

“Sorry” For Access Breach



A federal board has apologized for violating the *Access to Information Act* against an Alberta company.

The Canada-Nova Scotia Offshore Petroleum Board admitted to contravening the law when it told a complainant that all *Access* requests must be vetted by legal counsel.

“We got a little apology,” said Paul Einarsson, chair and COO of Geophysical Services Inc. of Calgary. “I don’t believe it’s sincere; it sounds harsh, but I want some accountability.”

Einarsson’s company, the largest owner of marine seismic data in Canada, has sued for an injunction to prevent the Nova Scotia board from distributing its copyright surveys to third parties without consent.

Geophysical Services Inc. has also filed claims against the Department of Natural Resources, National

Energy Board and Canada-Newfoundland Offshore Petroleum Board for improperly using company surveys in breach of the *Copyright Act*.

“No citizen should be exposed to this,” Einarsson said.

Stuart Pinks, CEO of the Nova Scotia board, did not respond to *Blacklock’s* interview request.

Geophysical Services deposited copies of its research with federal agencies as a condition of permits to map the ocean floor. In filing *Access* requests to determine what secondary use the Nova Scotia board made of his surveys, Einarsson was advised that such requests be forwarded to a federal attorney.

“They told us to go away,” he said. “That was wrong, and inconsistent with any citizen’s right to *Access to Information*.”

An investigator with the Of-

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fice of the Information Commissioner agreed, dismissing the order as unlawful: “Such a requirement is in contravention of the *Access to Information Act* and the board has since apologized.”

It was not the first time Crown agencies have been cited for infractions in dealing with Geophysical Services’ attempts to enforce its copyrights.

The information commissioner in a July application in Federal Court cited Natural Resources Canada for improperly

concealing records of what it did with Einarsson’s surveys, and asked that a judge compel the department to release the information to Geophysical Services Inc.

The action is pending. Counsel for the commissioner has declined comment.

“I get a deaf ear when I try to talk to government,” Einarsson said. “I get no help; I’ve tried talking to members of cabinet, the minister of natural resources – I don’t hear from them now.”

 BY TOM KORSKI

“How did you do? Terrible”

Weak public response to a ballyhooed initiative on federal accountability has prompted the Treasury Board to try, try again.

The *Open Government Strategy*, a cabinet program to “foster greater openness and accountability”, drew 40 public responses, according to a Treasury Board official. Of 28 online comments submitted at a federal website, data.gc.ca, 24 were critical; three were positive; one was from a Treasury Board employee.

“How did you do? In a word: terrible,” wrote one user. “In two words: absolutely terrible.” Wrote another petitioner, “The Harper government has succeeded admirably in its initiative if its goal was to substitute access to data for real progress towards *Open Government*.”

The board extended a deadline for public input.

“*Open Government* goes well beyond making technology and things available in different formats,” said Vincent Gogolek, executive director of the Freedom of Information and Privacy Association of British Columbia.

“I think the government has turned this on its head, that open data is a subset of *open government*, and what they’re doing is trying it the other way around,” said Gogolek. “That’s not the way it should be.”

The *Open Government Strategy* had promised to “provide Canadians with more opportunities to learn about and to participate in government,” according to its mission statement.

 BY ALEX BOUTILIER

“WE USE TAXIS”



Canada Post still uses taxis to deliver letters despite owning one of the largest vehicle fleets in the country. But the Crown agency will not divulge the national cost or scope of the program.

“It depends on the route,” Jon Hamilton, a post office spokesperson, told *Blacklock’s*. The corporation delivers mail on some 15,000 routes, according to its last annual report.

“Where necessary we use taxis to get letter carriers from the depot to their foot routes with their mail,” said Hamilton.

Letter carriers are also entitled to taxi chits for “special trips”, including “transporting employees home” or “any other circumstance which would be deemed necessary to ensure service,” according to a Canada Post manual obtained through the *Access to Information Act*.

Transport Minister Lisa Raitt, responsible for the post office, refused an interview. Raitt’s department also refused comment.

The Canada Post spokesperson said employees were trying to use fewer chits, though the corporation continues to call for tenders on five-year contracts with cab companies.

“The practice has been in decline with the new delivery model as routes are motorized, so our employees depart from the depot with all mail and parcels for their route,” Hamilton said.

The post office owns its own fleet of 9,800 vehicles.

“It is the responsibility of the depot supervisor to control and monitor taxi chits,” noted the post office’s *Corporate Manual*. The corporation forbids “inappropriate use of chits” and requires they be stored under lock and key, but did not detail penalties.

Canada Post reported a net profit of \$94 million last year.

 BY TOM KORSKI

FIGURING THE AVERAGES

An executive unhappy with “meaningless” accounts of a real estate bubble has trademarked a slogan ridiculing reporters’ use of mathematical averages.

