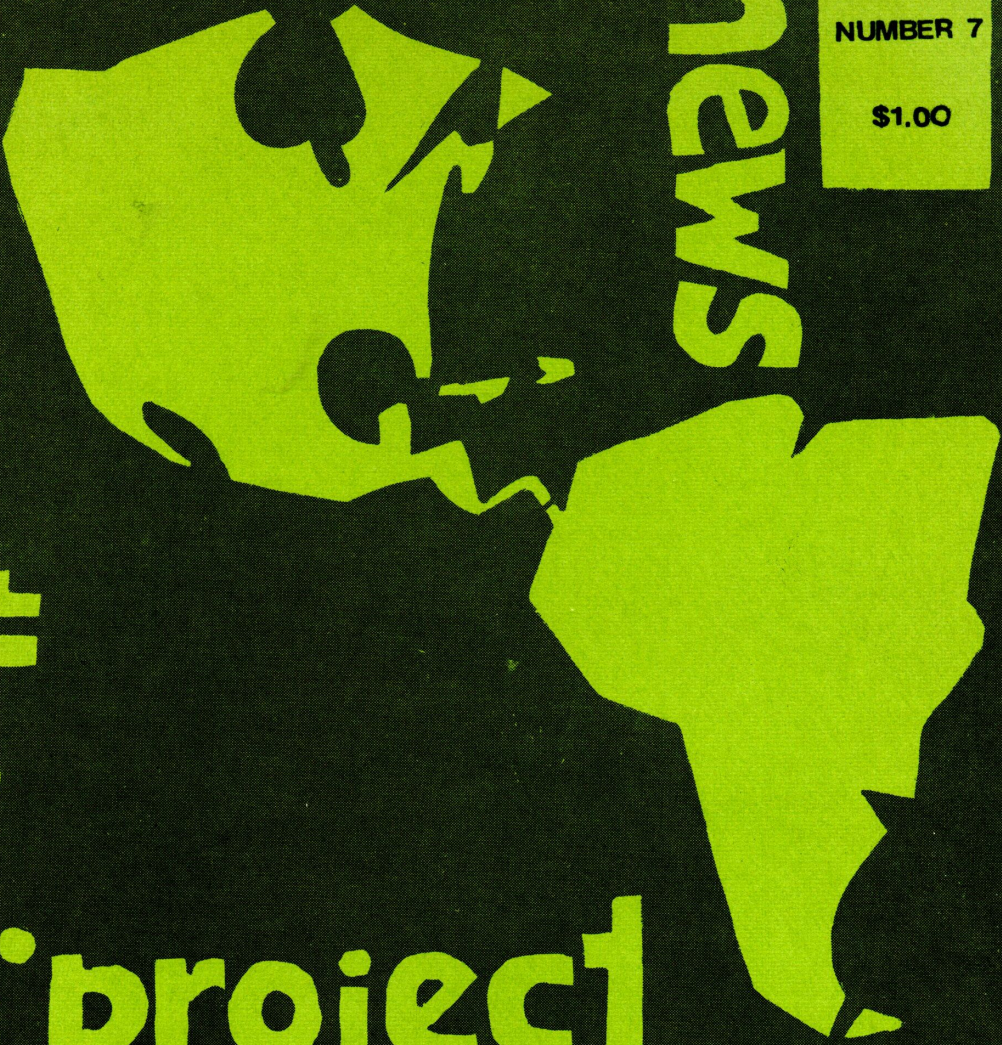


# canadian news

# synthesis project



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1975

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## Highlights—July 1975

The Economic Council of Canada has once again raised the option of FREE TRADE with the U.S. In theory this looks good, but it raises grave questions about the control of Canadian resources. pp2-4.

NATIVE PEOPLES in the NWT demand independence from the rest of Canada. Historical chart outlines land settlements with native peoples throughout Canadian history. pp11-14.

Federal and provincial governments come into conflict over control of social services. The federal government backs out of MEDICARE and is perplexed over solutions to the HOUSING SHORTAGE. pp15 & 17-18.

IMMIGRATION HEARINGS indicate widespread differences in opinion about the present situation of Canadian society and ways of perceiving the question of immigration policy. pp25-28.

Around the NDP CONVENTION, the press concentrates on personalities rather than policies. Much post-convention debate focuses on whether Broadbent's election points to a move to the centre or to the left. p30.

THE INTERNATIONAL WOMEN'S YEAR CONFERENCE in Mexico concludes. The Declaration of Mexico reveals that Canada's international policy is not "neutral". pp40-42.

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The CNSP goes on vacation during August. We begin clipping on September 1. See you again with our next issue early in October.

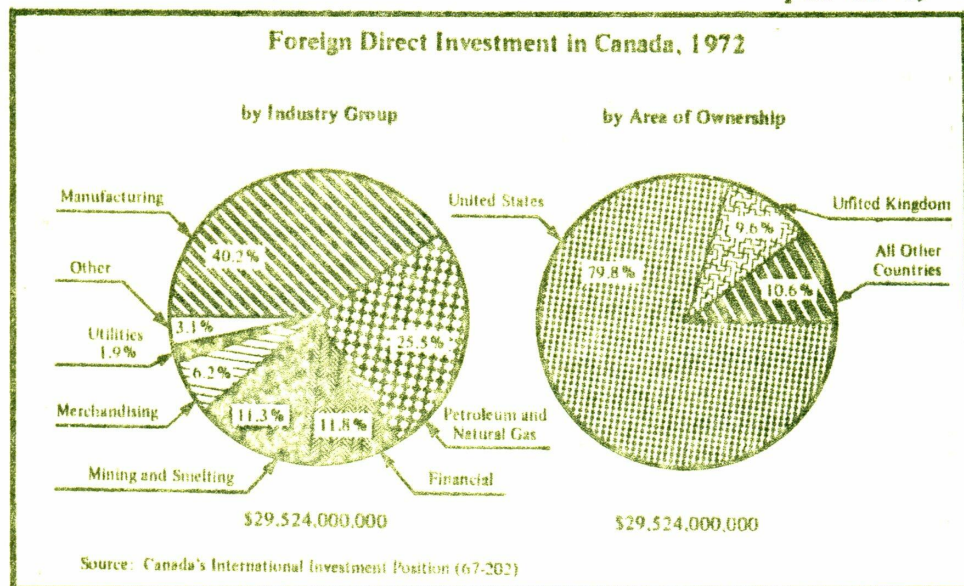
# Economic-Capital

## Foreign Investment

FIRA'S PHASE TWO COMING: (see CNSP, Vol.III,#6, p1)

Minister of Industry, Trade and Commerce, Alastair Gillespie promised to release a first Annual Report in September on the operations of the government's Foreign Investment Review Agency (FIRA). The public and new multinationals can look for some clarifications of the FIRA clause that takeovers must be "of significant benefit to Canada". The September report will prepare the business community for phase 2 of FIRA, which now will be proclaimed law on October 15, 1975 - almost two years after the legislation was approved by Parliament. Under general guidelines outlined by Mr. Gillespie, foreign-owned businesses can escape the review process if they expand their activities into new business broadly related to their existing business.

(OC, 19/7/75, p5 c1; Financial Times of Canada, 14/7/75, p12 c1-6)



### P.E.I. LAND LAWS SPARKS CONTROVERSY

The Supreme Court of Canada's ruling on P.E.I. land laws has several Canadian newspapers raising the spectre of balkanization. The Winnipeg Free Press and the Toronto Star both think that Canadians should have the right to travel freely to other provinces and buy land as well.

The judgement of the court suggested that the P.E.I. law was constitutional because it applied likewise to foreigners and Canadians from other provinces; if it applied to foreigners alone it might clash with the federal government's jurisdiction under the B.N.A. Act over citizens and aliens.

(TS, 30/6/75 pC4 c1-2; WFP, 4/6/75 p31 c3-6)

## Trade and Treaty

### Interpretation:

The major trade item of the month was the release of the Economic Council of Canada report advocating a free trade policy for Canada and closer trade alliance with the United States. (See also: CNSP, Vol. III, #2, pp3-4). The ECC report clearly sees little possibilities of developing substantial trade with Europe or Japan -- what Trudeau has termed the "third option" of diversifying Canadian trade dependency on the United States -- and advocates the option of linking the Canadian economy even closer to the U.S. The ECC report is insightful in its awareness of the growth of the large trading blocs, but only considers an option for the U.S.-dominated trading sphere. No consideration is given to the option of linking Canadian interests to those of Third World nations, which also rely heavily on resource production, and to their demands for a new international economic order (NIEO: see CNSP, Vol. III, No. 6, p8).

The ECC report emphasizes the problems of a "go-it-alone" strategy for Canada, but minimizes the negative aspects of a free trade policy tied so closely to the U.S. Protective measures have been developed to govern Canadian trade out of a concern, also evident in many Third World nations, to regulate the exploitation of resources, to develop Canadian manufacturing sectors, and obtain a higher value return for Canadians. Canadian experience with the Auto-Pact, an example of a sort of free trade arrangement, has recently illustrated the inherent problems in such a policy when the two partners are far from being equal. As the Toronto Star notes, a free trade policy would only emphasize the "hewers of wood" problem of Canadian dependency on resource exportation. It would also enhance the power of the large multinational corporations to decide which resources shall be exploited and where they would be processed.

As other news in this section indicates, the government is still trying to develop its third option of increasing the quantity and terms of trade with the European Economic Community and Japan. In return, Trudeau seems willing to retreat on the export of enriched uranium from Quebec to France, and to promote increased direct Japanese investment in Canadian resource industries.

### ECONOMIC COUNCIL OF CANADA (ECC) FAVOURS FREE TRADE

An ECC report on Canada's options within the present international trade structure argued that "Canadian industry would be able to reorganize and prosper in a free trade environment". In practice this would mean "participation in a free trade area with the U.S." or face exclusion from the powerful trading blocs now a feature of international trade. Among the benefits of free trade, the Council listed:

- promotion of more competitive and efficient Canadian industries;
- improvement of Canadian exports of semi-processed raw materials;
- a halt to the expansion of branch plants behind tariff walls;
- a better deal for Western Canada and the Maritimes since present tariffs protect central Canadian industries at the expense of other regions;

The report attacked as a "myth" the charge that the elimination of tariffs would create massive unemployment in vulnerable industries such as electronics and clothing. The ECC argues that a federal government could balance the negative effects with an adjustment policy to help workers and industries through a transition. (HCH 17/7/75,p17 c3-8)

#### REACTIONS:

Russell Bell, research director for the Canadian Labour Congress, said the CLC is convinced the policy would lead to lower unemployment if it advocates overall free trade not only with the U.S.

Hugh Stevens, vice-president of the Canadian Manufacturers' Association, welcomed the report as an opening for debate but warned that the policy 'could crucially affect employment in Canada' and put "Canadian manufacturing at an unfair disadvantage" if non-tariff barriers were not dismantled. (Canada uses comparatively few of these barriers).  
(WFP 12/7/75, p36 cl-6)

#### PRESS REACTIONS:

-Last year we sold 5.5 billion more raw materials than we imported. This hewer of wood pattern would be widened under a free trade agreement.

Free trade would increase exposure to the U.S. and make it harder to preserve and strengthen the Canadian identity which the national economy is intended to serve. (TS 10/7/75, pB4 editorial)

-Canadian manufacturers use advanced technology, are productive and of high quality. They can't compete with foreign producers because of higher tax and interest rates. Other high costs come from complicated regulations for exported goods. Government assistance in these areas would help more than eliminating tariffs. (WFP 13/7/75 p23 cl-3)

-There is little discussion in the ECC report of the effects of the Canada-U.S. Auto-Pact, a mini-exercise in free trade.  
(FP 19/7/75 p3 cl-2)

#### GOVERNMENT REACTION:

-Industry, Trade and Commerce Minister Alistair Gillespie indicated the government will move cautiously toward freer trade.  
(WFP 16/7/75 p13 cl-4)

#### -TRADE WITH EEC AND JAPAN

The EEC should help Canada become less dependent on the U.S. said Michael Poniatowski, France's Minister of the Interior. France urgently needs large supplies of enriched uranium for planned nuclear power plants.  
(TS 5/7/75 pA6 c2-6)

-Prime Minister Trudeau said the case against construction of an uranium plant at James Bay is not as clear cut as previously thought. He agreed to give serious consideration to a pre-feasibility study.

(WFP, 12/7/75 p7 c3-4)

-A deciding factor in recent Canadian Japanese talks was the Canadian offer of a "contractual link" to Canada's abundant resources that would include joint ventures, increased Japanese investment in return for assured supply, etc. A steel plant venture in British Columbia petrochemical plants in Alberta and participation in the tar sands project are all presently on the drawing board.

(WFP, 3/7/75 p5 c5-8)

#### AUTO PACT:

-Canada had a deficit on trade in auto products with the U.S. of \$410 million for the first three months of 1975. A breakdown of the trade balance shows:

	<u>1st quarter of 1975</u>	<u>1974</u>
auto parts	-\$654 million	-\$1.94 billion
cars	+\$251 million	+\$919 million
trucks	+\$ 33 million	-\$ 29 million
tires and tubes	-\$ 40 million	-\$ 20 million

(GM 5/7/75 pB2 c1-3; WFP, 8/7/75, p27 c1-6)

-Production of Canadian automobiles is down 30% in the first four ~~years~~ months of the year although Canadian sales are up.

(GM, 19/7/75 pB10 c8-9)

#### DEVELOPING COUNTRIES:

A study by the United Nations Conference on Trade and Development (UNCTAD) says that from 1953-1972 the terms of trade of developing countries deteriorated at an annual rate of 2.2%. Oil was left out of calculations because only a few developing countries export it. (GM, 13/7/75 pB2 c3-4)

The Ford Administration is sharpening its opposition to the Third World majority at the U.N. Kissinger criticized "lop-sided, deplorable, gregarious bloc voting by poor countries against the interests of industrialized nations" and issued a scarcely veiled threat to reduce U.S. support of the U.N.

