

News briefs

Canada, the United States, Japan and the nine-member European Economic Community were among the signers of the new Tokyo Round trade agreement recently, which lists the results of more than five years of complex bargaining under the auspices of the General Agreement on Tariffs and Trade.

Food costs were the main contributors to an increase in the consumer price index last month, being responsible for about half of the 9.2 percent annual increase.

A downward trend in Canada's terms of trade has masked the very substantial improvement in the country's merchandise trade position since 1975, according to the Bank of Canada.

Thousands of residents of Manitoba's Red River Valley have been ordered to leave their homes because of the worst spring flooding since 1950. The evacuation area extends from south of Winnipeg to the United States border, and about 20 kilometres wide each side of the Red River. Manitoba Premier Stirling Lyon said that the dikes encircling the communities were expected to hold but that it would be risky for people to remain in isolation behind the dikes, cut off from help and medical supplies.

The Bank of Montreal has announced some lower term deposit rates, effective April 25. For amounts under \$100,000 for one to under two years the new rate is 9¾ per cent, for two to six years, 9½ per cent. Certain CD rates in minimum amounts of \$5,000 will decline to 10 per cent for one and less than two years and to 9½ for two to five years.

Air Canada had a record after-tax profit of \$47.5 million in 1978, according to the annual report, released on April 24. The airline's previous best profit year was 1977, when it made \$20 million.

Hawker Siddeley Canada Limited has been awarded an \$84-million contract by ITEL Corporation of San Francisco to build 2,000 covered hopper cars. Delivery will begin next year.

Simplified customs duties meaning less delay and paperwork for manufacturers will go into effect immediately, Revenue Minister Abbott announced recently.

Prince Edward Island voters elected 21 Progressive Conservatives and 11 Liberals to the provincial legislature on April 23. Progressive Conservative leader Angus MacLean becomes P.E.I.'s new premier. At dissolution, there were 16 Liberals, led by Premier Bennett Campbell, and 15 Conservatives.

A policy requiring that all future subdivisions be aligned in a north-south direction to provide optimum solar possibilities has been approved by the Brampton, Ontario, city planning committee. The first test will be a 206-unit community to be built soon.

This year's slaughter of beef cattle could end up 12 to 15 percent below the 1978 level, say Agriculture Canada economists, who also predict a further 10 to 15 percent drop in supply in 1980. The price outlook for the remainder of 1979 is uncertain, the economists say. So far this year, strong consumer demand appears to be responsible for the sharp increase in beef prices. But past economic relationships suggest that current prices are higher than consumers will be willing to support in the longer term.

A pause in the recent sharp recovery of the Canadian dollar appears likely soon, but later in the year it should be trading above 90 cents (U.S.), according to participants in a Toronto seminar on the outlook for the currency. Economist James Lymburner argued that "a major shift in the world's wealth towards Canadian assets" was imminent. "The Canadian dollar is now a commodity currency again, rather than a reflection of the U.S. dollar."

Trans Mountain Pipe Line Company Limited of Vancouver has applied to the National Energy Board for permission to build an oil pipeline from Low Point, Washington, to Edmonton. The company estimated that the terminal and 141-mile pipeline in the U.S. would cost \$200 million (U.S.) and the 680-mile Canadian facility, \$383 million (Cdn.).

Job vacancies for professionals rose 8 per cent in the first quarter of 1979 compared to the level in the last quarter of

1978, and were 35 percent higher than they were a year earlier, according to a survey by the Technical Service Council. Increased competitiveness in Canadian manufacturing was cited in the increase. University and college graduates are facing brighter job prospects this year. Recruitment is up from 5 to 20 per cent at most institutions.

The Canadian Imperial Bank of Commerce has become the first Canadian bank to negotiate directly a credit agreement with the Bank of China. The Canadian bank will extend a five-year, \$100-million (U.S.) credit facility to the Peking bank.

Farmers' cash receipts totalled \$2.26 billion in the first two months of this year, up 10.1 per cent from \$2.05 billion in the corresponding period a year earlier, Statistics Canada reports. The figure covers all provinces except Newfoundland, which has little farming.

The federal Cabinet has approved loans and loan guarantees by the Export Development Co-operation that will permit Davie Shipbuilding Limited of Levis, Quebec, to sell two mobile platforms worth a total of \$48.6 million (U.S.) to Global Marine Incorporated of Los Angeles.

The demand for steel in Canada could grow by about 5 per cent this year, following an 8.3 percent increase in 1978, Dofasco Limited of Hamilton says in a quarterly newsletter. The report notes that Canadian mills will provide most of the increase in tonnage and imports will be "slightly higher".

Noranda Mines Limited and Hudson Bay Mining and Smelting Company Ltd. have reduced their copper prices. Effective immediately, Noranda's domestic price is reduced 4 cents to \$1.12 a pound and in the U.S. by 3 cents to 98 cents (U.S.). Hudson Bay has reduced its domestic price for full-plate electrolytic copper cathodes to \$1.12 from \$1.17.

The two drug divisions of Warner-Lambert Canada Limited of Toronto have merged under the name Parke Davis and Company Limited to become the second largest pharmaceutical manufacturing company in Canada.

As this issue went to press, Montreal Canadiens were leading 2-1 over Boston Bruins and New York Rangers were 2-1 over New York Islanders in the best-of-seven game semi-finals of the National Hockey League's Stanley Cup.

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