

News briefs

Panarctic Oils Limited announced on May 15 the discovery of major new reserves of natural gas in the Arctic islands. President Hetherington said that the Whitefish H 63 well might prove to be the single largest gas accumulation found on the top of the world.

Manitoba Finance Minister Craik presented his budget to the Legislature on May 15. Highlights include: a five-year freeze on hydro rates for individuals and most industries; elimination of the two-tiered mining royalty system in favour of a single tax rate as a way of encouraging more mining activity; selective tax cuts, including larger sales tax exemptions for children's clothing, restaurant meals, and used furniture and clothing. The total deficit for 1979-80 will be \$122.6 million.

Nova Scotia government house leader Roland Thornhill recently announced that shore patrols would be in operation almost immediately as he outlined details of Nova Scotia's emergency oil detection task force.

The Federal Government has awarded a total of \$3 million to ten companies as the second phase of its program of assistance to solar manufacturers. The companies, selected from 42 applications, will each receive contracts for up to \$300,000 to design, test and market new solar equipment that can be used in the \$125-million solar heating purchase program.

CSP Foods Limited will ship to India approximately \$17 million of crude rapeseed oil, starting in July. This is the largest such sale in the history of the company, owned by the Manitoba and Saskatchewan wheat pools.

Air Canada has placed a \$300-million order for six long-range Lockheed L-1011-500 aircraft, at about \$49.6-million each, and has taken an option on nine more. The order is the first phase of

the airline's \$3.5-billion renewal program, which also will include aircraft for medium-range operations over ten years. The L-1011, also known as the Tristar, is built by Lockheed Aircraft Corp. of Burbank, California. It will be powered by Rolls-Royce RB211-524B4 engines built in Britain.

Travel figures in the first quarter show a 8.3 percent drop in Canadian visits to the United States and a 1.5 percent decline in trips to other foreign destinations, compared with last year's figures. During the first three months of the year, 6.9 million Canadians travelled in the United States, compared with 7.5 million in the corresponding period in 1978. Trips abroad fell to 536,000 from last year's first quarter figure of 544,000.

Hawker Siddeley Canada Limited of Toronto has been awarded freight car contracts valued at \$17.5 million by three African countries - Cameroun, the Republic of Togo and Malawi.

The seasonally-adjusted unemployment rate remained at 7.9 per cent in April, Statistics Canada reports.

CP Air will increase its discount to senior citizens on one-way economy fares on transcontinental routes to 25 per cent from 10 per cent, effective June 6.

The Bank of Montreal has signed a \$300-million (U.S.) loan agreement with Financiera Nacional Azucarera S.A. of Mexico, for sugar industry development.

House prices across the country are expected to increase by less than 5 per cent in 1979, but prices in Alberta should continue to rise by about 12 per cent, Lloyd Metcalf of the Canadian Real Estate Association told Alberta realtors at their annual convention in Jasper, Alberta.

Canada had the largest one-year increase in electricity costs in 1978, but "still leads the world in the lower cost for industrial electrical power", a study of ten major industrial countries by National Utility Service of New York indicates.

Manufacturers operated at 89.6 per cent of capacity in the first quarter of 1979, up from 88.3 per cent in the fourth quarter of 1978 and the highest level since the second quarter of 1974 when the rate was 91 per cent, Statistics Canada reports.

The price of domestic beer brands in Ontario rose by about 7 per cent, effective May 14. The increase is in addition to the recent tax increase of 10 cents on a case of 24 and will raise the price of a case to \$8.90, including deposit.

Maritime Telegraph and Telephone Co. reduced rates for intra-provincial long distance calls and extension telephones on May 15, a move which will save subscribers an estimated \$2.3 million this year and \$4 million in 1980.

Canada faces a serious shortage of university-trained managers which may deter improved economic performance, Max Clarkson, head of management studies at the University of Toronto, writes in the latest issue of the Conference Board's quarterly review. Business, he said, had been like a parasite, relying on graduate schools in the U.S. to provide higher education in management.

The Export Development Corporation will finance in part two major export contracts, one to Davie Shipbuilding of Lauzon, Quebec, who won a \$25-million contract with a Los Angeles drilling firm, and the other to Hymac Limited of Laval who is selling \$1.14-million worth of paper mill equipment to a Mexican firm. The transactions will generate 1,000 man-years of Canadian employment.

The price of single-family houses will increase by 50 per cent by 1985, David Greenspan, chairman of the federal-provincial task force on the supply and price of serviced residential land, told the annual convention of the Urban Development Institute in Calgary.

The Quebec government will invest \$453 million in highway construction in 1979. Most of the money will be spent in the Lower St. Lawrence region, the North Shore, the Gaspé, Quebec City and the Ottawa Valley.

Texasgulf Metals Company has reduced its copper prices in Canada and the U.S. The new prices in the U.S. are 92 cents (U.S.) a pound for full plate cathode, 92.5 cents a pound for cut cathode and 92.625 cents a pound for wirebar. In Canada, prices are \$1.06 (Cdn.) a pound for full plate cathode, \$1.065 a pound for cut cathode and \$1.06625 a pound for wirebar.

Consumer markets, the demand for government services and the shape of Canada's economic development will all be influenced by the slowing of population growth and the aging of the population in the last quarter of this century, according to a publication by Woods, Gordon and Company entitled *Tomorrow's Customers*. Disposable income is expected to grow at about 3 per cent a year to the mid-1980s, compared with 6.5 per cent in the 1970s.

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