(TS, 15/7/75, pA8 c3-5)

#### RESOURCES: OIL AND GAS

*The focus of this month's coverage was the announcement of impending gas shortages, and the increasing probability of rationing of supplies to industry and to U.S. customers.*

*The myth that the oil companies will solve our supply problems still continues. Despite the fact that they received incentives, the companies have not been able to provide enough conventional gas. Now, they want more money to build Arctic pipelines to provide frontier gas. This commitment to growth is causing increasing problems. For years the companies assured us that supplies were plentiful, thus reinforcing the North American*

desire to consume.

Newer technological solutions are expensive. Thus growth patterns continue, though at increasing higher costs. This infatuation with new technology is shown in the widespread demand for Tar Sands plants and Arctic pipelines, regardless of economic, social and environmental considerations. The obsession with growth does not allow consideration of alternatives like reduced consumption as a healthier way of life. Instead, recessions are blamed on government interference and control, whereas the present worldwide recession is due more to the chaotic nature of growth directed by the large multinational corporations like the oil companies.



#### EXPORTS AND INDUSTRIAL GAS USE TO BE CUT.

The National Energy Board reported that Canada's natural gas reserves stand at 60.6 trillion cubic feet. This supply is insufficient to meet projected Canadian needs and existing long-range export contracts to the U.S. Thus, Energy Minister Donald MacDonald plans to reduce supplies to Canadian industries capable of switching to an alternate energy source. He also said that U.S. customers will receive gas only from reserves surplus to Canadian needs.

Exports to the U.S. cannot be completely stopped for fear of economic reprisals and because the oil companies say they need some cash flow to continue the exploration.

(TS 17/7/75 pA1 c7-9; HCH same day, pl c5-8)

#### ALBERTA TO INCREASE SUPPLY FROM OWN RESERVES

Alberta Energy Minister Getty said that Alberta was willing to export gas from reserves held for its own future use to other parts of Canada. in return for an "ironclad" guarantee that its stocks would be replaced by supplies from the Arctic gas fields. This would alleviate Canadian shortages predicted for 1976-81 and would reduce the urgency of going quickly ahead with the Canadian-U.S. joint project to bring gas from the Arctic. (GM 16/7/75 pB4 c7-9)

#### CUT EXPORTS - KIERANS

Eric Kierans, a former Liberal Cabinet Minister, said that most of the gas exported to the U.S. is used for unnecessary gadgets whereas it is needed in Canada for essentials like heating. He therefore urged a renegotiation of all export contracts. NDP critic Tommy Douglas said that exports should be halted over a three year period to give U.S. customers a chance to switch to domestic suppliers. The U.S. still has far larger supplies than Canada has.

(TS 18/7/75, pC6 c7-9)

## CONTINUED EXPORTS A "MISUSE" - ENERGY PROBE

Energy Probe, an affiliate of Pollution Probe said that continued exports of gas was a "misuse" of resources which would lead to a "hasty and ill-conceived development of frontier gas". If exports are cut, then the domestic supply would last longer. This extra time, combined with the planned price rise to put gas on a par with oil, would allow for increased development of conventional reserves. Energy Probe claims that Canadian consumption can be reduced by 25%, if governments are willing to take the correct actions. This would further delay the Arctic gas pipeline, a project which the group calls the "sacrifice of the social and environmental fabric of the North for an interim solution to Canada's energy needs".  
(CM 19/7/75 p5 c2-4)

NDP critic Tommy Douglas claims that the oil companies "cynically manipulated" reserve figures to encourage huge exports and are now trying to scare Canadians into supporting the MacKenzie Valley pipeline.  
(HCH 17/7/75 p1 c5-8)

PC critic James Gillies says that the current situation proves that the companies need even more incentives, and he attacked the "disastrous error" made by the Liberal government in taxing provincial royalty payments.  
(HCH 17/7/75 p1 c5-8)

*CNSP NOTE: The Liberals aren't saying too much, but they can't do much either. The oil companies did receive incentives, but they didn't find any more gas. The Liberal policy of allowing increased control of the Canadian economy by U.S. interests has partly contributed to the present situation.*

## MORE EXPLORATION NEEDED - O'CONNELL

P.D. O'Connell, president of the Canadian Institute of Mines and Metallurgy and area superintendent of Amoco Canada, said that Canada faces a trade deficit of about \$75 billion because of the loss of petroleum self-sufficiency. He claims that this deficit can be cut to \$30 billion if frontier exploration and development of synthetics is stepped up.

O'Connell states that the oil industry only receives 20% of the market value of oil, but needs more in order to finance more exploration and research. O'Connell also complained of the image that the industry is composed of Americans, claiming that in Canada, most employees are Canadian.  
(HCH 27/6/75 p25 c6-8)

## NATIONAL ENERGY BOARD MEMO STRESSES NEED FOR FRONTIER GAS

A confidential NEB memo circulated last December stated the belief that quick development of a gas pipeline from the Arctic is essential. It also implies that the urgency of this need might outweigh social and environmental considerations.

This memo sets the stage for the just released report on supplies. Although the urgency of a pipeline is not discussed, the figures presented imply that such a pipeline is needed. The memo reveals the importance that the NEB's gas supply panel places on such a pipeline.  
(CM 19/7/75 pB1 c5-7)



#### NEW PROCESS FOR ATHABASCA CRUDE

The Guardian Chemical Corporation of Long Island, New York, has announced that it is producing crude oil shipped from the Athabasca Tar Sands in Alberta. Guardian claims that its method is cheaper and uses less water than present methods. The company claims that oil can be produced for between \$3 and \$4 per barrel. (HCH 27/6/75 p28 c3-5)

#### 500 BARREL/DAY PLANT ON TARSANDS

The Alberta Energy Resources Conservation Board has approved plans by the Canadian Industrial Gas and Oil Ltd. to build a 500 barrel per day steam injection plant. The company will inject steam into deposits 1,500 feet underground in order to separate oil from sand, thus producing free-flowing crude oil. Two Japanese companies have expressed interest in the project. (WFP 5/7/75 p10 c1-2; GM 11/7/75 pB2 c2-3)

CNSP NOTE: See Political-Provincial for coverage of the Ontario government action to freeze gas prices.

#### RESOURCES - FISHING

##### CANADA'S UNDERDEVELOPED DEVELOPMENT

A Japanese fish company executive claims that the Canadian fishing industry is technologically backward, commercially unexciting and unnecessarily reliant on government subsidy programs and worker welfare payments. He says that the Federal government is only reluctantly prepared to talk with prospective investors, and representatives of some of the largest Canadian fish companies totally fail to understand what is being offered them, or what opportunities exist in Japan for expanding direct or joint trade opportunities. (The initial investment proposed by Yashima's company would be about \$60 million, providing sea-going employment for 1600). "Our impression of Canada is that it is an underdeveloped country".

(GM 1/7/75 pB5 c1-9; L. Watkins)

Better prices, excellent harvests, higher catch targets and transportation are making 1975 a turn-around year for Northern Manitoba fishermen. They are putting aside some of their earnings for future development of their cooperative operations. However, to harvest as many fish as possible before the reduced water level (due to the Churchill River Diversion) lowers the capacity of the lakes to support the traditional fish population.

(WFP 10/7/75 p47 c3-8)

##### BIGGER ROLE WANTED IN SHIPPING AND FISHING

Delegates to the 3-day annual meeting of the Marine Workers Federation, representing 7,000 Atlantic workers, have called for greater Canadian participation in shipping and fishing.

Among the 36 resolutions passed was the call to the Atlantic region provincial governments to "take a hard line policy to force the federal government to extend the territorial fishing rights to the Continental Shelf in an effort to drive foreign fleets from the waters and replace them with Canadian fleets manned by Canadians".

The delegates proposed a feasibility study to be made by Atlantic provincial governments of a regionally or federally owned and operated coastal shipping fleet to offset the high road and rail hauling rates.

Such a fleet, it was felt, would provide jobs and give a counterbalance to arbitrary rail freight rate increases. (GM 1/7/75 pB3 c5-6)

#### THE 200-MILE LIMIT OR WHY CANADA FEELS OVER-FISHED AND FED UP

Nova Scotia opposition leader Buchanan said that the Trudeau government is displaying "apathy, arrogance, and appalling ignorance" with respect to the fishing industry and the government's failure to tackle the off-shore limit question. He also criticized Premier Regan for failing to vigorously urge declaration of a 200-mile limit.

(HCH 16/7/75 p31 c1-4)

Unless the federal government acts soon, the huge foreign "vacuum cleaner" vessels will harvest the resource to the point of extinction. Then the foreigners will move on to another fishery, leaving Canada with dregs of a once great industry. (FP, 26/7/75, p6 c1-2 editorial)

The major fishing nations are concerned because unilateral action by Canada would make it much more respectable for other coastal states to duplicate the move. (FP, 26/7/75, p1 c3 Roger Worth)

The ban on Soviet fishing fleets announced by Federal Minister LeBlanc came into effect today. It's an effort to stop overfishing off Newfoundland. It will cost Halifax and St. John's ports \$4 million yearly in lost revenue from supply and maintenance of Soviet ships. LeBlanc said the ban would cause the fleet "very considerable inconvenience". (TS 28/7/75 pA1 c7 CP)

#### RESOURCES - NUCLEAR

##### THE CANDU REACTOR - CAN DO?

Until now Canadian industry has supplied the equivalent of one nuclear reactor a year, and now faces a demand for 4 per year. "Now that the demand for nuclear components will be continuous and much larger, there should be a broad enough base to let Canadian companies obtain a profit level justifying the heavy investment needed", said J.P. Reny, director, machinery branch, of Industry, Trade and Commerce.

(FP 5/7/75, p25 c1-8; B. Jackson)

Hydro Quebec President Roland Giroux said he had "enormous doubts" about the Candu sales (50 projected reactors) because the prospective buyers are countries "that don't have the means to finance themselves".

Parti Quebecois leader of the opposition Jaques Morin suggested that a federal program to encourage the export of Canadian reactors would give great economic benefits to Ontario because of that province's advanced nuclear technology program. (OC 5/7/75 p20 c1-4 F. Mackey)

Any contract which permits a foreign company to manufacture the Candu reactor on license should include the safeguards Canada now demands when it sells a complete reactor. (OC 12/7/75 p6 c1 editorial)

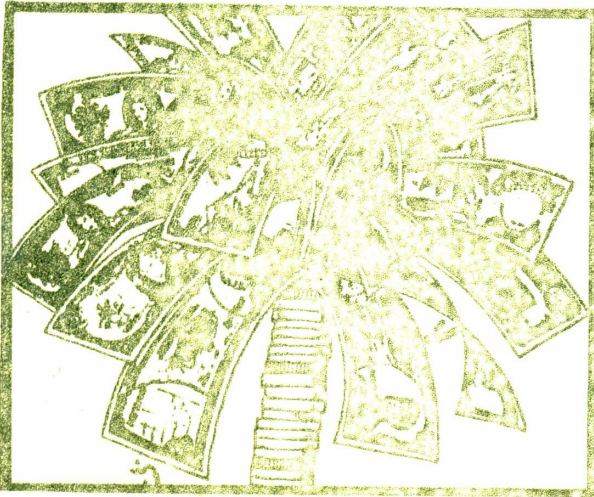
Canada has agreed to join the U.S. in a long term study on the possibility of the U.S. adopting the Canadian-designed nuclear reactors for the production of electricity. The explanation offered by Atomic Energy of Canada Ltd. officials for the renewed U.S. interest in the Candu-type reactor is that natural uranium is considerably more efficient than enriched uranium. (OC 17/7/75, p1 c5-6 J. Gray)

## Banking

### CANADIAN CREDIT UNIONS

Over six and a half million memberships were registered in Canadian credit unions and caisses populaires in 1974. However, the total number of credit unions is dropping (from 4,134 in 1973 to 4,086 in 1974) as credit unions merge into larger units for meeting larger loan demands. Total assets of Canadian credit unions rose last year by 25% to the \$10.6 billion mark. Recent studies of credit union memberships indicates that 80% also deal with a bank, and usually more frequently than with their credit union offices.

(GM, 5/7/75 pB1 c2 and pB10 c5-9)



### MERCANTILE BANK TRYING TO MAXIMIZE CANADIANIZATION

The Mercantile Bank of Canada was formed when the First City Bank of New York (CITIBANK) acquired control of the Dutch Rotterdamsche Bank N.V. in 1963, and the event sparked a major battle over foreign ownership of the Canadian banking industry. Special legislation was passed in Parliament to restrict growth of Mercantile, which by 1966 was 100% owned by CITIBANK. Mercantile's assets were restricted to 20 times its authorized capital (\$10 million in 1966) until Canadian ownership reached 75%. This degree of Canadianization was achieved in April, 1975, and is expecting substantial

growth in assets, rising to over \$1 billion by the end of October, 1975. The American president and chief executive officer of Mercantile, John P. Murphy, says that the bank will try to maximize the Canadianization of the bank while at the same time capitalizing on its close relationship with CITIBANK from which it will still have access to knowledge, research and development and technical resources.

(GM 10/7/75 pB1 c4-7 and B5 c3-7)

### STATE OF THE ECONOMY

#### PRICE INDEX JUMPS AGAIN

Ending a trend of relatively low monthly increases recently, the June Consumer Price Index (CPI) rose 1.5%, the highest jump in over a year. Food items, especially meat and eggs, accounted for more than 60% of the June rise in prices according to the Food Prices Review Board. Statistics Canada warned that the statistics do not fully reflect the 10-cents-a-gallon excise tax on gasoline announced in the June 23 budget, which alone will add .5% to the CPI in July. The CPI is 10.4% higher than a year ago at this time.

