

## TARIFFS EASED FOR AUTO FIRM

The following statement was made recently in the House of Commons by the Minister of Finance, Mr. Walter Gordon:

...On behalf of my colleague the Minister of Industry, I wish to announce to the House certain temporary tariff arrangements which have been extended by Order-in-Council to the General Investment Corporation of Quebec in order to permit that company to begin the production of Renault and Peugeot automobiles in Canada.

The General Investment Corporation of Quebec is a private company, wholly owned by Canadians, which was created by the government of Quebec last year to stimulate and promote the formation and development of industrial undertakings in that province. It has entered into agreements with the French companies Regie Nationale des Usines Renault and Société Anonyme des Automobiles Peugeot for the manufacture of their automobiles in Canada. Under the agreements, the General Investment Corporation will build and equip a factory of its own to assemble and finish these vehicles.

### UNIQUE UNDERTAKING

This undertaking is unique in that a Canadian-owned company will make automobiles under licence for

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### B.C. SITE FOR NEW OBSERVATORY

Prime Minister Pearson has announced that a site in southwest British Columbia has been selected as the location for the new Queen Elizabeth II Observatory, which will house one of the largest optical telescopes in the world. The site, chosen after an intensive survey, is at the top of 6,200-foot Mount Kobau, 14 miles northwest of the town of Osoyoos, in the area of Keremeos and Oliver on a direct line from the United States border, and overlooks the Okanagan Valley on the east and the Similkameen Valley on the west.

After the site had been selected by astronomers of the Observatories Branch of the Department of Mines and Technical Surveys as best meeting scientific requirements, the Prime Minister got in touch with Premier Bennet of British Columbia, who has undertaken that the necessary land, which is provincial Crown land, will be made available without charge so long as it continues to be required for the operation of the observatory.

### ADVANTAGES OF SITE

Among the requirements for an observatory site are stable, dry air, a region not subject to fast-moving weather fronts, clear skies, no extremes of temperature, and not too much auroral activity. It is important, as well, that the site be well away from industrial development and population centres.

The area in which Mount Kobau is located is in the dry belt of the British Columbia interior and is a

foreign motor-vehicle producer. From the outset, components will be purchased from Canadian parts makers; other parts will be imported from French companies. There will be a progressive reduction in the proportion of imported parts used as Canadian sources are developed. The finished automobiles will be sold to the Canadian subsidiaries of the French companies for distribution in Canada and for export.

Initial plans provide for annual production of 8,000 automobiles requiring a work force of 250 people.

The output of the company, when added to that of Volvo in Dartmouth, Nova Scotia, will give Canada a substantial production of European-type automobiles. There has been a continuing demand for this type of vehicle by Canadian consumers, who will now be able to choose between several Canadian-made products.

These transitional arrangements in respect to customs duties are comparable to those provided Volvo of Canada, Ltd., taking into account the relative values added in Canada in the production of these vehicles. As in the case of Volvo, the special arrangements are for five years and there is a progressive reduction in the tariff concessions over this period...

northward extension of the Great American Desert. Sites in western Alberta and eastern British Columbia were also investigated by government scientists.

A new highway, the Richter Pass Road, runs across the southern slope of the mountain, and the gradual rise from road to summit will simplify building of an access road. Power lines pass seven miles to the northeast and a water supply is available at the site from a lake and a mountain spring near the summit.

The top of Mount Kobau is a plateau eight miles long and two miles wide, providing ample room for auxiliary instruments and buildings. Provision will be made for tourists, with picnic grounds and parking areas on the site.

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### NEW CANADIAN ARMoured CARRIER

Canada's NATO brigade in Germany has received its first armoured personnel-carrier. The carrier, known as the M113 A1, arrived at Dusseldorf airport aboard an RCAF "Hercules" transport aircraft, and went to the brigade's No. 4 Field Workshop, Royal Canadian Electrical and Mechanical Engineers.

The M113 A1 is an 11-ton, tracked, amphibious and cross-country, diesel-operated vehicle, which can transport 11 fully-equipped soldiers. It has a cruising range of 300 miles with a maximum speed of 40 mph, and is the first of 300 such vehicles the brigade expects to have available for training next year.