The founder of Prestigious Properties Canada Ltd., a firm that promotes doubling of investors’ money, said media reliance on statistical averaging distorts evidence of contrary trends in the Canadian market.

Thomas Beyer, president of the Canmore, Alta. firm, filed an Industry Canada application to trademark the sales slogan, “People Have Drowned In Rivers One Foot Deep On Average.”

“Averaging is often meaningless,” said Beyer. “I’ve hiked a lot in Canmore; in summer Policeman Creek is low, in the spring it’s 10 feet deep – so what’s the average depth?”

Finance Minister Jim Flaherty has warned of price bumps “in particular in the condo markets”; and economists have cautioned on trends like a growing gap between homeowners’ median income compared to median housing prices and mortgage debt.

“You see media commentary on the real estate market, that ‘Canada is in a bubble,’ but it is meaningless,” said Beyer. “You have to look at actual data.”

“If you say real estate is flat, you must look at specific, meaningful sub-markets: what is the condo market in Vancouver

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compared to Burnaby compared to Montreal?” Beyer continued. “Average’ prices are flat for condos, but what they don’t say is the ‘average’ size of condos is down, meaning per-food costs have actually increased.”

Beyer’s firm invests subscribers’ money in apartment buildings in British Columbia, Alberta, Saskatchewan and Texas. In promotional literature, Prestigious Properties states that “we aim to double investors’ money in six to seven years,” with proposed double-digit average annual returns.

The company claimed returns of up to 272 percent on investments in Edmonton and Stony Plain, Alta.

 BY STAFF



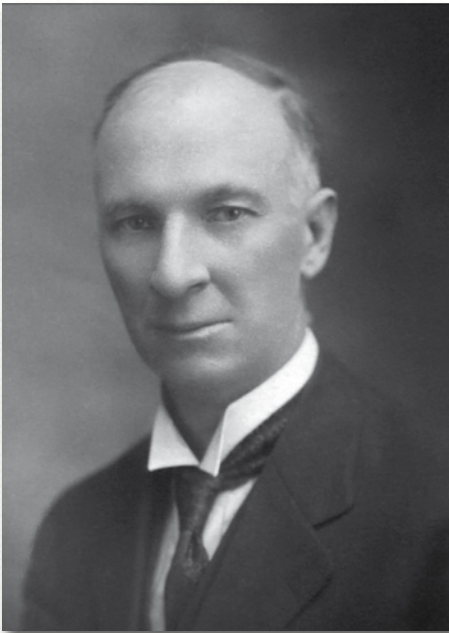
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Tom Hyland Blacklock

A pioneer publisher and war correspondent, confidante of three prime ministers and 1922 president of the Ottawa Press Gallery, Tom Blacklock was mourned at his passing in 1934 as “a keen observer blessed with a sense of proportion.” Born in Halton County, Ont. in 1870, he became a frontier editor and first mayor of Weyburn, Sask. in 1903. Assigned to Parliament Hill by the Winnipeg Telegram in 1912 he remained a gallery man for life with columns published from Victoria to Halifax: “As Tom Blacklock used to say, ‘That ain’t the way I heard it.’”

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Gilles Duceppe

MY COUNTRY



Canada is a great country, but it is not my country. I respect Canadians, and sense we share more similarities than differences. We will make good neighbours one day, and would like to know you as friends.

I travelled through Canada for years and learned this: Canadians would first treat me as a kind of fanatic, as though I ate babies for breakfast, but then acknowledge I was always respectful of the Canadian people. I never denounced Canada, I was for Québec.

Twenty years ago Québec cried for change. It was an incredible year, 1993.

Canadians like to count politics by the numbers, so I will relate this phenomenon by figures: the Bloc Québécois grew from a dream to an organization of more than 100,000 members and 29,000 contributors; we won more than 1.8 million votes; and elected 54 MPs on a voter turnout of 77 percent, the highest participation rate in the country.

It was something new – a change! In politics it is very difficult to fight a popular sentiment for change; I know this personally.

Our members were not professional politicians. They were grassroots people

stung by Canada's rejection of the Meech Lake Accord, who dreamt of our own country where we could live as we pleased without Ottawa's permission. We wanted to send a message – and did.

“The door is wide open now for sovereignty,” Lucien Bouchard said. I'll carry memories of that campaign all my life: the excitement, the anticipation, the incredulity of Canadians in seeing the Official Opposition in the hands of a sovereigntist party.

We expected to have our nation at last. Twenty years ago many Québécois said, “Well, this is the time.” We were so optimistic.

Twenty years seems a long time in the life of one man, but in human history is a very small snapshot.

It didn't happen.

In a democracy you face realities: sometimes you win, sometimes you lose. Nobody is happy in defeat, but we always respect the verdict of the people.