(WFP, 11/7/75 p1 c1 CP; OC 11/7/75 p1 c4-5 CP; GM 18/7/75 pB9 c5-9)

## WIZARD OF ID



## INDUSTRIAL PRODUCTION LOWER AGAIN IN MAY

The Statistics Canada index of industrial production fell by 0.5% in May, the fourth successive month in which output declined. Mining, manufacturing and utilities sectors each showed declines while oil, coal, electrical products and leather industries registered gains. (HCH 16/7/75 p37 c1-2 CP; OC 16/7/75, p9 c1-2 FTNS)

*CNSP NOTE: While the Canadian Press article in the HCH suggested a drop in the industrial index "was fractionally lower" in May, industrial output "declined sharply". Both wire services were basing their articles on the same Statistics Canada report containing the above information.*

## STRONG ECONOMY PREDICTED FOR 1976

In its latest quarterly report, the Conference Board of Canada predicts that in real terms, the economy will grow at an annual rate of 5.2% for the rest of this year and at 6.25% in 1976. However, the strong advance for the last half of this year will not be enough to offset declines in production for the first half.

For 1975 as a whole, real output is expected to be 0.5% below the level of 1974. Unemployment is expected to rise to 7.8% by the end of 1975 and remain at an average of 7.5% in 1976. (GM 5/7/75 pB1 c2-7)

## PRIVATE ENTERPRISE THREATENED

"Canada must decide whether it wants to abandon private enterprise completely", J.E. Burns, chairman of the Insurance Bureau of Canada told the annual convention of Canada Jaycees (Canadian Junior Chamber of Commerce). Stating that the three levels of government will soon be spending more than half the wealth produced in the country, Burns said that "We must come to grips with one of two choices. A resurgence of the independent spirit and free enterprise environment which propelled this country into the prosperity of the 20th century, or an apathetic acceptance of increasing state control, a complacent submission to the spreading tide of government intrusion and its destructive influence on our personal and collective goals". (TS 4/7/75 pB8 c7-8; WFP 7/7/75 p10 c5-6 CP)

NATIVE PEOPLESNORTHWEST TERRITORIES (NWT) - A NEW LAND SETTLEMENT MODEL: LAND NOT MONEY

*In the District of MacKenzie, 450,000 square miles has been claimed as Dene land (the land of the people of Indian cultural background). This claim is registered in the Territorial Land Titles office and known as "Caveat".*

*The Indians interpreted their past treaties as peace or friendship agreements, not land surrender.*

*Now due to the stepped up pace of need of exploration of oil and gas and other energy sources, the burden has fallen on the native peoples. An impatient government, industry and white population of the N.W.T. want to move ahead with "development". The native people want and need time.*

*What is essential is clear recognition of land ownership. Instead of having the native people surrender their aboriginal rights as has been the colonial tradition for centuries - the new approach chosen by the Native People of the N.W.T. would be formal recognition by legislation of Aboriginal Rights and on-going negotiation and dialogue.*

*An Indian way of economic development relevant to the people of the MacKenzie district is being defined: i.e., development by the community as a whole rather than outsiders with greater economic independence and political autonomy. To achieve this they are demanding independence.*

*A historical perspective may help Canadians understand this historical moment. Following on pages 12-14 are the historical events leading up to the land settlement.*

N.W.T. DEMAND RECOGNITION AS A NATION

This was the demand passed at the Second General Assembly of the Indian Brotherhood and and Metis Association of the N.W.T. They also called for a clause allowing only those who lived in the area for 10 years to vote in municipal, territorial and perhaps federal elections.

(TS 21/7/75 pC2 c4-7 CP)

AGREEMENT SIGNED FOR CUT-OFF OF LAND CLAIMS-- BRITISH COLUMBIA

A symbolic 100 acres of the 34,000 acres of the cut-off lands under dispute are to be returned to the Indians of B.C. by Sept. 1, 1975

Tuesday's agreement relates only to the 34,000 acres of land from 23 B.C. reserves upon the recommendation of the McKenna-McBride Commission which sat about 60 years ago.

Human Resources Minister Norman Levi, responsible to the cabinet for Indian Affairs, noted: "It should be remembered that the federal government has been the recipient of 50% of the revenue that has accrued as a result of the cut-off lands".

The cut-off land committee will have one representative appointed by the Indians, one appointed by the province, and a third party selected by both sides. Initially this committee will draw up specific terms of reference and receive submissions from the 23 Indian bands involved.

The recommendations for settlement must be put to the government by the end of next year, and the government is to act on the recommendations by June 24, 1977.

The agreement puts to rest predictions of a violent summer as a result of the lack of government action, concerns which were heightened by two large demonstrations to the legislature last month.

(Vancouver Province, 25/6/75 p27 c5-8; H. Southam)

Date Event Importance

10,000 B.C. Development of Athapaskan Culture By 2,500 B.C. archeological data indicates that Athapaskans were already well adapted to the harsh interior sub-arctic conditions.

1670-1763 Period of expansion of trade by the Hudson's Bay Company in North America. In 1670, the Hudson's Bay Company received a Charter from the King of England permitting the Company to trade in British North America. Periodically instructions to Hudson's Bay Co. expeditions included an order requiring treaties to be made with the Indians.

1763 Royal Proclamation The Proclamation was issued by Britain. The Proclamation regulates the means by which land could be obtained from the Indians. The Proclamation gave implicit recognition of Indian Title to lands under control of the Hudson's Bay Co.

1781-1866 Opening up of the N.W.T. to the fur trade Increased European-Indian contact through the fur-trade brought not only European trade items but also disease epidemics which decimated Indian tribes.

1867 British North America Act The B.N.A. Act assigned legislative jurisdiction over "Indians and lands reserved for the Indians" to the Federal Government.

1868-1870 Transfer of Rupert's Land to Canada Documents effecting the transfer of Rupert's Land explicitly show clear recognition of the existence of Aboriginal Title in the area.

1876 First Indian Act Administrative separation of Native peoples through the provisions of the Indian Act.

1899 - 1900 Treaty No. 8 Treaty No. 8 was signed with the Indians of the South-western portion of the N.W.T. Native people maintain the treaty was a peace treaty whereas the Crown holds that the treaty was a land surrender treaty.

1912 Quebec Extension Act Quebec, Ontario and Manitoba were enlarged by the transfer of land formerly included in the N.W.T. All these lands had formerly been part of Rupert's Land. The federal government required the provinces to recognize Native Title in the transferred territories and to pay compensation to the Indians for the extinguishment of their title.

Date	Event	Importance
1916	Migratory Birds Convention Act	An international agreement between the United States and Canada. The agreement seriously curtailed Native hunting and fishing rights as guaranteed by Treaty No. 8.
1917-1918	N.W.T. Games Acts	Sets of territorial regulations seriously curtailed Indian hunting and fishing rights as guaranteed by Treaty No. 8.
1920	Fort Resolution Treaty Boycott	Indians under Treaty No. 8 refused to accept Treaty payment to demonstrate opposition to game regulations imposed on them in violation of Treaty-rights.
1921	First Session of Council of N.W.T.	With the discovery of gold at Yellowknife and oil at Norman Wells population increased followed by an expansion of the administration of the N.W.T.
1921-1922	Treaty No. 11	Treaty No. 11 was signed with Indians of Southern and central District of Mackenzie. The Indians maintain the treaty was a peace treaty, whereas the federal government disagrees and maintains the treaty surrendered Indian Title to the lands.
1937	Second Treaty Boycott at Fort Resolution	Indians again boycotted Treaty payment in protest against game laws, this resulted in a change in the game laws the following year.
1959	The Nelson Commission	The Crown appointed the Commission to inquire into the unfulfilled provisions of Treaties No.'s 8 and 11. The Commission submitted a report recommending monetary compensation rather than a land settlement. No action was taken on the recommendations of the report.
1968	Department of Indian Affairs & Northern Development (D.I.A.N.D.) closed its Branch office in Yellowknife)	The federal government transferred its responsibility for Status Indians to the Territorial government. Direct recourse of Status people to the Federal government is a right guaranteed by the B.N.A. Act and the Indian Act. This right was denied the Native peoples of the N.W.T. by the government's action.
1969	White Paper Policy of the Federal Government	This was to be the new government policy concerning Status Indians. It advocates assimilation of Native peoples into Canadian society. The paper was renounced by all Indian organizations.
1970	Indian Brotherhood of the N.W.T. incorporated	The Indian Brotherhood was incorporated to protect the rights and interests of the Status Indians.

Date	Event	Importance
1972	Incorporation of Metis and Non-Status Indian Association (name changed in 1974 to Metis Association of N.W.T.)	The Association was formed to improve the conditions of the Metis and to achieve recognition of the rights of Metis peoples in the territories.
1973 Jan. 31	Nishga Land Case decision of Supreme Court of Canada	6 of 7 justices affirmed the existence of Aboriginal rights but differed in opinion as to whether Native Title had been extinguished in B.C. On the basis of this judgment Prime Minister Trudeau agreed that Indian had more rights than previously thought.
1973 Nov. 6	The Caveat	Indian Chiefs of the District of Mackenzie made an application for a Caveat a warning on the land - to lands covered by Treaties 8 and 11. In a historic statement Judge Morrow of the Superior Court of the N.W.T. concluded that there was enough doubt over the treaties to permit a caveat to be filed pending an appeal by the Federal government.
1974 March	Appointment of Mr. Justice T. Berger to head an inquiry into the proposed Mackenzie Pipeline	The inquiry is to look into the impact of the proposed pipeline on the North and the Native peoples. At the community and formal hearings the Native peoples will present their argument why no pipeline should be built before a land settlement is decided.
1974 Nov. 15	Quebec Agreement-in-Principle	An agreement was reached between the Native peoples of Northern Quebec and the Quebec Provincial government on the question of land and compensation for alienation through flooding of traditional Indian lands by the James Bay Hydro Development.
1975 April ?	Caveat Appeal	Appeal by the Federal Government against the Caveat on the basis of a technicality and not on the basis of the key points of the Caveat.



TRANSPORTATION"PICKERING BICKERING"

This month Mr. Marchand announced that construction on the \$204 million "mini" international airport would begin this month, to be completed in 1979. This is much smaller than original plans to build an airport costing up to \$1.5 billion. Mr. Marchand said immediately after making his announcement that "probably we will have to expand a start building another runway in three or four years." The day after the government statement, Mr. Marchand told critical opposition MPs in the House that if they bring "evidence that the majority are against the airport, I'm ready to revise the whole thing." Pickering residents have fought the proposed airport for years and Toronto City Council this year recommended scrapping plans for the airport. Residents near the current international airport have opposed expanding that facility.

The Ontario government this week said that it is not ready, at this time, to proceed with building the roads and other services for the Pickering airport because of demands for provincial funds for energy, housing and health. It is estimated that support services provided by the provincial government would cost approximately \$50 million. There has been speculation at Queen's Park for weeks that the Conservative government might refuse to provide services to the Pickering airport and try to capitalize on anti-airport sentiment with an election expected this fall.

(GM 10,7,75 p43; same paper 12,7,75 p1 and 18,7,75)

HEALTH

When John Turner, the federal Minister of Finance, saw that the federal government's health expenditures would reach nearly 20% of the total budget this year, he initiated drastic cutbacks. Some provinces had planned large expansions of their health services, assuming that the federal government would always pay its existing share of approximately 50%. The provincial governments are blaming the federal government for launching the medicare system in 1957, perhaps the most generous medicare system in the world, and now backing out abruptly. There may be some positive benefits of the federal government move. Mr. Miller, Urban Affairs Minister for Manitoba said under the new system, Manitoba "will concentrate on preventative health care...and try to get the practice of medicine away from the hospitals."

(WFP 30,6,75 p41; WFP 10,7,75 p17)

The provinces will get no additional taxing power to offset reduced federal contributions to national medical care, Finance Minister Turner stated. Turner's statement in the Commons came after widespread provincial criticism over proposals in the Budget to reduce federal contributions to health costs. For instance, Ontario has projected under the new budget that the federal ceilings will cost Ontario more than \$200 million by 1980 which Ontario did not expect to have to pay. The Ontario government has asked for a plan whereby it would opt out of the federal sharing scheme in return for getting about \$1.1 billion more in income tax revenues. This would leave the federal government without 68% of the personal income tax take. 23% of the cost

of Ontario's health programs are not shared by the federal government under the present system anyway. However, Mr. Turner said there has been no discussion of any proposal to compensate the provinces with more tax money once federal healthcare payments drop, and has refused Ontario's suggestion. In 1960 Quebec opted out of the 50-50 provincial-federal sharing costs in exchange for federal personal income tax points. However, after a decade, Quebec is in essentially the same position as all other provinces as far as health care services go, the difference being that it receives its federal reimbursement in a different form.

Ed Broadbent, the new NDP leader, in his first news conference, promised strong opposition to Turners' new cost cutting proposals, stating "that the new scheme to reduce medical care costs poses a threat to poorer provinces. In years ahead these provinces will face increasing difficulty in trying to provide adequate health care." B.C. Premier Barrett fears health costs in the future may be paid through equalization grants. "Ottawa is going to destroy a good medical scheme by squeezing the wealthier provinces and at the same time make them pay for the less wealthy provinces."

At present there is no decision on how and if the federal government will share in health costs. (GM 8,7,75 p7 c2-6; WFP 10,7,75 p1, p17)

#### REGIONAL DISPARITY

##### GOVERNMENT STEEL PLANT LOSES \$15.8 million

The Sydney Steel Corporation Ltd, (Sysco) lost \$15,8 million in the last fiscal year but received a \$65 million cash advance from the province pending sale of a \$70 million bond issue, the operation's annual report showed. Bank borrowing increased by \$12 million over the previous 12 months to \$41 million. Losses of the provincially owned steel plant at Sydney were less than the \$24 million deficit in the previous year. Capital projects in progress were valued at \$66.7 million, nearly double the \$38.5 million the previous year. Sales reached \$116.7 million, up from \$80 million and manufacturing costs were \$84.9 million, over the \$75 million the previous year. Finance Minister Peter Nicholson said funds advanced by the province and those borrowed from the bank were used to buy a substantial amount of new capital equipment. (WFP 2,7,75 p7; HS 7,7,75 p12, HCH 26,6,75 p1 c1-4)

##### NOVA SCOTIA MAY HAVE TO RETRENCH ON ITS \$1.5 BILLION STEEL PROJECT

N.S. government plans for a new large-scale steelmaking complex in Cape Breton may have to be scaled down for three reasons:

- the new \$462 million integrated steel project operated by the Sidbec Dosco Ltd of Montreal is already the largest and most diversified steel producer in Eastern Canada.
  - the Cape Breton government has not obtained financial and other commitments for the \$1.5 billion complex;
  - the weakening domestic and foreign steel markets are adversely affecting the operation of the government-owned Sydney Steel Corporation.
- Premier Regan, however, feels confident that the Cape Breton project could

secure markets and has placed the project under the planning wing of Canstel Corporation, recently established by the provincial government. If the project continues, it will probably be located at the deep water port of Gabarus or adjacent to the existing Sydney Steel facilities.

