

# Canada Weekly

Ottawa  
Canada

Volume 9, No. 29  
August 26, 1981

EXTERNAL AFFAIRS  
AFFAIRES EXTERIEURES  
OTTAWA  
Aug 31 1981  
LIBRARY / BIBLIOTHÈQUE

REF

## Reduced inflation, unemployment, priorities of Ottawa Summit

In a communiqué issued at the close of the two-day Ottawa Economic Summit, July 21, world leaders stated that "the fight to bring down inflation and reduce unemployment" must be their highest priorities.

The "need to revitalize the economies of the industrial democracies...and strengthen world prosperity" was the primary challenge addressed at the meeting, stated the communiqué, excerpts from which follow:

"...We must involve our peoples in a greater appreciation of the need for change: change in expectations about growth and earnings, change in management and labour relations and practices, change in the pattern of industry, change in the direction and scale of investment, and change in energy use and supply.

"We need in most countries urgently to reduce public borrowing; where our circumstances permit or we are able to make changes within the limits of our budgets, we will increase support for pro-

ductive investment and innovation. We must also accept the role of the market in our economies. We must not let transitional measures that may be needed to ease change become permanent forms of protection or subsidy.

"We see low and stable monetary growth as essential to reducing inflation. Interest rates have to play their part in achieving this and are likely to remain high where fears of inflation remain strong. But we are fully aware that levels and movements of interest rates in one country can make stabilization policies more difficult in other countries by influencing their exchange rates and their economies. For these reasons, most of us need also to rely on containment of budgetary deficits, by means of restraint in government expenditures as necessary. It is also highly desirable to minimize volatility of interest rates and exchange rates; greater stability in foreign exchange and financial markets is important for the sound development of the world economy.

### Inside...

Reduced inflation, unemployment, priorities of Ottawa Summit . . . . .	1
CIDA grants to help Grenada's government and industry . . . . .	3
Canada/Mexico student exchange . . . . .	3
Arm ready for space shot . . . . .	4
Universities and world food . . . . .	4
Drilling rights granted . . . . .	5
Telidon used by Venezuelan government to improve communications . . . . .	5
Bird sanctuary opens in Montreal . . . . .	6
International wheat agreement . . . . .	6
Research aids cheese industry . . . . .	6
Propane vehicles promoted . . . . .	6
News of the arts - painting, awards . . . . .	7
Hazardous waste study . . . . .	8
News briefs . . . . .	8



Participants in the Ottawa Summit (left to right): European Commission President Gaston Thorn; Japanese Prime Minister Zenko Suzuki; West German Chancellor Helmut Schmidt; United States President Ronald Reagan; Canadian Prime Minister Pierre Trudeau; French President François Mitterrand; British Prime Minister Margaret Thatcher; and Italian Prime Minister Giovanni Spadolini.

After holidays and a postal strike, the Weekly is back on schedule with a slight change in masthead and typestyle.



External Affairs  
Canada

Affaires extérieures  
Canada

Aug. 26/81

Bob Cooper