I remain convinced I will see a sovereign Québec in my lifetime.

(Editor's note: the author was the first Bloc Québécois MP elected to the Commons, and former Leader of the Official Opposition)

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An Intramural Dispute

The Prime Minister's alma mater, the University of Calgary, is criticizing Stephen Harper's wireless policy as "inefficient" and likely "unsuccessful" in benefiting consumers.

The U of C School of Public Policy concluded federal restrictions on new bandwidth purchases by the nation's three largest telecom firms are misguided.

"Prices aren't too high," said Prof. Jeffrey Church, an economist and co-author of the analysis. "We don't have a competition problem."

The Prime Minister did not comment. Staff issued a statement that the wireless policy was aimed at "fostering greater competition in this industry for the benefit of consumers." Harper, who received an economics degree from the university, is rated among its Top 40 Alumni.

The Department of Industry has restricted the big three telecom companies – Rogers Communications Inc., BCE Inc. and Telus Corporation – from bidding on more than 25 percent of new spectrum in an upcoming Jan. 14, 2014 auction. The trio controls some 80 percent of available bandwidth.

In its report *Wireless Competition in Canada*, Calgary analysts concluded profit margins of the big three are modest compared to fixed costs – some 12 percent, in the case of Rogers.

"Returns are not monopolistic," said Prof. Church. "They are not excessive; they seem to be in line with competition. And if you insist on trying to shoe-horn in more competitors, which has the effect of dropping prices...then that affects the incentive of the incumbents."

Church continued, "They expect at least to get a competitive return, or they'll invest their capital elsewhere."

Cabinet imposed the auction limits to increase competition, it said: "Our government wants to see at least four players in each market," former industry minister Christian Paradis earlier told the House.

Canadians pay among the highest consumer rates for wireless services in the industrialized world, according to OECD research. A 2011 study *International Mobile Data Roaming* by the Directorate for Science, Technology and Industry determined Canadian charges were three times the OECD average, and more than six times the rates charged in Greece, Iceland and Luxembourg.

 BY ALEX BOUTILIER

SHHH: A NEW GOVERNMENT PATENT

The Department of National Defence is refusing comment on a newly-detailed patent for improved rob submarine technology purportedly for offshore oil exploration.

Drawings just released by the patent office depict a new homing system for a so-called AUV or "autonomous underwater vehicle" – a battery-powered sub that debuted off the Nunavut coast in 2010, assigned to prowling Arctic waters.

Patent 2770247 outlines an improved communication system to give the robo-subs greater range under Arctic ice, as co-invented by seven current and former scientists with the Defence Research and Development Canada.

AUVs can also be used for enemy sub and underwater mine detection, and seismic surveys of the ocean floor.

"We don't know of any other system with its capabilities," said Linda Mackay, marketing manager for International Submarine Engineering Ltd., a Port Coquitlam, B.C. manufacturer that contracted to supply two subs to the government in 2009.

Mackay said extending the range of the devices "is even more important during Arctic operations when supervision is not possible."

Neither the defence department nor the co-inventors contacted by *Blacklock's* would grant an interview to discuss the technology.

The subs were designed for a range of some 200km on a single battery charge. However in its patent filings, the defence department noted that low-frequency homing systems to direct the unmanned vehicles were subject to interference by waves, ships or ocean life: "The autonomous underwater

Continues on Pg. 8



National tuition costs will rise an average 13 percent by 2016 with student fees comprising a larger share of university funding in every province in Canada, says an advocacy group.

Research by the Canadian Centre for Policy Alternatives estimated the cost of a four-year university education will average more than \$50,000, excluding residence fees.

"It's going up," said Erika Shaker, co-author of the study *Degrees of Uncertainty: Navigating the Changing Terrain of University Finance*. "We are seeing an increase in

TUITION TO RISE 13%

downloading onto students and their families, which is ultimately making it difficult for youth to pursue these educational opportunities."

The centre calculated average tuition and other compulsory campus fees have more than quadrupled nationwide since 1992.

Annual fees for full-time undergraduates in 2014 are forecast to average from a national low of \$2886 in Newfoundland & Labrador – which has seen no hike in tuition fees since 1999 – to \$4086 in Québec; \$4441 in Manitoba; \$6129 in British Columbia; \$7094 in New Brunswick; \$7293 in Prince Edward Island; \$7574 in Nova Scotia; \$7912 in Saskatchewan; \$8077 in Alberta; and a national high of \$9517 in Ontario.

"We are seeing a decline in universality," said Shaker. "We

are seeing some two-tier fee structures and targeted grants and bursaries – a system of increased complexity that is more difficult to navigate."