(GM 16,7,75 pB1 c5-7)

THE CANADIAN MOTOR INDUSTRIES TOYOTA ASSEMBLY PLANT IN N.S. TO CLOSE IN OCTOBER BECAUSE OF HEAVY LOSSES

After nine years of marginal operation, the Point Edward, Nova Scotia car assembly plant of Canadian Motor Industries Ltd. of Scarborough is to close in October 1975. A company statement said the plant has incurred substantial annual losses since it was established as a pilot project in 1966. "The general downturn in automobile sales throughout Canada, inflationary factors and the deteriorating financial performance of the plant had reluctantly brought us to that decision." The closing will mean a loss of 70 jobs and the loss of a secondary manufacturing industry, Nova Scotia has been wanting to encourage.

(GM 10,7,75 pB4 c3-6; HS same day p13)

OIL PRICE INCREASES TO HIT NOVA SCOTIA FARMERS HARD

The president of the Federation of Agriculture, Ted Mattie said the new oil and energy price increases will hit Nova Scotia farmers hard. He said especially farmers raising hogs and chickens use a lot of electric power for heating. John Turner exempted tractors from the new gas increase but not farm trucks. Mr. Mattie said these factors mean the increase paid by the farmers will be passed on again to the consumer in increased food costs. Charles Munro, president of the Canadian Federation of Agriculture said the government plan to cut federal spending will hamper "the already inadequate agricultural research programs."

(HCH 26,6,75 p25 c5-8)

HOUSING

*Introduction: As CNSP goes on its month's holiday, the housing scene in Canada remains bleak. Of the 45 clippings in housing, only two (on the subject of cooperative housing) showing anything but utter despair and pessimism. Housing costs will rise at least 15%; rents continue to increase; new housing starts are abysmally behind predictions (and needs); and mortgage money is scarcer than ever before. The recent emphasis in Ottawa's housing policy has been to create initiatives for private industries and individuals to invest in mortgage money. Now that this strategy has apparently failed, the Ottawa-based news releases give the impression that the government does not know how to proceed.*

*Danson's brief comment that "there are indications that big builders are getting what's being doled out" harks back to news stories in the May issue of CNSP (pp 10-12). While politicians are attempting to gain the sympathy of voters by saying that it is the economic situation which is defining the "housing crisis", not government policy, we must recall that there are large industries making increasing profits from the large-scale construction, building materials, condominiums, mobile homes, etc; and there are no government policies now to prevent them from getting everything that is "doled out" by CMHC.*

Urban Affairs Minister Barney Danson says he is disturbed about the clashing vibrations he's getting from the mortgage market. "There are too many vagaries in this market--no consistency. This is disturbing me. Some seem to have money and some don't." The minister repeated that he wants mortgage money shovelled into low and moderate priced housing. Mr. Danson said he is concerned that mortgage lenders provide money for small builders as well as big builders. "There are indications that big builders are getting what's being doled out."

Mr. Danson said a shortage of mortgage money is responsible for the slump in housing starts this year. He also said there is a limit to what the government can do to stimulate housing starts. The government did not have the money to make up for the slower pace of private lending.

(WFP 16,7,75 p83 c1-2 B. Douglas)

Urban Affairs Minister Danson has refused to rule out further federal action to slow the spiral of rising mortgage interest rates or to extend existing federal subsidy programs to a broader range of house buyers. He said in an interview there was "very dammed little" he could do to increase the supply of mortgage money. "That's the domain of the Minister of Finance."

(GM 11,7,75 pB3 c4-7 Patrick Howe)

#### PROVINCES APPLY PRESSURE

The Ontario government is considering legislation that would force banks, insurance, trust and loan companies to release more money for housing mortgages. Both federal and provincial legislation may be needed to force the financial institutions to release more money.

Though shortage of mortgage funds is a serious obstacle to the fulfilment of Ontario's housing plans, it is by no means the only one. Scarcity of serviced land, lack of a clear sighted policy that will enable private construction to go ahead with confidence and, perhaps above all, bureaucratic red tape on all levels of government that strangles initiative and is responsible for endless aggravations and delays. The housing problem is so serious and urgent that unless extraordinary efforts are made to solve it, Ontario will face a severe social crisis during the next few years.

(HS 7,7,75 p6 c1-3 editorial)

# Labour

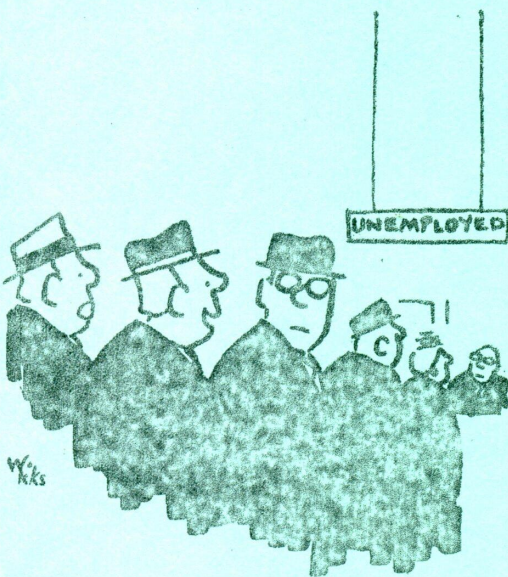
## Employment

*Introduction: Unemployment edged upward again this month with those under 24 years of age suffering the brunt of the current high levels. Prospects for the future seem dim as figures are expected to rise for some time to come.*

*Amendments to the Unemployment Insurance Act, the result of Mr. Turner's budget, were announced, with UIC rates rising to cover government deficits which have occurred as a result of higher than estimated UIC payments.*

WINNIPEG FREE PRESS, SATURDAY, JULY 12, 1975

### Ben Wicks



'Hi, boss!'

#### UNEMPLOYMENT UP AGAIN

The seasonally adjusted unemployment rate rose to 7.2% from 7.1% last month. The total labour force now stands at 10.34 million, with 704,000 people out of work. Unemployment remained highest for those 24 and under where the rate rose 12.6% from 12.1%. For the 25 and older group, the rate remained unchanged at 5.2%. The greatest improvement was in Nova Scotia where the rate fell to 7.3% from 10.2%. B.C. registered the greatest increase to 8.3% from 7.7%. By province the figures are:

Newfoundland 17.9%; N.B. 11.2%, N.S. 7.3%; Quebec 8.8%, Ont-6.4%; Manitoba 4.3%, Sask 2.9%, Alberta 4.2%, B.C. 8.3%.

(GM 16,7,75 pB14)

### Ben Wicks



'Roll up! Roll up! See an employed man!'

WFP  
14/7/75

#### UIC PAYMENTS NOT MAJOR FACTOR IN UNEMPLOYMENT

A study released by the Ontario Department of Labour says the reluctance of employers to hire women, the young, minority groups and the poor is the major reason for high unemployment coupled with job vacancies. The report noted that most employers saw available labour as a tap to be turned off and on as economic conditions changed rather than as a resource to be developed over time. The report concluded that "unemployment insurance does not appear to be a significant factor in supporting youth, the group that has the most serious unemployment problem." (GM 14,7,75 p2 c1-3)

#### EMPLOYMENT OPPORTUNITIES DIM

An employment survey conducted by a private manpower agency agrees with Manpower Minister Robert Andras' opinion that high unemployment levels will continue for some time. Mr. Andras stated that the creation of new jobs will lag behind expected

recovery in other sectors of the economy this year. The employment survey of 1,083 companies from coast to coast showed that 21.9% forecast increases (a year ago the figure was 25.6%). About 5.1% forecast a reduction in personnel (3.7% did a year ago). Nearly 65% of the companies expected no change in the number of their employees. (HCH 1,7,75 p27; GM 5,7,75 p2)

#### UIC RATES TO RISE 20%

New UIC rates to come into effect January 1, 1976, will raise employee contributions to \$1.69 weekly for each \$100 of earnings (the present rate is \$1.40) to a maximum of \$3.11 a week. Employers will pay a maximum of \$4.34 a week, up from \$3.62. The employer-employee part of the UIC fund is supposed to pay for jobless benefits up to a 4% unemployment level. However, the high unemployment rates of recent years, have made the government's contribution much more than had been estimated. UIC expenditures totalled \$2.3 billion last year but are expected to top \$3.7 billion this year with employers and employees contributions expected to provide \$2 billion. Mr. Andras said that the government hopes to pay off a \$425 million deficit in the UIC fund by the end of 1976 with the aid of the proposed increases. (WFP 3,7,75 p5 c5-6)

In addition to the UIC rate increases, amendments to the UIC Act are aimed at tightening up access to social insurance cards. The government will be able to withdraw SIN cards from holders and demand proof of legal work status in Canada before another is issued. Manpower and Immigration favours controlling the issuance of SIN cards as one effective way of dealing with the illegal immigrant problem. The new law states: "A person who has been assigned a social insurance number may subsequently be assigned another, in accordance with and subject to such regulations as the commission may prescribe." (OC 9,7,75 p1 c3-5)

#### LABOUR MOVEMENTS

##### B.C. PULP AND PAPER INDUSTRY STRIKE

Pulp and saw mills were shutdown by strikes this month in B.C. when forest industry workers were not offered a wage increase. The employers offered only to continue cost of living allowances. MacMillan-Bloedel and Canadian Pulp and Paper Association executives claim they are paying higher wages and taxes than their U.S. competitors. Companies quoted percentages that show a faster drop of returns on sales in B.C. compared to Eastern Canada and the U.S. To remain competitive in the U.S. market, where 90% of interior B.C. lumber is sold, the companies have decided to take a hard line stand on wages.

The International Woodworkers of America, Canadian Paperworkers Union and the Pulp, Paper Woodworkers of Canada, which are negotiating as a united front for the first time for the 40,000 industry workers, argue that the companies should recognize the cyclical nature of the industry and budget to pay in bad times as well as good. H. Lorrain, CPU president points out that Statistics Canada reported profits of \$320 million in 1973 and \$685 million in 1974 for the entire Canadian industry. He also points out that companies have increased newsprint prices from 50 to over 100%. Earlier this year

12,000 workers were laid off, 10,000 of which remain unemployed in the lumber and plywood industry. In the interior logging divisions, 30% of the 9,000 member work force is out of work. Prior to the strike MacMillan Bloedel had announced it would close 10 logging divisions from July 21 to August 4. The B.C. Federation of Labour said the companies are taking their militant lead from the Employers Council of B.C., an association of the sixty largest corporations in the province. They are trying to inhibit the power and growth of unions, are inviting confrontation and are prepared to withstand strikes to achieve their ends the Federation concludes.

(TS 23,6,75 pB7 c1-5, TS 9,7,75 pA21)  
(WFP 15,7,75 p45 c1-2; GM 18,7,75 pB3)

*CNSP NOTE: With poor world wide markets, a construction slump domestically, fewer housing starts, it is a difficult time for workers even united as they are in this case to be successful. Some analysts suggest that the companies welcome the strike because they have large stockpiles and inventories and this is a good chance to get rid of the surplus.*

#### ADDITIONAL INFORMATION:

<u>Newsprint papaer production</u> (millions of tons)	1969	1974	Increase
Canadian production	8,818	9,946	12.8%
Canadian exports to U.S.	6,430	7,239	12.6%
Total U.S. consumption	9,741	10,363	6.4%

(Source: American Newspaper Publishing Association)

#### WAGE INCREASES

Canadian Pulp and Paper Industry	1972	1973	% change
--average weekly wages:	\$180.46	192.37	+6.6

(Source: GM 8,7,75 p7 c4-5)

#### SEAFARERS INTERNATIONAL UNION

Roman Gralewicz, president of the 5000 member Seafarers International Union has proposed a 10 year, no strike agreement if a Canadian merchant marine is set up. Don Nicholson, vice-president of the Canadian Brotherhood of Railway, Transportation and General Workers which represents 5000 marine workers, described the proposal as an attempt by SIU leaders to ingratiate themselves with shipping companies and the government, and thereby win recognition for the employees of any new merchant marine.

(HCH 16,7,75 p14 c1-8)

### THE POST OFFICE DISPUTE: AUTOMATION IS AT THE CORE

A conciliator has been appointed to bring an agreement between the Post Office and the Canadian Union of Postal Workers (CUPW) who have been without a contract since October. In negotiations the employer has refused outright to put articles on job security, classification security, and pay security into the collective agreement. Instead they put forward a procedure for arbitration on technological change during the life of the agreement but without agreeing to clauses assuring that jobs, classifications and wages would be protected. In this proposal an arbitrator would have nothing to arbitrate because the union would not have any articles protecting members from the adverse effects of the automation program.

Post master General Bryce Mackasey meanwhile has accused postal leaders of being "deceptive, irresponsible and dishonest." He also made accusations that the national negotiating committee is dominated by members of the Montreal local. Retorted union officials, "Montreal has one representative on the national negotiating team. That's hardly domination. Mackasey threatened to "close the post office completely from one end of the country to the other" if the CUPW strikes even on a rotating basis. The union sees this as a divide and conquer tactic to bust the solidarity of the union. They describe Mackasey as a "hoax posing as a friend of labour" and a "desperate postmaster general trying to retain his cabinet post."

