

EXPANSION OF MAJOR AIRPORTS

Canada's two largest airports — Dorval (Montreal) and Malton (Toronto) — are experiencing the effects of a global demand for more and better passenger and air-cargo services. In its effort to be ready for the growth in scheduled services expected during the next 15 to 25 years, the Department of Transport has carried its planning at Montreal and Toronto to a point beyond which it cannot go without consulting Quebec and Ontario provincial and municipal authorities. Among the questions that must now be jointly considered are construction zoning in areas adjoining airfields and the planning of ground-transportation facilities.

In a recent statement Transport Minister Paul Hellyer said that discussions would soon be held with the lower levels of government regarding major expansion of the two airports. The Federal Government, he said, planned to spend from \$200 to \$300 million on airport modernization in both cities.

NEW AIRPORT POSSIBLE AT MONTREAL

The original plans for the present terminal facilities at Dorval were drawn up in the mid-fifties to cover a ten-year period of growth. This terminal was meant to handle about four million passengers a year, and this figure has now been reached. Forecasts indicate that eight million passengers could be expected in 1975 and 17 million by 1985; an even more rapid growth of air-cargo requirements for Dorval was forecast, multiplying tenfold the present volume of 46,000 tons within the next ten to 15 years. Future airport facilities must also allow for much larger aircraft, such as "jumbo jets" and probably supersonic aircraft.

The residential construction in the immediate

vicinity of Dorval airport is already curtailing full-time use of all facilities and further major expansion is in doubt. The construction of a new international airport is probable, with Dorval continuing to function within its present limitations. A suitable location can be decided only after discussions with provincial and municipal authorities.

SITUATION AT TORONTO

The original planning in 1957 of the Malton airport was also meant to cover a ten-year growth period in the expectation of from three to four million passengers a year. Passenger traffic has grown very rapidly, exceeding four million at present. By 1980, forecasts indicate that 14 million passengers will use the Malton airport each year, and 19 million by 1985. By the turn of the century, 25 million passengers will use the airport each year. Air cargo will increase, according to forecasts, from the present 30 million pounds a year to over 900 million pounds by 1985.

Because a substantial amount of land near Malton is unoccupied, the most economical solution there is to expand the present facilities. Zoning measures will be necessary to ensure that, in surrounding residential areas, noise and safety factors are taken into consideration and adequate ground transportation developed. If such measures do not appear to be practical a new site would have to be found.

To meet immediate requirements for interim expansion — particularly the expected introduction of jumbo jets in the next five years — Department of Transport plans for the new terminal buildings at both Toronto and Montreal are well advanced and it is expected that contracts will be let next year.

TRADE PACT RENEWED WITH HUNGARY

Mr. Jean-Luc Pepin, Minister of Trade and Commerce and Minister of Industry, signed a Protocol on August 9 in Budapest, renewing for three years the 1964 most-favoured-nation trade agreement between Canada and Hungary. Dr. Jozsef Biro, Minister of Foreign Trade, signed for the Government of Hungary.

During the next three years, Hungarian foreign trade enterprises will purchase Canadian goods to a value of \$15 million. They will also look to Canada as a source of supply for additional goods, the Canadian prices of which are competitive.

WHEAT TRADE

Although wheat as such is not mentioned in the new agreement, Hungary will continue to consider Canada as a source of it. Hungary, a wheat exporting country, experienced substantial shortages in the late fifties and early sixties, but in recent years its expanding production has been more than sufficient to meet domestic needs.

Canada's exports to Hungary since the first agreement was signed totalled \$20 million, with wheat accounting for \$6.5 million. Other major exports were hides and skins, sulphur and copper scrap. Imports from Hungary in the same period, valued at \$15.5 million, consisted of specialty foods, clothing, textiles, glassware and a wide range of other consumer products.

ECONOMIC DE-CONTROL

During Mr. Pepin's visit to Hungary, Dr. Biro outlined the main features of the "New Economic Mechanism" introduced in Hungary on January 1. He described the system as providing for the gradual decentralization of control over imports and exports, and modification of the system of economic management permitting market forces to play a greater role in the development of the Hungarian economy. There has already been a considerable increase in the number of Hungarian firms licensed to deal directly in foreign trade. For the Canadian exporter this should mean greater access to end-users in Hungary