The study also documented an increased reliance on tuition as a revenue source by universities, now averaging 21 percent of post-secondary budgets in Québec to 27 percent in Newfoundland & Labrador; 29 percent in Manitoba; 30 percent in Saskatchewan; 33 percent in Alberta; 36 percent in British Columbia and New Brunswick; 41 percent in Ontario and Prince Edward Island; and 47 percent in Nova Scotia.

"Some provinces have responded to public concern over the reality that local kids are being priced out of local universities," said Shaker.

 BY KAVEN BAKER-VOAKES

Rail Car Safety 'In Question'



Transport Canada is silent on renewed demands for upgrading of rail car safety standards in the aftermath of the Lac-Mégantic disaster.

Federal investigators said the circumstance of the fiery Québec wreck again "calls into question" the use of obsolete tank cars.

The Transportation Safety Board reported the Montreal, Maine & Atlantic freight that derailed in Lac-Mégantic on July 6 had misrepresented its cargo, and contained a more flammable liquid than was identified under the *Transportation of Dangerous Goods Regulations*.

"Test results show that the petroleum crude oil transported in the tank cars on

the accident train was not accurately documented," said Donald Ross, senior regional investigator; "When we analyzed the product sample from nine intact tank cars from the Lac-Mégantic accident, we identified the product as having the characteristics of Packing Group II flammable liquid."

Ross did not detail chemical findings of the tank cars' contents, but noted the product had a lower flash point "like gasoline", which "explains in part why the crude oil ignited so quickly."

The derailed cars exploded on impact, creating a fireball that incinerated downtown Lac-Mégantic and killed 47 townspeople. The safety

board urged more vigorous enforcement of existing regulations on honest representation of hazardous goods by rail carriers.

"The Packing Group is one of the considerations in selecting a container, which also calls into question the adequacy of Class 111 tank cars for transporting large quantities of low-flashpoint flammable liquids," Ross told reporters.

Investigators appealed to Transport Canada for years to mandate improved safety standards for all tank cars, including aging Class III-A models deemed prone to puncture and a hazard without protective fittings.

The safety board's last recommendation followed an Aug. 17, 2004 spill of 200,000 litres of gasoline and diesel fuel from a derailed Canadian National freight in a swamp near Saint-Henri-de-Lévis, Que. Investigators at that crash site determined there was "significant spill of hydrocarbons when the tank shells and heads were breached even though the derailment

happened in a marshy area where the surrounding terrain was particularly soft."

"The Class 111A tank cars' weaknesses have been acknowledged by the regulator and industry, resulting in measures to mitigate risk in the event of a derailment," the board earlier reported.

A recommendation for upgraded standards on all non-pressurized tank cars carrying dangerous goods was tabled for "discussion" by Transport Canada in 2008.

Transport Minister Lisa Raitt did not speak with reporters on the latest warning, and made no mention of the board's finding in a written statement.

A parliamentary panel, the Senate energy committee, also renewed calls to upgrade tank car safety standards. In an Aug. 22 report *Moving Energy Safely*, senators proposed mandatory safety audits of the shipment of petroleum products by rail, pipeline and tanker.

BY TOM KORSKI
[PHOTO TRANSPORTATION SAFETY BOARD]

HMM, 'LEATHER CLEANER'

Health Canada is being sued over its seizure of thousands of bottles of liquid aphrodisiac.

Lockerroom Marketing Ltd., a British Columbia company that ranks itself one of the largest sex toy distributors in the nation, is contesting a department ruling that its sale of liquid alkyl nitrite to fetishists violates the *Food & Drugs Act*.

The Federal Court action follows a raid on a Delta, B.C. warehouse last spring in which Health Canada agents seized 3,936 bottles of the aphrodisiac that retails for up to \$10.85 apiece. Lockerroom Marketing sells the alkyl nitrite as a

harmless cleaning product, noting the labels caution users not to drink the liquid marketed under the brand names "Amsterdam Special", "Rush" and "Rochefort".

Legal counsel for Lockerroom did not take *Blacklock's* questions.

Health Canada launched a national crackdown on the products as an unlicensed drug in May after reporting it was "not aware of any credible evidence confirming that alkyl nitrites are legitimately used in consumer products such as leather cleaners."

The products, "commonly known as 'poppers'", the department reported, "are

used by consumers to get 'high' and may pose serious risks to health if they are inhaled or swallowed."

Three Canadian distributors – Adult Temptations of Whitehorse; SD Variations of Laval; and Discount DVD Depot of Mississauga, suspended their sale of alkyl nitrite. However Lockerroom Marketing sued, asking that a federal judge find the aphrodisiac is in fact a cleaner exempt from Health Canada regulations.

"The leather cleaner is made for cleaning personal leather apparel used in the niche market of sexual fetishism that includes, among other things, bondage," company counsel wrote in their Court

application; "The applicant is suffering economic loss and lost business opportunity as a result of Health Canada's decision."