At the same time Toronto postal workers were urged to uphold the principle that they will not work in the automated plants until an agreement is negotiated for dealing with the effects of technological change. 36 sorters from three postal depots scheduled to be transferred to an automated plant in Scarborough were warned in a letter from the Toronto post office, that they would lose their jobs if they didn't report for work. Those expected to transfer showed up on the designated day. Automated plants in Mississauga and at Eastern Ave, Toronto, will eventually employ several thousand workers. (GM 3,7,75; 5,7,75, 8,7,75, GM 19,7,75; OC same day)

### B.C. FISHERMEN

The United Fishermen and Allied Workers Union have decided to strike at the peak of the salmon season to pressure companies for wage increases. An executive for the B.C. Packers Ltd. says fish prices cannot be raised as the union suggests, because of depressed markets. Analysts points out that shares in this company, 80% of which are held by the parent George Weston Ltd, are a good buy. During the strike the union will process and sell salmon, at lower than present company prices, in plants they control. (GM 18,7,75 pB4 c3-5)

### STELCO CONTRACT ACCEPTED BY A CLOSE MARGIN OF 414 VOTES

A strike was averted at Stelco yesterday. Local 1005 of the Steelworkers in Hamilton voted 52.5% to accept the new contract. The new three year agreement calls for an immediate raise of 90¢ /hour and another 20¢ on August 1, 1976 and August 1, 1977. A cost of living clause is worth about 48¢ an hour each year. The total package including benefits is estimated at \$3.10 an hour. There were several points that angered nearly half the workers: the length of the contract is 3 years rather than 2; the cost of



living clause is only in the second and third years; the Local 1005 executive called the ratification vote so hastily after receiving an offer.

(HS 1,8,75 p1 c2-8 Charles Ross)

#### DOFASCO

The Dominion Foundries and Steel Company of Hamilton announced an immediate raise of 90¢ an hour to all employees. (HS same day p1 c7-8)

*CNSP NOTE: Dofasco is the third largest steel company in Canada and is non-unionized).*

#### ALCOMA STEEL

Local 2251 of the United Steelworkers of America began a strike at Alcoma Steel in Sault Ste. Marie. An agreement almost identical to the STelco contract will be voted upon August 5. (HS 1,8,75 p1 c2-8)

#### QUEBEC LABOUR

##### THE CONFEDERATION OF NATIONAL TRADE UNIONS: FINANCIAL CRISIS

Facing the danger that an increase in strike dues to solve the financial crisis of the CNTU might lead to dis-affiliations (as occurred in 1972), Marcel Pepin, head of the CNTU, took a direct approach with delegates to the special congress called to solve the financial crisis. He invited delegates to return to their base and explain the situation clearly to rank and file workers. The resources of the CNTU during the next year, he advised, should be put behind such a task, preparing pamphlets, which explain the activities of the central and taking time to listen to the criticisms and suggestions of the rank and file. (LJ 12,7,75 p6 c1-6 G. Tremblay)

##### A TURNING POINT

At the present time there exists a phenomenon of indifference, absenteeism and in some cases hostility among thousands of unionized workers, reported Marcel Pepin. Often workers pay dues without knowing why. The moment has arrived when we must acknowledge this problem directly, admit our own mistakes in the union, and return to ordinary workers to explain, inform mobilize and above all, listen to their ideas and criticisms. Otherwise, companies and the Quebec government will take advantage of our financial crisis to cause divisions and a weakening of the union movement. Without conscious understanding of the importance of funds with which to wage strikes, this important traditional means of fighting for workers rights will be lost.

(LD 12,7,75 p1 c1-8 G. Lesage)

##### DECISIONS TAKEN AT THE CONGRESS

Beginning in September each of the 160,000 members of the CNTU will contribute the equivalent of an hour's pay a month, in union dues. Formerly each worker paid a flat \$2.43 a month. The new method is considered more just since higher paid workers contribute proportionately more each month. The new formula is expected to bring in more money. Delegates to the congress supported Pepin's approach to solving the current crisis and warmly applauded his appeal to return to the base and re-invigorate the union movement from the base up. (LD 14,7,75 p1 c1-8 G. Lesage)

## EDITORIAL COMMENT ON THE CNTU CONGRESS

Laurent Laplante of Le Jour praised the strategy of the central to solve their financial problems. Instead of taking the easy way out and reducing the amount of strike pay each worker would receive, the CNTU has admitted its own mistakes and has called for a courageous attempt to return to the base and honestly talk with rank and file workers about the situation confronting them. Laplante pointed out that the solution is desperately needed, ie more strike funds. At present the asbestos workers absorb all the strike funds available and there are another 2500 workers affiliated with the CNTU currently on strike. (LJ 15,7,75 p8 c1-8 Laurent Laplante)

## UNITED AIRCRAFT

Of the 947 strikers that the committee interviewed, 742 or 80% expressed a desire to return to work at the company. Nearly 2/3 have worked over five years with the company before the strike began. (LJ 4,7,75 p1 c5-6)

"The figures surprised us" said a spokesman for the company. "With time we will probably be able to find jobs for most of the workers but this won't happen for several weeks." (LD 4,7,75 p2 c4-6)

*CNSP NOTE: By the cut-off date, there was still no word about a date when workers could expect to be back on the job.*

## THE ASBESTOS STRIKE

*Introduction: At the end of June, the Quebec government amended a bill dealing with industrial accidents. The bill now provides a lump sum indemnity to persons suffering permanent disability from silicosis and asbestosis, and an annual pension to retirement age equivalent to 90% of their wage. Representatives of the CNTU and the Quebec Federation of Labour expressed satisfaction with the amendment. The amendment was the result of pressure from the 35000 striking asbestos workers and represents a significant victory in their fight for better working conditions and health standards. Though the strike currently going on, is over wages as well as health standards, health conditions are a crucial issue. The strike is now in the fourth month. The companies show no signs of willingness to settle the strike quickly. Across Quebec, support for the asbestos workers has been substantial, particularly among teachers.*

Rene Levesque speaking to striking asbestos workers in Thetford, said that nationalization of the companies (which are American owned at present) is the real solution, though he praised the efforts which gained the better compensation amendment in late June. (LD 4,7,75 p6 c4-5)

\$175,000 has been donated for the asbestos workers of which \$22,000 has been in the form of food and clothing. Among groups supporting the asbestos workers, teachers from the region of Thetford contributed have the money donated. (LD 5,7,75 p2 c1-8; LJ 8,7,75 p3 c1-3)

## CRIMINAL NEGLIGENCE

The Quebec government intends to lay charges against Canadian Copper, a subsidiary of Noranda, over the deaths of two workers in January. The vice president may be sentenced to life imprisonment. (LJ 11,7,75 p3 c1-5)

## Immigration

Almost all coverage of the June and July responses to the "green paper" and particularly newspaper reporting on the public hearings presented a negative picture. Most individuals or groups receiving newspaper attention were critical of the "green paper". And much of the press handling of these responses left the reader with the impression that such criticism was destructive and made generally by extremists. The effect on many ordinary Canadians was probably to see the very participation in a public policy debate as something negative. Communication through the press of what happened at the public hearings did nothing to encourage the participation of ordinary Canadians - in this or any other discussion about the future of Canadian society.

In addition, the form of protest against the "green paper" of various leftist groups was foreign to most Canadians as an expression of dissent. The effect was not positive in terms of mobilizing public opinion around a clearer analysis of the real issues at stake or positive participation to work for solutions to the more basic problems. The press, particularly through use of provocative headlines and a focus on this type of protest, multiplied the negative consequences.

The immigration hearings raise serious questions about how dissent can be effectively expressed in our society.

A summary of opinions from hearings across the country is presented below. Due to the amount of coverage during June and July, we are not able to present a synthesis of every hearing or all that the press reported about each hearing. Generally the press focused on the briefs of from one to five groups, organizations or individuals. It is there therefore difficult to glean a full picture of what was presented to the Joint Parliamentary Committee.

### THE HEARINGS: WHAT WAS REPORTED

#### Newfoundland:

##### Newfoundland Shows Interest In Immigration

- the St. John's submissions called for a moderation of immigrant admissions to Canada, and for some incentives, rather than legislation, to avoid increased urbanization problems;
- Although Newfoundland's unemployment rate is about 14%, there was no shrill attempt by any witness to blame immigrants or to suggest that a total immigration cut-off would solve the problem;
- the Newfoundland government, the first submission, said that immigration should be tied to job availability, but insisted that the immigrant's "freedom of movement within Canada must be guaranteed by any new legislation".
- the Friends of India Association, speaking for 250 East Asians, told the committee that most immigrants to Newfoundland are well-educated people who contributed neither to high unemployment nor to social tensions;
- Royal Canadian Legion provincial vice-president voiced the Legions' dislike of American draft dodgers and military deserters now in Canada;

(OC 5/6/75 p79 cl-8; Guy Demarino)

#### Toronto:

##### Immigration Panel To Hear 41 Groups

- 41 organizations and at least 4 individuals are to present briefs;
  - many groups charge that racism is a strong factor in present policy;
  - Committee to Oppose the Green Paper and the International Committee Against Racism plan to picket the hearings;
- (TS 9/6/75 pA1 c3-7)

Chairman Holds Militant Groups Apart At Green Paper Hearings

- attempt by 2 participants to cede their place to black community activist, Rosie Douglas, was denied;
- these 2 participants spoke later on behalf of several organizations calling for the withdrawal of the green paper and of "all legislation based on racist or anti-people premises".
- the second speaker, Steve Moore, accused the government of making immigrants scapegoats for Canada's economic and social problems. He also made a detailed attack on the white-supremacist Western Guard Party, which drew sharp response from the right-wing militants in the audience;
- brief by the Canadian Polish Congress, an umbrella group for 115 Polish organizations; favoured setting ceilings on the number of immigrants to be admitted but without setting country-by-country quotas. They also proposed withholding landed immigrant status until after a trial period of residence during which applicants would have to honour any undertakings made at the time of application
- Gay Alliance for Equality presentation asked for the removal of homosexuals from the list of prohibited immigrants;

(GM 10/6/75 pl cl-6 Norman Hartley)

Treat Refugees Alike, Church Group Urges

- Inter-Church Committee on Chile, representative of Roman Catholic, United, Anglican and Lutheran Churches, told the committee that Canada should have an explicit refugee policy significantly different from regular immigration policies. Refugee policy should especially not allow political or social discrimination in the screening process.
  - The Church group, which was strongly critical of Canada's refugee relief operation in Chile, said security screening for immigrants should not be used as a cover for gathering intelligence, either for Canada or on behalf of other countries such as the U.S. (MG 11/6/75 p9 cl; GM 11/6/75 p2 cl-2)
- \*see Latin America Newsfile-CHILE. N. Hartley)

HAMILTON:Near Riot Closes Hearing (photo included)

- quiet afternoon session - about 70 individuals listened to 6 briefs;
- evening session - Joy Warner of the Dundas Branch of the Voice of Women - called the immigration green paper a racist document;
- Everett Gritter and Patrick Fernando appeared representing the McMaster University's Union of Graduate Students' well prepared statement on the problems of immigrant students;
- a representative of 1005 of the United Steelworkers of America started his speech calling "all Canadians slaves to the fascist and racist government".
- constant disruptions in the audience reached a point where it appeared that a riot was about to erupt; Mr. O'Connell adjourned the meeting and the committee left the room. (HS 13/6/75 pl cl-6 Paul Palango)

Hearings Called Success Despite Near Riots

- despite interruptions, the committee thought the public input was substantial enough to make up for the abuse;
- Mrs. Lila Wilson of the Welland Women's Institute said that present immigration laws were too lenient; "Housing is short and why should we add more people to an already loaded work force". Suggested novel changes: "They (Ministry of Manpower and Immigration) should recall all officers and use the money to educate some of the children of immigrants already here. Then, they should send the children back to their own countries as immigration officers where they will be more acquainted with the problems of their own people".

-The Ukrainian Canadian Committee, Ontario Council, in favour of more restrictive immigration laws; would favour adoption of a policy that would allow groups of people to sponsor individual immigrants.

(HS 14/6/75 p8 cl-3, T. Carlson and P. Palango)

#### Briefs Say Stop Blaming Canada's Woes On Immigrants

-at least 2 briefs concluded that the green paper isolates the newcomer as the scapegoat for the problems which besiege the country:

-Michael Bryan, spokesman for the Society for Hamilton Area International Response (SHAIR) said too often the immigrant is blamed for high levels of unemployment, inadequate housing and urban sprawl. "Immigrants don't add to the problems; they go to the cities for the same reasons Canadians do - because the jobs are there".

#### WINNIPEG:

#### Green Paper Is Attacked In Hearings, On The Street

-More than 15 delegations presented briefs to the Joint Senate-Commons Committee while chanting and placard-carrying demonstrators on the street left little doubt that they consider the government document nothing more "than the work of racists".

-The presentations generally echoed those given in other Canadian cities. The strongest criticism came from an economics professor from Lakehead University at Thunder Bay, K.J. Charles. Prof. Charles, representing the Asia-Canada Association of Thunder Bay, accused the government of releasing the green paper to coincide with domestic problems. "Since Canada is at present saddled with serious economic problems such as inflation, unemployment and housing shortages, it is difficult for us to believe the government has acted wisely releasing the green paper at this time." "The effect of the green paper has been to throw the blame on immigrants, especially those from the Third World".

-Prof. Charles and his group were not advocating unlimited immigration, but was maintaining that the present flow is "far from excessive".

-In another brief, the Ukrainian Canadian Committee urged that provision for freer immigration be made in trade and commerce relations with other countries, especially the Soviet Union.

-The Manitoba Japanese Canadian Citizens Association maintained that future immigration policies must be based on manpower needs, regional demands and a ceiling allowing for sufficient flexibility to accommodate changing world conditions.

-The Canada Press Club, called for better screening of potential immigrants particularly concerning their political backgrounds.

-The Ad Hoc Committee to Oppose the Green Paper charged that the real problem involves "monopoly capitalism" and not immigration.

(WFP 17/6/75, p1 c4-6, David Lee)

#### House Builders Want More Foreign Workers

The Housing and Urban Development Association of Canada wants Canada opened to a greater number of unskilled and semi-skilled workers to meet the needs of the house-building industry.

