

Failure to Clear Operations Seen**Canada Probes Reported CIA**

By Eric Malling

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OTTAWA, May 29—Canadian police are investigating allegations that the U.S. Central Intelligence Agency is operating under cover in Canada without the Canadian government's permission.

Although the United States and Canada have a long-standing agreement to keep their intelligence agents off each other's soil unless explicit permission is given by the host government, there have been some reports recently that alleged CIA agents have operated in Canada.

Canada's Solicitor General Warren Allmand, the man in charge of the Royal Canadian Mounted Police yesterday ordered his force to root out any covert CIA operations in Canada. He also said he was concerned about FBI operations in Canada and wanted additional safeguards against U.S. agents crossing the border without permission.

Allmand told a House of Commons committee that possible infiltration of Canadian organizations is "a serious matter," and if the CIA is operating illegally in Canada there will be diplomatic repercussions.

Earlier, a spokesman for the External Affairs Department warned that covert CIA operations in Canada would be "clearly unacceptable conduct."

The U.S. embassy here has denied that the CIA has any operations in Canada beyond the normal "liaison and coordinating functions."

Conservative Party Member of Parliament John Reynolds said the CIA investigated a former Howard Hughes employee, John Meier, in Vancouver. Reynolds has a statement from Virginio Gonzales, a Mexican who says he worked for the CIA from 1959 to 1974. In the statement Gonzales claims he was ordered by the CIA to tail Meier in Canada.

Also, Canadian Television

(CTV) network last week said it discovered that an agent who was identified by renegade spy Philip Agee in his 1975 book, *Inside the Company: CIA Diary*, worked in Canada from 1971 to 1974.

Agee said Emilio Garza, a 43-year-old American of Mexican descent who worked for the AFL-CIO's American Institute for Free Labor Development in Colombia, was the "most effective of the career labor agents" with whom he had worked.

Garza came to Canada in 1971 to teach cooperative or-

ganization and community development in a government-funded course for promising Latin American students at the Coady International Institute in Antigonish, Nova Scotia, CTV reported.

The Coady course is based on organizing techniques employed by Catholic priests in Nova Scotia in the 1930s. The school attracts about 100 foreign students each year and is considered an ideal place to keep tabs on emerging leaders from developing countries.

After more than a year at

the Coady, Garza went to Halifax where he helped a volunteer foreign aid group get \$24,500 from the Canadian International Development Agency (CIDA), the television network said. In March 1973 CIDA sent him to Peru on a three-week contract to help organize a Canadian-sponsored fishing cooperative.

Later Garza applied unsuccessfully for a full-time job in CIDA and for another as Latin American director for Canadian University Service Overseas, Canada's version of

the Peace Corps. CTV found. He actually finished second in the competition for the job with the student agency.

Had he won, he would have gone into Cuba and other Latin American countries, as a Canadian official.

Garza left Canada last year for a job in Indonesia with the U.N. International Labor Organization. After 12 months with the ILO he went to work early this year for the Washington-based Asian-American Free Labor Institute, an offshoot of the outfit Garza was

with when Agee knew him as a "recruited and controlled agent."

[In Washington, an official of the institute, also linked to the AFL-CIO, said Garza was hired in January of this year "on temporary assignment pending consideration" for a permanent job. He said Garza was traveling in South Asia working on a labor education program. The official said that the institute had no information, other than Agee's report, that would indicate that Garza had been a CIA agent.]

Abuses