The *Food & Drugs Act*, section 2, defines a drug as any substance or mixture that mitigates illness or is used in "restoring, correcting or modifying organic function in human beings or animals". The health department said products like Lockerroom's "Amsterdam Special" may cause irregular heart rhythm, low blood pressure, muscle weakness, loss of consciousness or liver damage, but did not detail any incidents of consumer illness.

BY STAFF

“A Very Serious Threat”

A federal agency warns the spread of a tree-killing Asian beetle, the emerald ash borer, is inevitable despite a widening quarantine in Ontario and Québec.

The Canadian Food Inspection Agency, assigned to check the spread of the insects, confirmed the ash borer has now spread through counties of Eastern Ontario and up the St. Lawrence River Valley.

“Despite extensive efforts by multiple levels of government, scientists in both Canada and the U.S. have concluded the emerald ash

borer cannot be eradicated in North America and will continue to spread through natural means,” said Mireille Marcotte, the agency’s acting national manager for forest resources.

The borer was first detected in Canada in 2002, in Windsor, Ont., and by 2005 spread to Toronto where authorities estimate 860,000 ash trees are at risk.

Thirty-four Ontario counties and eight districts in Québec have been put under federal regulations that restrict the transport of firewood

and use of wooden packing material. The Food Inspection Agency said an expanded quarantine zone will be introduced on April 1, 2014.

“We feel there is a likelihood that the emerald ash borer is beyond the current regulated area,” Marcotte said.

No infected trees have been found west of Lake Superior, to date.

“The emerald ash borer poses a very serious threat to all ash trees,” Marcotte added. “In many areas of Western Canada, ash trees are a key component in urban forest planning.”

Canadian forest services have estimated that damage from the ash borer totals \$809 million to date. Infected trees are killed within three years as the insect drills its way undetected beneath bark.

“We are looking at consolidating most of the regulated regions into one large area because we think there is a chance we can control the emerald ash borer more effectively,” said Marcotte.

Ash can be treated with an insecticide TreeAzin at an estimated cost of some \$200 per tree.



BY KAVEN BAKER-VOAKES

EYE ON ANTI-TRUST RULING

Watchful growers say they’ll “keep an eye” on the impact of an anti-trust ruling in the billion-dollar agricultural retail trade.

Fertilizer giant Agrium won Competition Bureau approval to purchase 210 crop retail stores from Viterra in a takeover agreement. The approval gives Agrium a 50 percent market share in the business nationwide.

“If there are local issues, that farmers don’t have op-

tions, we will keep an eye on it,” said Blair Rutter, executive director of the Western Canadian Wheat Growers Association. “We are concerned with the number of retail outlets, but hopefully we will see new entrants.”

The Competition Bureau approval came on condition that Agrium sell six retail outlets in Alberta, and one in Saskatchewan. Agrium will also be required to divest itself of nine anhydrous ammonia

distribution centres in the two provinces, and must seek regulators’ approval before buying or selling any assets.

“There are some independents,” noted Rutter. “As long as they don’t get bought up we are going to see a good level of competition.”

Rutter added, “The Bureau did at least recognize there were concerns here and this has gone some distance to addressing them.”

The approval by the anti-trust agency came more than a year after Agrium proposed

its takeover. Commissioner John Pecman told reporters in a statement, “This agreement will preserve competition.”

The agency declined *Blacklock’s* interview request.

“We have nothing against any of the companies,” said Norm Hall, president of the Agricultural Producers Association of Saskatchewan. “We appreciate the Bureau looked into all the aspects of the case.”



BY KAVEN BAKER-VOAKES

FEDS TO EASE HEMP RULES

Health Canada proposes the biggest deregulation in 15 years in the hemp trade, restricted for decades as drug trafficking.

The department served notice of hearings into revisions of its 1998 *Industrial Hemp Regulations* that tightly restrict commercial harvesting and processing. Hemp is a cannabis plant with less than 0.3 percent of tetrahydrocannabinol, the psychoactive ingredient in marijuana.

“We’re not asking for full deregulation,” said Kim Shukla, executive director of the Manitoba-based Canadian Hemp Trade Alliance. “We are seeking clarity of ambiguities

in the regulations.”

Industrial hemp is used to manufacture fabrics, rope and edible oil. Commercial growers have an estimated 50,000 acres under cultivation, by industry estimate. Manitoba traditionally has been the largest producer and processor of the product.

Health Canada declined *Blacklock’s* request for an interview on its regulatory review.

Under regulations enforced through the *Controlled Drugs & Substances Act*, industrial hemp growers must submit to frequent criminal background checks; submit Global Positioning coordinates for their

fields; repeatedly apply for licenses to grow hemp; keep all harvested product under lock; and retain detailed records on product distribution and storage.