-Mr. Rose, chairman of the association's labour training and manpower committee told the parliamentary committee that immigrants could be required to work for a given period of time, perhaps three years, where manpower needs are keenest. Or more points could be given to immigrants willing to work outside the Montreal-Toronto-Vancouver areas.

(GM 17/6/75 p10 c7-8 CP)

HALIFAX:Problems of Immigrants Same As Those Of Minority Groups

Dr. Andy MacKay, chairman of the Nova Scotia Human Rights Commission, said the commission has received some complaints from immigrants, dealing primarily with housing and employment, but most discrimination has been directed toward native Nova Scotians, mostly black.

-A.E. Criss, executive director of the Black United Front of Nova Scotia said the idea of keeping immigrants out of Canada to relieve racial tensions is a negative recommendation. Mr. Criss noted that there is no conclusive research showing that immigration causes economic deterioration. He said that although only 2.8% of all immigrants to Canada settle in the Atlantic provinces, those provinces have the most chronic economic problems.

-Dr. S.S. Sodhi, appearing on behalf of the Indo-Canadian Association of Nova Scotia, recommended that the present point system of assessing potential immigrants be retained, and that the areas of arbitrary and discretionary powers exercised by immigration officers be reduced.

-Dr. Kenneth Brian of Sydney said provinces should not be permitted to influence immigration policy because they are more easily influenced by powerful pressure groups than the federal government.

(HCH 28/7/75 p28 cl-3 Will Moreira)

Committee Winds Up Its Immigration Hearings

The special joint committee on immigration wound up its cross-country tour in Halifax after 71 meetings in 21 Canadian cities.

-The committee heard briefs from Nova Scotia interest groups, most of which were critical of present policy and of proposed changes contained in the green paper.

-Prof. Denis Healey of St. Mary's University, said immigration policy discourages people from developing countries to try to come to Canada. Most Canadian immigration offices are located in developed countries.

-Prof. Jim Lotz, independent researcher and writer, said the provinces through their development departments should play a more aggressive role in attracting immigrants. Provincial governments have a better idea of their potential for employment, housing and growth.

-E.R. Bishop of Halifax said Canada should cut back on the number of immigrants and should put more selective controls on those who do get in. He said such action was necessary because the housing situation, unemployment and inflation are hitting hard.

-Michael Wilds, speaking as a private citizen and scientist, said Canada has the capacity to support many more people, and should base new policies on attracting more citizens.

-Robert Aisteem, an official with the Canadian Union of Postal Workers, said the green paper discriminates against Asians and Caribbean natives in particular.

(HCH 27/6/75 p3 c6-8)

Poll Shows Four In 10 Would Cut Immigration

A Canadian Institute of Public Opinion poll taken the first week of June on 1,067 adults in personal interviews asked the question:

"If it were your job to plan an immigration policy for Canada at this time, would you be inclined to increase immigration, decrease immigration, or keep the number of immigrants ~~xx~~ at about the current level?"

Increase - 10%; Decrease - 39% Same Level 43% Don't know - 3%.

## Political

## Federal

## HAMILTON DREDGING TRIAL ENDS

Kenneth Elliott and Reginald Fisher were found guilty on a total of 10 counts of fraud, conspiracy. Elliott was sentenced to 6 years and Fisher to 3 years. The judge noted the sentences were not severe and "would provide both men with plenty of time to redeem themselves after they got out of prison."

Former and present Ontario solicitor-general George Kerr, Delbert Kickey and Joseph Lanza (Munro party workers) were completely cleared by the trial judge.

(HS, 5/7/75,p.1,c.6-8)

(WFP, 11/7/75,p.1,c.2-3)

## COMBINES ACT TOUGHENED

The Commons has tentatively approved fines of up to \$1 million and 5-year jail terms for directors of corporations guilty of conspiracy under the Combines Investigation Act. John Rodriguez (NDP) introduced the increased penalties to prevent the "milking and bilking" of consumers by price-fixing corporations. P.C. critics howled that businesses had made the country strong. Rodriguez replied that they "made the poor poorer and the rich richer."

(WFP, 16/7/75,p.1, c.3-7)

## ENERGY POLICY BLASTED

The NEB released a report indicating Canada faces severe shortages. Just two years ago the NEB predicted existing reserves were adequate. The NOP accused the industry of cynical manipulation of statistics, of attempting to stampede Canada into an Arctic gas pipeline and of blackmail. Oil executives agreed with the NEB report.

Since the report called for reduction of gas exports, it was given to the US government before being released in the House.

(OC, 17/7/75,p.5,c.1-4)

*CNSP NOTE: see Resources: oil and gas, this month's issue.*

## OPPOSITION DEMANDS ACTION ON ECONOMY

Release of unemployment and cost-of-living statistics prompted the P.C.'s to demand budget revisions and to accuse the government of fighting inflation on the backs of youth and the poor.

(OC, 12/7/75,p.5,c.1-6)

(WFP, 16/7/75,p.4,c.1-3)

## CHRETIEN'S LEDGERMAIN

In February the government estimated its 1975-76 expenditures at \$35.4 billion. In June this had increased to \$36.5 billion. However, in its great economy drive, the government reduced this new figure by \$1 billion, leaving its restraint budget only \$500 million over the estimate. Major budget cuts are as follows: (see following page)

\$75 million--by not starting a mortgage corporation  
 \$135 million--by not starting a business development fund  
 \$ 36 million--by not starting a grain storage program  
 \$30-60 million--by cutting back on hiring consultants (usually a patronage  
 affair to Liberal supporters)  
 (GM, 3/7/75,p.8,c.2-9)  
 (WFP, 7/7/75,p.41,c.3-6)

*CNSP NOTE: To present a \$500 billion cost over-run as budgetary restraint has  
 taken marvellous Liberal propaganda.*

#### BUDGET MEASURES PASSED

In the 6 day debate of the June budget, Stanfield called for compulsory constraints. Herb Grey (liberal) accused the government of breaking campaign promises and of implementing regressive taxation with the gas price hike. However, the budget measures passed easily.

(HCH, 27/6/75,p.2,c.1-6)

(OC, 5/7/75,p.13,c.1-8)

(GM, 5/7/75,p.11,c.7-9)

#### RESTRAINT DEMANDED

In his July 1st speech, Trudeau claimed that Canadians are being asked "to look beyond narrow self-interest and to make reasonable sacrifices to improve the qualify of life."

In a similar vein, an editorial in the WFP, noted the need for restraint but castigated the government for a do-nothing budget. The WFP asked, rhetorically, are Canadians "as fat, stupid and cowardly as the government judges (us)? OR if (we) had a prime minister and government willing to lead instead of shrugging would (we) behave differently?"

(WFP, 30/6/75,p.10,c.6-8)

(WFP, 2/7/75,p.43,c.3-6)

*CNSP NOTE: Although the WFP criticizes the government, it is obvious that the disagreement is over tactics. Both government and press identify economic crises as being caused by individual greed and thus to be solved by individual rather than questioning the nature of the free market economic structure.*

#### POLITICAL PARTIES

*INTRODUCTION: The big story this month was the NDP leadership convention. The press reported it as a typical but rather lackluster NDP convention. However, the difference in analysis between the press and party of the meaning of the convention was glaring. The press interpreted the election of Ed Broadbent as leader as a shift of the party to the centre, whereas the leadership candidates and party officials viewed the convention as shifting the party to the left. In its analysis, the press ignored the work of the convention as a policy-making, ideological body and concentrated on the leadership race, and stressed personalities.*



## NDP LEADERSHIP CONVENTION

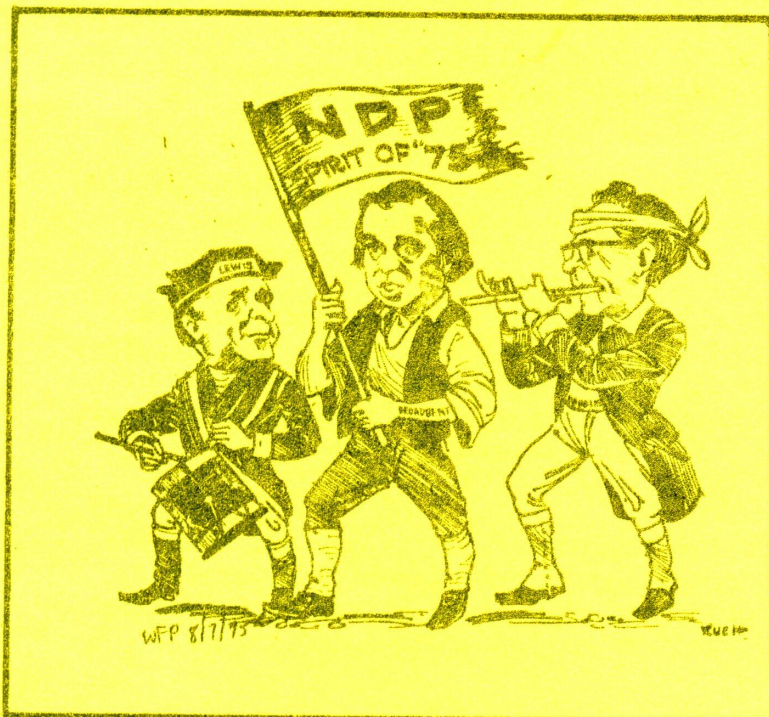
## THE CANDIDATES

The 4 contending leadership candidates showed remarkably few differences in rhetoric. One party worker lamented that a lot of the delegates "were turned off" by this similarity.

Ed Broadbent defined the central task of the party as breaking corporate power in Canada. Lorne Nystrom questioned the distortion of Canadian priorities where industrial barons "make a gast buch" at the expense of the workers. Rosemary Brown called for public ownership requiring "a whole new set of concepts with worker control and socialist planning." John Harney called for a "more radical socialist party" uniting "all the working people and producers of Canada" in the "struggle toward an independent socialist Canada."

Rosemary Brown was the most enthusiastically received candidate.

(TS, 5/7/75, p.A2, c.4-9)  
(WFP, 7/7/75, p.1, c.6-8)



## THE POLICIES

--Joe Morris, President of the CLC called on the labour movement and the CLC to work together to defeat "a government in Ottawa which has its social and political priorities upside down."  
(WFP, 7/7/75, p.6, c.5-8)

--The NDP convention passed a resolution demanding an immediate halt to the federal government's plans to limit the medicare program, and called for 50% federal funding of pharmacare and the establishment of a federal drug testing and quality control agency.

--The NDP pledged a target of 300,000 new housing starts a year, rehabilitation of 100,000 units per year and control of the allocation of mortgage funds.

--The party approved commitment of 1% of the GNP to foreign aid.  
(GM, 7/7/75, p.8, c.2-4)

--The convention set official party policy as abolition of capitalism, overruling the party establishment.

--The convention also adopted a resolution calling for full public ownership of natural resources.

(OC, 5/7/75, p.1c, 3-6)

--The NDP refused to discuss Dr. Morgentaler, despite the fact that the women's caucus considered his case "a number one priority."

--The convention also back-pedalled its strong stand on abortion and women's right to control their bodies. It passed a resolution deploring abortion as a method of birth control and asking for free availability of birth control devices and information.  
(TS, 5/7/75, p.A2, c.8-9)

## THE WINNER

The NDP convention elected, on the 4th ballot, Ed Broadbent as the party leader. The only real surprise was that it required four ballots for his election. Rosemary Brown ran a strong second. All candidates agreed that the convention and balloting had pushed the party to the left.

(GM, 8/7/75,p.8,c.6-9)

After his election, Broadbent noted that the NDP must restore the distinction between itself and the old line parties or it "will have nothing to offer the Canadian people." He also stated that, although the party must protect hard won social policies, its major task is breaking corporate power. He indicated that the party will develop a national economic plan detailing party policy by the 1977 convention.

(OC, 8/7/75,p.7,c.4-5)

## EDITORIAL COMMENT

## WFP

*The Winnipeg Free Press (in a rather schizophrenic series of editorials) lamented the passing of the NDP as a left wing political movement to a centrist party, congratulated the party on pragmatically electing a middle-of-the road candidate, commented on the socialist purity and strength of the party as shown by Rosemary Brown's popularity and warned the NDP of the pitfalls of labour support since "unions are...the most important instrument of...the private enterprise system and therefore natural enemies of socialism."*

(WFP, 7/7/75,p.41,c.5-8)

(WFP, 12/7/75,p.41c.3-6)

(WFP, 8/7/75,p.29,c.5-8)

(WFP, 14/7/75,p.17,c.3-6)

## G &amp; M

*While congratulating the NDP on its election of the best and safest leader, the G & M lamented the lack of a "sharp, keen image of democratic socialism" and clear policy alternatives. The only sparks provided came from the old guard--Tommy Douglas and David Lewis.*

(G&M, 8/7/75,p.6,c.5-6)

(G&M, 8/7/75,p.6,c.1-2)

## OC

*The Ottawa Citizen noted that Broadbent's win was a victory "for the powerful trade union segment of the party."*

(OC, 8/7/75,p.6,c.1)

## FP

*The Free Press stated that the election of Ed Broadbent signified "the rededication of (the) party to the pursuit of power over political ideology." It speculated that the current difficulties faced by the 3 NDP Premiers had taught the NDP of "the importance of (a) moderate and evolutionary approach to democratic socialism."*

(FP, 12/7/75,p.1,c.1-2)

## A CONVENTION

*At Robert Stanfield's request, the PC's have scheduled a leadership convention for February 1976 in Ottawa.*

(WFP, 14/7/75,p.1,c.1)

## Provincial

### INTRODUCTION

The major provincial stories come from Ontario. The federal June budget and oil price hike--both anti-inflationary moves, have probably exacerbated the recessionary cycle in Ontario. To counteract these moves, the Ontario government adopted a clearly anti-recessionary budget and an oil price freeze. The P.C.'s have been able, with these initiatives, to take up part of the NDP platform to come out swining for the consumer, to neatly deflect blame for the recession (a most unfortunate economic condition when electioneering) onto the federal government. The Press, in particular, has viewed the Ontario government's actions with unusual cynicism.