Growers are also restricted from seeding fewer than 10 acres to hemp, or growing within a kilometre of any public place “usually frequented” by children.

A 2009 study *Canadian Hemp Industry Review Project*, conducted by growers and the Department of Agriculture, found numerous complaints with the regulations, including a lack of standardization in lab testing of crops, and requirements for annual licensing.

Growers also protested repeated police checks and lengthy wait-times to process license applications.

“Hemp has been put at a disadvantage over other crops for years because of costly provisions,” said Shukla, who noted that annual sampling and testing requirements “can be quite a cost for producers.”

Health Canada said it will conduct hearings this fall into further deregulation of the industry. Industrial hemp had been outlawed under the 1938 *Narcotics Control Act* until regulators licensed its commercial production fifteen years ago.



BY TOM KORSKI

Googling “Help Wanted”

New research suggests that economists track Google search terms as a bellwether on economic trends.

The C.D. Howe Institute paper proposes that trending Google words and phrases may provide real-time insight into Canadians' economic well-being.

“There’s nothing out there for us to watch the economy on a daily or high-frequency basis,” said Prof. Greg Tkacz, chair of the Department of Economics at St. Francis Xavier University and author of the institute’s report, *Predicting Recessions in Real-Time: Mining Google Trends and Electronic Payments Data for Clues*. “Official government data on things like gross domestic product have a two-month lag; we need data we can follow on a high-frequency basis.”

Tkacz, a former Bank of Canada researcher, said the central bank employed similar methods during the beginning of the financial crisis as it searched for innovative ways to respond to the crisis.

“A lot of this data is starting to be used by some countries to look at the possibility of forecasting labour market outcomes or employment,” said Tkacz. “For example, people start a job search on the internet, so a search on the use of the term ‘jobs’ would be a good indicator of where the economy is going.”

Tkacz said his research determined that Google searches on “recession”, by example, grew more frequent in the weeks leading to the financial panic of 2008.

“The word ‘recession’ doesn’t have many uses outside of economics, so if

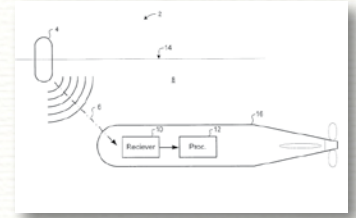
you look up ‘recession’ you would be interested to know if we are going into one,” said Tkacz. “The Google search on that word started spiking around August and September of 2008; by October it signaled a strong recession was underway.”

Tkacz said the selection of keywords for searches is crucial to his research, and that available data only goes back to 2004.

“This paper is really a first shot at looking at these things,” he said. “It certainly leaves the door open for finding the optimal words or search terms that would give us the best indicator about how the economy is performing.”


 BY KAVEN BAKER-VOAKES

“Patent” from Pg. 5



vehicle may become lost if it attempts to follow a false homing signal.”

The improved system is less susceptible to interference and crucial in the Arctic, authorities explained in the Industry Canada patent application: “With thick ice covering, it may be impracticable for a ship to follow the AUV. Moreover, with a thick ice covering, the controller ship may drift with the ice flow, so that the AUV must navigate to a location for retrieval that is some distance from the point of launch.”

 BY STAFF

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No Action On Subsidies?

Infrastructure Canada vows it will meet its own deadline in detailing new public works subsidies, though local authorities caution that time for planning is running short.

"Municipalities are anxious," said Brock Carlton, CEO of the Canadian Federation of Municipalities. "They have to start planning now for what projects they want done in 2014."

Cabinet in its March 21 budget promised new subsidies under a Community Improvement Fund would be in place next calendar year, in addition to indexing of a \$2 billion-a year gasoline tax transfer. Proceeds are to help finance upgrades of roads and utilities.

"We have been assured it will be ready for the next construction season," said Carlton.

Claude Dauphin, mayor of Lachine, Que. and federation president, urged that Infrastructure Canada "act quickly and sign funding agreements."

Contractors and industry groups agreed time is short if new capital

projects are to get underway next spring.

"The money is not scheduled to flow until the next fiscal year," said John Gamble, president of the Association of Consulting Engineering Companies. "We think there is urgency to having the application process in place as soon as possible so we can hit the ground running."

The department pledged the deadline of the new fiscal year, April 1, would be met, but provided no other details.

A spokesperson for Infrastructure Minister Denis Lebel said that cabinet "is committed to having new agreements in place by March 31 and is working with all partners, including the Federation of Canadian Municipalities, to this end."

An original subsidy program that expires this year, the \$33 billion Building Canada Fund, subsidized more than 85,000 projects from hockey rinks to commuter rail links, by federal estimate.

 BY ALEX BINKLEY

"THANKS, JIM"

The Department of Finance will reap a multi-billion dollar surplus in unemployment insurance premiums, according to a new report. The little-noticed windfall forecast was preceded by Finance Minister Jim Flaherty's public announcement of a premium freeze in the Employment Insurance fund.

"It's clear they were already running a pretty whopping surplus," said Gregory Thomas, federal director of the Canadian Taxpayers' Federation; "They're essentially locking in a substantial tax grab."

Flaherty announced a three-year freeze on current premiums of \$1.88 per 100 dollars in earnings. Research by the Office of the Chief Actuary determined that, even with the freeze, the treasury will pull in \$3.2 billion more in annual premiums than it pays in EI benefits.

The *Actuarial Report On The Employment Insurance Premium Rate* projected premiums will raise \$22.85 billion next year, compared to payments to jobless workers of \$19.66 billion.

Flaherty's department has fixed rates of EI premiums since the dissolution of the Canada Employment Insurance Financing Board last Dec. 14.

"After jacking up rates for three years



in a row, they freeze them here for three years," said Thomas. "We all know that they're going to be collecting substantial surpluses, and there's no talk about meaningful reforms to the system."

"Thanks, Jim," Thomas added.

The Chief Actuary forecast economic growth of 2.5 percent next year, with a decline in the national jobless rate from the current 7.1 percent to 6.9 next year, based on finance department projections.

 BY ALEX BOUTILIER

DO AS I SAY, NOT AS I DO



The Department of Finance has incurred tens of thousands of dollars in penalties for failing to pay its bills on time. The late-payment interest charges, detailed in volumes of financial accounts, came as officials repeatedly cautioned consumers to pay their debts.

"We're a fairly frugal government," Finance Minister Jim Flaherty earlier told reporters. Flaherty's department did not explain in detail why it incurred late charges, but said corrective measures had been taken including "additional training to administrative officers and financial staff".

Financial records released through the *Access to Information Act* indicate the department paid \$21,713 in late-payment charges to federal contractors last fiscal year. Penalties ranged from \$3,458 to computer consultant Insight Software Canada Ltd., to a \$4.87 fee charged by University of Calgary economist Jack Mintz.

"Professor Mintz respectfully declines comment," a spokesperson told *Blacklock's*.

Other late payments included:

- \$862 to Thomson Reuters (Markets) Canada for financial data subscriptions;
- \$402 to Cossette Communications Inc.;
- \$428 to Global Upholstery Co. Ltd., a manufacturer of ergonomic office chairs;
- \$218 to Deloitte & Touche LLP;
- \$152 to Stikeman Elliott LLP;
- \$90 to the Conference Board of Canada;
- \$82 to pollster Harris/Decima;
- \$27 to Britton's Glebe Inc., an Ottawa newsstand;
- \$26 to The Canadian Press;
- \$3 to Tim Hortons.

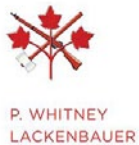
Records dating from 2006 indicate the finance department has suffered late-payment charges every fiscal year to couriers, printers, telecom companies, movers, taxis, temporary personnel firms, office equipment suppliers – and \$1895 in penalties for skipping payments on American Express bills.

 BY TOM KORSKI

REVIEW: THE RUSSIANS ARE COMING

THE CANADIAN RANGERS

A LIVING HISTORY



In the 1950s any Soviet paratrooper who attempted to land in the Northwest Territories would have faced the Canadian Rangers, a crack team of marksmen assigned to wage guerrilla-style “hit and run” operations on the tundra.

The Russians never landed. By the laws of inertia, the Rangers remained. Historian P. Whitney Lackenbauer celebrates these Cold Warriors who in 66 years never fired a shot in anger. Instead, they became a caricature.

“Clad in their red sweatshirts, they appeared regularly in media photographs,” Lackenbauer writes without irony; “Rangers greeted Queen Elizabeth II and Prince Philip when they arrived in Iqaluit to begin their Golden Jubilee visit. The Queen made particular note of the Rangers’ presence and told them how much she liked their uniforms.”

Professor Lackenbauer is a respected scholar. His difficulty is in chronicling members of an armed force whose military careers were never interrupted by combat. At one point he is reduced to telling the story of a Labrador Ranger who used icebergs for target practice.

The history of this odd force dates from 1947, when the first company was formed in Dawson City. The captain was a local storekeeper. In 1956 the Rangers’ strength peaked at 2725 men, mainly ex-cops, Inuit trappers and Hudson’s Bay clerks.

“Should an enemy ever advance over the Arctic barrens,” explained the Cold War-era *Montreal Gazette*, “the Ranger

role would be hit-and-run operations to stall the invading force until Canada’s mobile striking force could be transported or parachuted into the area.”