Although the oil companies appear to be suffering from the price freeze, it seems likely they will recoup any short-term loss. And, it certainly appears, that not the 7 sisters, but big brother (the federal government) is the main target of the freeze. Davis has neatly turned the table on Ottawa by suggesting the oil companies apply there for relief and a greater than 4% share of the 5¢ per gallon price increase.

The battle over who gets to spend our tax dollar is being waged by Quebec, the western provinces, and now Ontario. However, the economic and cultural conditions in each region put the provinces at logger-heads with each other as well as with Ottawa. So far the only solution to the problem of sharing the pie seems to be to increase its size--ie to tax us even further.

### ONTARIO FREEZES OIL PRICES

The federal government's move to raise the price of crude oil by \$1.50 on August 15 brought a quick response from Ontario Tories. The P.C. government froze the price of gas, diesel fuel, propane and home heating oil at the June 24th level until October 1. (The 10¢/gal. excise tax remained in effect). In addition, Davis appointed Claude Isbister, Canada's permanent representative to the World Bank, as a one-man Royal Commission to investigate oil prices. Isbister is to complete his report by October 1.

In moving to control oil prices, Davis condemned the federal government's "propensity...to consume money." Davis noted that "crude oil and natural gas in Canada is no longer managed in the economic interests of the nation. It has been converted into a happy hunting ground for the federal tax collector."  
(GM, 4/7/75, p.1, c.6-7)



## RESPONSES

The NDP expressed support of the freeze, claimed the P.C.'s were "stealing us blind," were indulging in a "neat piece of politicizing", suggesting that rather than protecting the consumer, the P.C.'s were letting the oil companies run down their inventory" and criticized the government for not rolling back the federal excise tax. Robert Nixon suggested the government should extend the freeze throughout the winter and called upon the government to prevent a proposed Ontario Hydro rate hike of almost 30%.

(GM, 7/7/75,p.5,c.1-6)

(GM, 4/7/75,p.5,c.1-3)

The federal government indicated it could not stop the Ontario government's freeze. However, Donald MacDonald termed the move short-sighted and inconsistent since it robbed the oil companies of revenue needed for exploration. He also suggested that Ontario's hard line approach would hurt other provinces and lead to increasing federal-provincial conflict.

(GM, 4/7/75,p.5,c.1-6)

Oil Companies, predicatably, reacted bitterly to the Ontario government's freeze. They claimed small inventories and huge loses. Gerry McAfee, President of Gulf Oil, suggested that "this move by the Ontario government may serve a short term political purpose, but only to the detriment of the oil industry's ability to adequately provide for the future energy needs of Ontario." He added that the cost of industry of the freeze "of course will eventually have to be recovered in the marketplace."

Ontario government officials estimate that, indeed, the oil companies do not have a 90 day inventory of gas on hand. However, they do have 5-6 months' inventory of lower priced heating fuel. The reasoning, apparently, is that what the companies lose on gas during the freeze, they will recoup from selling the cheaper heating fuel at post-freeze rates.

(GM, 4/7/75,p.1,c.6-7)

(WFP, 7/7/75,p.4,c.7-8)

Editorial comment was divided. The TS lauded Ontario's decision "to become a participant in the great Canadian oil battle, rather than remain a helpless spectator." The HS expressed doubts of the government's motivation and suggested "that the bill must be paid and reality faced." The WFP suggested "the freeze is a political stunt and much ado about very little."

(TS, 4/7/75,p.C4,c.1-2)

(HS, 5/7/75,p.6,c.1-3)

(WFP, 8/7/75,p.29,c.3-6)

## OIL COMPANIES BLUSTER

Two major oil companies (Imperial and Gulf) stated that, when the freeze is over, the price of Ontario gas will be raised not only by 5¢/gal. but perhaps by 8-9¢ per gal in order to recoup loses due to the freeze. Davis expressed disappointment and threatened "to take whatever action is necessary to protect consumers."

(GM, 18/7/75,p.4,c.6-9)

## ONTARIO MINI-BUDGET

Ontario Treasurer McKeough brought down another budget designed "to fill the void of national leadership in the present economic crisis." The budget represents a \$178 million transfer in spending from the April budget. Although new initiatives equal cuts in the mini budget, Ontario's deficit is expected to rise from the April estimate of \$1.7 billion to \$1.8 billion due to "the impact of the federal budget" which will "reduce profitability of our corporations."

## BUDGET MEASURES

- 5% sales tax rebate on new cars built in Canada or the U.S.;
- \$80 million for senior citizen and low-income housing (55 million\$ to be spent next year);
- \$50 million for limited dividend rental housing;
- reduced mark-ups on imported and domestic wines, thus passing on the federal government's excise tax reductions;
- offer to take over total health care spending in return for \$1.1 billion of personal income tax collected by the federal government;
- \$82 million cut in public service spending;
- \$96.1 million cut in government programs.

(OC, 8/7/75,p.9,c.1-8)

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

(OC, 8/7/75,p.31,c.1-5)

## REACTION

- "It's a tough, political document, rather than an economic document, responding above all to the election that is coming, but responding equally... to the stupidity and damage of the federal budget." (Stephen Lewis, NDP leader)
- "crassest kind of political opportunism." (Robert Nixon, Liberal leader)

(TS, 8/7/75,p.1,c.8-9)

(GM, 8/7/75,p.9,c.7-9)

Globe and Mail editorial comment stressed particularly the importance of the mini-budget as an election tool. "It is so very obvious that while the guns appear trained on Ottawa, the cannonballs are intended to fall on Mr. Nixon and his colleagues." The OC seconded this opinion, as did the NDP.

(GM, 8/7/75,p.6,c.1-2)

(GM, 8/7/75,p.7,c.1.)

(OC, 19/7/75,p.1,c.5-6)

## KERR BACK IN

Having been cleared of any wrong-doing in the Hamilton harbour scandal, George Kerr has been reinstated as Ontario's Solicitor-General.

(GM, 10/7/75,p.5,c.5-7)

## POLITICAL PROVINCIAL

## JOEY'S RETURN

Former Premier and "only living father of confederation" Joey Smallwood has returned to the political scene. Accusing current Liberal leaders of being "careerists" interested only in power, Smallwood has taken leadership of the "Liberal Reform Party." He said his first act when elected would be to reform campaign funding. In an unusual burst of candor, he claimed he had "never been completely independent" for those who paid for his campaigns "wanted (their money) back 10 times over."

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

## POLITICAL JURIDICAL

## INTRODUCTION

*This month's coverage again revealed growing social pressure in favour of capital punishment and Solicitor-General Warren Allmand responding with a package plan to entice MP's to vote in opposition to capital punishment.*

*Along with growing repression, increasing and tightening of security forces and poor condition in penitentiaries (see last month's CNSP) we also see growing resistance, ie. the case of the prisoners in Lower Mainland Regional Correctional Centre in B.C.*

## POLICE

## CAPITAL PUNISHMENT ISSUE

About 7,000 federal prison guards spent the day off work mourning the death of a fellow guard and protesting the refusal by Solicitor-General Warren Allmand to return the death penalty. The guards involved are members of the solicitor-general's component Public Service Alliance of Canada, and President Bill Camche said that only 75 to 100 of them would remain on duty to preserve essential services.

2,000 military and 1,250 RCMP personnel were called in to replace them for the day. There are 8,600 prisoners in the 49 federal prisons. In Alberta 850 provincial guards, social workers and parole officers were to go on a study session in support of the federal protest.

(WFP, 2/7/75, p.1, c.6-8)

(TS, 2/7/75, p.A1, c.1-9)

The federal prison guards who participated in the one-day work stoppage will not be paid for the day. The walkout is being considered an illegal work stoppage by the government. (WFP, 4/7/75, p.7, c.6-8)

Representatives of 15,000 Quebec policemen have supported demands that the death penalty be applied in the case of the murder of a police officer. The group represents a federation of 143 police forces.

(WFP, 26/6/75, p.34, c.4)

## OTTAWA PLANS WAR ON CRIME HANGING BAN

Solicitor-General Warren Allmand and Justice Minister Otto Lang are preparing to push for abolition of capital punishment coupled with a tough new plan to protect the public from crime. The package includes proposals to toughen the parole system, increased guard security and training within the prisons, provisions for greater gun control and more protection to areas hardest hit by crime.

Prime Minister Pierre Trudeau, like Allmand, is firmly opposed to capital punishment. The package is intended as a carrot to MP's torn between their opposition to capital punishment and their fears that without the death penalty, the public cannot be adequately protected.

(TS, 12/7/75, p.A1, c.7-9)

(WFP, 14/7/75, p.1, c.2-5)

## BC PRISON SIT-IN PROTEST

The sit-in protest by 153 prisoners at Oakalla, the Lower Mainland Regional Correctional Centre, ended peacefully less than 24 hours after it began. The prisoners, 130 men and 23 women, were demanding better conditions at the provincial maximum-security prison. The prisoner's petition included:

- better educational facilities and programs;
- availability of job training facilities;
- abolition of solitary confinement;
- a part in the decision-making process at the institution.

(WFP, 4/7/75,p.7,c.6-8)

## POLICE BRUTALITY CONFIRMED

An independent psychiatrist and polygraphy examiner said that from his reading of lie detector tests taken by nine people whose allegations of police brutality were published by the Globe and Mail, seven of them appeared to be telling the truth.

(GM, 8/7/75,p.5,c.1-3)

## NEW ANTI-TERRORIST SQUAD

A new five-man anti-terrorist squad of the Ontario Provincial Police called the Tactics and Rescue Unit has been formed. The squad recently returned from 14 days training at an FBI (Federal Bureau of Investigation) school outside Washington and an armed forces base in Kingston. The OPP is recruiting four more squads immediately. Members of the unit are Corporal Albert J. Kea, and Constables Gerald G. Coleman, Paul D. Grinton, Ernest A. Armstrong and Harold W. Pickett.

(TS, 9/7/75,p.A10,c.1-2)

## POLITICAL--MILITARY

## CANADIAN ARMED FORCES

Operating and maintenance costs, pushed by rising fuel costs, have increased more than 15% while the defence budget for this fiscal year increased only 11/6% to \$2.8 billion. Personnel costs which make up more than 65% of the budget are expected to increase.

The government has been told that 78,060 people cannot cope with inflation, two large peacekeeping forces totalling 1,600 men, forthcoming Olympic Games in Montreal which will take 10,500 people, fulfill routine roles, conduct needed training and do emergency work such as replacing striking prison guards at the end of June.

(GM, 7/7/75,p.10,c.1-7)

## NATO - Canada's Defence Policy

United States officials long frustrated by what they consider to be an unresponsive Canadian defence policy, are privately elated with their intelligence of an encounter between P.M. Trudeau and West German Chancellor Helmut Schmidt. According to the U.S. version of this unpublicized meeting, Mr. Schmidt told Mr. Trudeau in blunt language that in Canada wanted a new economic deal with the Common Market, it would have to make a more serious commitment to European Defence.

(WFP, 3/7/75,p.33,c.3-6)

## Cultural

### COMMUNICATIONS

#### COMMUNICATION COUNCIL IDEA ANGERS QUEBEC

The third federal-provincial conference of communications took place in mid-July. All provinces but Quebec agreed to discuss a federal proposal to set up a permanent council of communication ministers. Quebec refused to discuss this proposal until the federal government dropped its prior condition that the provinces must accept the legitimacy of federal jurisdiction in communications.

Federal communications minister Gerard Pelletier, maintained that the "parliament of Canada has exclusive legislative authority over broadcasting, and it is essential that this authority be maintained." He also stated that cable distribution systems must continue to be regarded as broadcasting, forming an integral part of a national broadcasting system.

A consensus working out an an interprovincial conference had called for a transfer of federal authority over cable TV, federally regulated telephone companies, and local broadcasting. Quebec and Ontario had laid strong claims to the right to regulate cable TV and Bell Telephone in their jurisdiction.

(OC, 16/7/75, p.19, c.3)

(GM, 16/7/75, p.9, c.2-3)

#### BELL CANADA RATE INCREASES

Bell Canada is trying to win a rate increase by intimidating the Canadian Transport Commission with threats of massive lay-offs in construction programs. This is the opinion of a Quebec intervener in Bell rate increase hearings. Company president A. Jean de Grandpre, said Bell would have to lay off several hundred employees next year and cut \$100 million from its \$306 million needed to complete its constructions program. The president declared that if its rate increase is not approved, the consumer may be the one who suffers in the long term.

(HCH, 10/7/75, p.3, c.1)

(OC, 9/7/75, p.4., c1-2)

### IDEOLOGY

#### TURNING TO ADS

Peter Riggin, vice-president of Noranda Mines Ltd. Toronto, said that trade and industry associations are increasingly turning to consumer advertising, to get their views across in labour disputes. He said that an industry association should be advertising its position months or even years ahead of a specific dispute. Building public opinion in favour of its stance can influence the outcome of a dispute. Mr. Riggin blamed the media for employers turning to advertising. "The media does not cover industrial relations in a balanced way."

(WEP, 4/7/75, p.24, c.2-3)



## EDUCATION

At the annual meeting of the 212,000 members of the Canadian Teachers' Federation, the Secretary-General, Norman Globe, said that there is a vast difference in the quality of the school system and the amount of money spent on education among the 10 provinces. According to statistics Canada, Ontario spends twice as much per pupil on elementary and secondary education as Newfoundland; Alberta spends twice as much as P.E.I.

Last year the CTF asked the federal government to use its income-taxing powers and equalization payment machinery to even things out, but Ottawa replied that education was under provincial jurisdiction. The question of education finance is particularly acute now because of the recession and growing demands for other social services. Within provincial borders, there has been a trend towards equalization of finances, by shifting the finance burden from local property taxes to provincial taxes.

The CTF is also pressing for a national "office of education" to map Canada-wide strategies. Mr. Globe explains that this is not centralization for individual education needs should be determined at the local level, but the issue is equality of educational opportunity.