The Rangers received neither pay nor training, but satisfied a romantic ideal: “They are a flexible, inexpensive and culturally inclusive means of having ‘boots on the ground’ to demonstrate sovereignty and to conduct or support domestic operations,” Lackenbauer writes.

Whatever military purpose was served by the Rangers vanished Oct. 4, 1957 with the Soviet launch of a 23-inch satellite Sputnik 600 miles into orbit. Now the Russians didn’t have to parachute into Dawson City; they could fling a missile overhead into Washington D.C.

Regardless, *The Canadian Rangers* is a celebration. “The Rangers’ basic mandate –to provide a military presence in sparsely settled northern, coastal and isolated areas of Canada that cannot conveniently or economically be provided for by other components of the Canadian Forces’– has remained remarkably consistent since 1947,” Lackenbauer writes.

Well, maybe.

Readers are told of the experience of John Sperry, an Anglican missionary who served as a Ranger lieutenant in Coppermine, NWT. Sperry received his commission in the mail and never held any meetings: “No one ever asked him to report on the number of Rangers in the platoon.” Captain Sperry’s only function was to sign up volunteers, hand them a government-issue rifle and distribute the annual ration of bullets.

The Rangers’ yearly ammunition budget was \$8.35 per volunteer.

It was a long fall from making the Arctic safe from the Soviets.

BY HOLLY DOAN

The Canadian Rangers: A Living History by P. Whitney Lackenbauer; UBC Press; 658 pages; ISBN 9780774824538; \$34.95



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“WORK FORCE ADJUSTMENT”

a poem by Shai Ben-Shalom

In the lobby of a federal building
three faces were smiling from the wall:
Her Majesty the Queen,
The Right Honourable Prime Minister,
and The Honourable Minister.

On the way to the parking lot
I saw a few
who did not smile that day;
however,
they were further down the hierarchy.

(Editor’s note: the author is an Israeli-born biologist; he recently published his first collection of poems, *Martians Among Us*, with In/Words Press)



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Agostinho, Luis – of Toronto, reappointed a member, Immigration & Refugee Board, Toronto Office, effective Nov. 15

Cunningham, Lynne – of Calgary, reappointed a member, Immigration & Refugee Board, Calgary Office, Sept. 1

Ellis, Karen – of Ottawa, appointed president, Federal Economic Development Agency for Southern Ontario, with a salary in the range of \$188,600 to \$221,800, August 12

Gagnon, Yves – of Ottawa, appointed Ambassador to Cuba, with a salary in the range of \$131,200 to \$154,300, August 12

George, Roland – of Calgary, reappointed a member, National Energy Board, August 8

Hall, James – of Toronto, appointed a director, Atomic Energy of Canada Ltd., August 1

Kowal, Harry – of Ottawa, appointed Principal, Royal Military College, with a salary in the range of \$167,700 to \$197,200, August 1

Lafleur, Annie – of Montreal, reappointed a member, Immigration & Refugee Board, Montreal office, effective Nov. 15

Natynczyk, Gen. (Ret'd.) Walter – of Ottawa, appointed president, Canadian Space Agency, with a salary in the range of \$216,900 to \$255,100, August 6

O'Sullivan, Susan – of Ottawa, reappointed Federal Ombudsman for Victims of Crime, with a salary in the range of \$121,700 to \$143,100, August 16

Paradiso, David – of Ottawa, appointed interim chair, RCMP External Review Committee, with a salary in the range of \$139,900 to \$164,500, August 1

Paul, David – of Perth Andover, N.B., appointed Deputy Chief Commissioner, First Nations Tax Commission, August 6

Saccomani, Bruno – of Ottawa, appointed Ambassador to Jordan, with a salary in the range of \$131,200 to \$154,300, August 30

Vreeswijk, Wilma – of Ottawa, appointed Associate Deputy Minister of Citizenship & Immigration, with a salary in the range of \$188,600 to \$221,800, Sept. 17

Zicherman, Doris – of Montreal, reappointed a member, Immigration & Refugee Board, Montreal Office, effective Oct. 18

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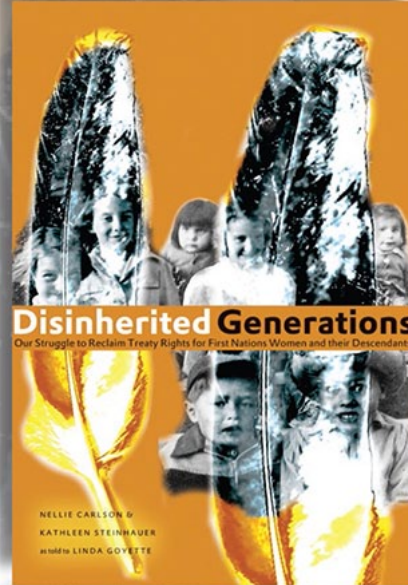


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