(GM, 18/7/75, p.4, c.1-6)

## International

### INTERNATIONAL WOMEN'S YEAR CONFERENCE--MEXICO CITY

*INTRODUCTION: The reactions to the IWY Conference in Mexico City have generally been critical. In the last week of sessions, a counter program to the World Plan of Action was proposed--the Declaration of Mexico--a manifesto prepared by the 77 developing countries, placing women's issues within economical and political contexts. (For outline of World Plan of Action, see CNSP June 1975, pp. 44-45).*

*Several serious articles dealt with the role of Canada's official delegation, and their low-key, compromising role. Criticism of the conference and Canada's position, are expressed by third world nations and Canada's non-governmental delegates. As with earlier UN conferences held on Population and Food, the Mexico conference illustrates that Canada does not have a neutral policy, but clearly aligns itself with the developed, industrialized nations of the world.*

#### THE DECLARATION OF MEXICO

The World Plan of Action has been described by one western delegate as a "middle class working paper" proposing suggestions which developing countries cannot afford. In response, a group of 77 developing countries produced their own declaration which tied the status of women to participation, political development and the establishment of a new world economic order.

The declaration slammed down on imperialism, zionism, colonialism, and neo-colonialism. It proposed:

- that all nations should be entitled to their own sovereignty;
- nationalization of companies without compensation to the owners;
- it is not possible to upgrade the status of women without first improving the status of developing countries.

The developed countries quickly rebelled against this push for re-distribution of world wealth and power: Canada, Australia and New Zealand made pointed comments during the sessions that this was, after all, supposed to be a women's conference....so why not talk about women's issues.

(WFP, 3/7/75, p.18, c.1-3 Sheila Brady)

#### THE CANADIAN DELEGATION

##### NEW ECONOMIC ORDER STRAYS FROM THE SUBJECT AT HAND

The Canadian delegation conservatively supported the developing countries' pleas for a new economic order, claiming it is necessary for a re-distribution of world wealth to ensure global justice. But, in the next breath, concern was expressed that the Declaration of Mexico might blur the focus of the conference and alienate the support of developed countries.

The Canadian position was supported by Helvi Spillia, secretary-general of the IWY Conference, in feeling it was 'urgent' not to stray too far from the stated objectives, and three themes of the conference--equality, development and peace.

(WFP, 30/6/75, p.30, c.3-8)

Richard Burkhard, a member of the Canadian delegation and attached to the external affairs department in Ottawa stated, "we gave a non-political, non-economic opening speech." Mr. Burkhard claimed the 7th Fall Session of the UN would be a more appropriate setting for the new economic debate-- "the people will be better qualified to debate the issue."

(WFP, 30/6/75,p.30,c.3-8)

#### WHISPERING COMPROMISE SUGGESTIONS

Freda Paltiel, an experienced international diplomat, jumped to the defence of Canada's low profile at the Mexican conference: "The Canadian delegation is not interested in having a high personality profile....The issues and objectives of the conference are far more important...why should we waste our energy on bringing up red herrings which in the end diffuse the energies of the meeting."

Instead, the Canadian delegation watched the agenda and tried to ease over differences of opinion between feuding delegations. Probably the best woman at arriving at compromises was Sylva Gelber...who spent her energies listening to the debate and then whispering compromise suggestions into delegate ears.

(WFP, 30/6/75,p.30,c.3-8, S. Brady)

(CNSP NOTE: Sylva Gelber is the head of the federal labour department's Women's Bureau)

#### LACK OF COMMUNICATION

Joan Laird, who went to Mexico as an independent representative, feels that the Canadian paper presented to the conference was a lot of government "pap." She decried the lack of communication between official delegates and the 40 non-governmental organizations attending the tribunal meetings. "I was really hoping that we...and government women could sit down and talk and trust each other....But now I will have to be more distrustful of the government."

(WFP, 26/6/75,p.24,c.4-8, S. Brady)

#### CONCLUSION AND RESPONSES

Margaret Bruce, deputy secretary general of the IWY program welcomed the Declaration of Mexico as the first document presented which links women directly to other major political and economic issues. She had earlier expressed the fear that women were being used as tools in the economic infights that are going on between the developing nations and some of the developed countries at the conference.

(WFP, 30/6/75,p.30,c.3-8)

The final session of the IWY conference adopted resolutions censuring the military regime in Chile, the white minority regimes ruling South Africa, Namibia and Rhodesia, and Israel for its occupations of Palestinian lands.

(WFP, 3/7/75,p.1,c.7-8, Peggy Simpson)

Australia and Norway claim that the IWY Conference has been side-stepping women's issues. Several countries have expressed fears that the Plan of Action will become a "dead" letter because the recommendations are too general.

(WFP, 2/7/75,p.23,c.1-4)

Elizabeth Reid, Australia's chief delegate, said the conference may have been counterproductive because it defused the anger of feminists without changing the views of those responsible for the plight of women: "I don't think it has radicalized heads of government because on the whole they weren't here....I don't think it has sensitized or informed the decision-makers because on the whole they weren't here....And I don't think it has informed or educated the world because on the whole the press has written it up as a series of confrontations on women's issues, which it has not been at all."

(WFP, 3/7/75,p.1,c.7-8)

## Latin America

### Argentina

*General strikes and other shows of labour unrest culminated in the removal of Jose Lopez Rega from Isabel Peron's cabinet this month. Against a political background of continuing terrorism by the right, left wing guerrilla activity, and government persecution of the left and liberals, the economy has been steadily worsening. The peso was devalued by 1/2; fuel, electricity and public service rates were raised 180%; the minimum wage is at \$110 per month; black markets flourish; foreign reserves are down to about \$700 million against a foreign debt of \$7.5 billion. The resulting discontent poses a threat to constitutional government, and elections aren't scheduled until 1977.*

#### 100,000 Workers On Strike

An estimated 100,000 Argentinian workers went on strike Friday to demand confirmation of wage increases and key changes in the cabinet. The General Labour Confederation (CGT) went on a general strike which paralyzed industry across the country, cut the communications network drastically, silenced radio stations in the capital and prevented the appearance of two evening newspapers. The workers asked for the removal of Social Welfare Minister Jose Lopez Rega and the economy minister, Celestino Rodrigo, who had wanted Mrs. Peron, the president, to order a 50% maximum on newly negotiated wage increases. (HCH, 28/6/75 p3 c6-8, AP)

#### Peron Orders Roll Back Of Wages

Ignoring Friday's giant protest, Mrs. Peron, Argentina's president, vetoed pay raises which ranged from 45-130% and decreed a 50% limit. The unions are fighting price rises, often ranging over 100%, and policies of the Minister of the Economy who devalued the peso by 50%, raised fuel prices by 170% and removed all price controls. (TS 30/6/75 pA10 c4-6; Ysabel Trujillo)

#### Workers Defy Union Leaders

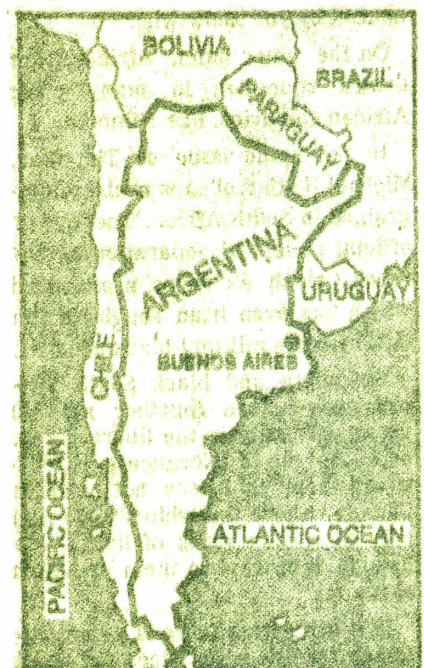
About 100,000 metal workers have stopped work in the industrial city of Cordoba, and in La Plata state employees began an indefinite strike. The CGT in La Plata issued a statement pledging to fight for higher wages, defying national union leaders who are respecting Mrs. Peron's authority. Unrest has also surfaced in Congress, where the Peronist majority was reported split over the president's policies. (TS 2/7/75 p12 c7-8, Reuter & AP)

#### Peron Cabinet Quits On Eve Of Strike

President Peron's cabinet resigned last night, hours before the decision to start a 48-hour general strike against her decision to roll back wages. The Social Welfare Minister Lopez Rega is said to be the target of the strike. Political observers said the CGT, most Peronist Congressmen, opposition leaders and elements of the armed forces are pushing for his removal. (LE JOUR, 7/7/75 p1 c3-6 AP)

#### Peron Scraps 50% Ceiling on Wage Increase

President Isabel Peron has agreed to scrap a 50% ceiling on wage increases to appease the striking labour wing of the Peronist movement. (HS 8/7/75 p3 c6-8; WFP 8/7/75 p1 c1-2; OC 8/7/75 p43 c5-8; GM 8/7/75 p1 c4-7)



## LOPEZ REGA REMOVED FROM CABINET

President Isabel Peron gave in to pressure from within and outside her government yesterday when she dropped Jose Lopez Rega from the cabinet. This astrologer, former private secretary to Juan Peron, was considered the most powerful man in Argentina. He was a symbol of hard-line, right-wing solutions to Argentina's problems. His son-in-law, Raul Lasteri, was removed from the succession to the presidency by congress.

(TS, 12/7/75, p.A10, --Reuter--AP)  
 (OC, 12/7/75, p.58, c.3-4, Times Post)  
 (GM, 12/7/75, p.11, c.6-9, Reuter--AP)

## NEW CABINET 'NO CHANGE'

Before politicians and labour leaders could heave a sigh of relief that Lopez Rega was out, Isabel Peron brought in another of Rega's hardline proteges to replace him as social welfare minister. The new 'no change' cabinet was a mixture of 'Lopez-Registas' and political nonentities. But worst of all, she kept on Economy Minister Celestino Rodrigo and retained Labour Minister Cecilio Conditti in a post usually reserved for the CGT (General Labour Confederation of Workers.)

(TS, 14/7/75, p.A10, Ysabel Trugitto)

## LOPEZ REGA 'LED DEATH SQUAD'

An Argentinian lawyer, Miguel Adrizzani Goni, is the first to publicly state what has been private rumour--that the former personal secretary to Isabel Peron, and Social Welfare Minister, Jose Lopez Rega, is a leader of a right-wing terrorist death squad called the Argentinian Anti-Communist Alliance (AAA). The charges against him, filed in a federal court, quoted an unpublished report by the army on the Triple A as saying: "Lopez Rega belongs to the general command of the AAA as political supervisor." As such he is intimately linked to dozens of political murders, bombings, beatings and threats.

(TS, 15/7/75, p.A8, c.3-6, J. Omang)

## BRAZIL

## BRAZIL BUYING FRENCH REACTORS

Brazil signed Friday a \$82.5 million agreement with France for the construction of an experimental nuclear reactor, only one week after concluding a major nuclear cooperation agreement with West Germany.

(HCH, 5/7/75, p.3, c.6--UPI)

## CARIBBEAN

## THREE CARIBBEAN NATIONS PLAN ALUMINUM SMELTER

The Trinidad and Tobago government is preparing to set up an aluminum smelter in collaboration with the governments of Jamaica and Guyana. Technical experts from the three countries will meet in Trinidad this week to review the scope of the undertaking in view of recently announced plans by Venezuela, Mexico and Jamaica also to set up jointly owned aluminum smelting operations. The Trinidad plant is scheduled to produce 200,000 tons of aluminum ingots a year, using alumina from Guyana and Jamaica and natural gas from Trinidad's offshore reserves.

(GM, 1/7/75, p.32, c.3-4)

## CHILE

## MEETING OF OPPOSITION LEADERS

Left wing and Christian Democrat political leaders have met in Colonia Tovar, near Caracas, Venezuela, to work out a strategy to defeat the Chilean military junta. According to a rightist daily, the Socialists were represented by former Minister of External Affairs, Clodomiro Almeida and the former Senator Aniceto Rodriguez, while the Christian Democrats were represented by Bernardo Leyton, and Gabriel Valdez, former Ministers under Frei government, and the former party leader, Renan Fuentealla. The Communist party and MIR were not invited to the meeting which was financed by the West German Social Democratic Party.

(LJ, 11/7/75,p.8,c.3-4--AFP)

(LD, 19/7/75,p.4,c.3-7--AFP)

## THE CIA ENCOURAGED ATTACK ON GENERAL RENE SCHNEIDER

According to the Washington Post, the CIA, in October 1970, encouraged the kidnapping of General Rene Schneider, which ended in his death. This action was to have provoked a military coup d'etat in Chile and prevented the Congress' ratification of the election of Salvador Allende as President.

(LJ, 8/7/75,p.8,c.3-5)

(LD, 8/7/75,p.11,c.5-6--AFP)

## VIETNAMESE REFUGEES EQUAL CHILEAN IN NUMBERS

In a letter to members of the House of Commons and the Canadian Senate, Canada's Minister of Manpower and Immigration suggested that the program for Chilean refugees was comparable to the program for Vietnamese refugees:

Chileans--3,930

Vietnamese--3,993

*CNSP NOTE: The Inter-Church Committee on Chile gives some information to clarify the actual situation. ("Andras' use of statistics of the number of Chilean and Vietnamese refugees received by Canada is misleading.... Canada's speedy acceptance of 3,993 Vietnamese refugees in Canada in a two-month period (May 1, 1975-June 30, 1975) cannot be compared with the acceptance of 3,390 refugees from Chile in a twenty-two month period (September 11, 1973-June 30, 1975). In the first two months after the Chilean coup Canada received only 17 refugees from Chile.")*

## THIRD WORLD--GENERAL

## WORLD COFFEE PRICES JUMP, SUGAR DECLINES

*World coffee prices rose sharply yesterday on reports of frost seriously affecting trees in the Parana coffee region of Brazil, while sugar prices dropped sharply when Soviet officials denied Western speculation that Russia is planning large imports of sugar from the Philippines. Market sources noted that the boost in world coffee prices comes at a time when producers have been hard-pressed to dispose of surplus inventories and higher production.*

(TS, 19/7/75,p.D7,c.8-9--Reuter)