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interference is only what we would expect from a trusted neighbour. It should be an example for others.

Indeed there is much in our relationship that others could emulate. We live in a world where trust between neighbours is in woefully short supply and where suspicion and cynicism are the principal ingredients in international dealings. How satisfying in such a climate to know that in Canada-U.S. relations a simple phone call between Ottawa and Washington is often enough to resolve a serious problem and that a handshake can serve as well as a complex treaty.

We Canadians want to keep things that way; I am sure you Americans do too. And we will!

CMHC makes generous loan

The largest single loan ever made to a municipality under the federal sewage-treatment program was announced recently.

The commitment of \$66,660,400 in seven Central Mortgage and Housing Corporation (CMHC) loans was made to the Montreal Urban Community (MUC) for the improvement and expansion of sewage-treatment facilities.

The MUC collection and treatment program, begun in 1974 with the approval by CMHC of a \$22-million loan to build an 11-foot diameter sanitary sewer tunnel, has been estimated at more than \$1.2 billion. The Federal Government expects to provide two-thirds total funding or some \$800 million.

Since 1974, CMHC has loaned more than \$231 million to the MUC for the financing of its sewage-collection and treatment program. Twenty-five per cent of the loans are forgivable, which to date,

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is estimated at a \$56-million rebate.

The latest loans will be used to buy the land required to build the sewage-treatment plant as well as to fund the contracts to be awarded for actual construction. As many as 2,500 man-years of employment are expected to be generated.

In making the announcement Urban Affairs Minister André Ouellet stated: "Central Mortgage and Housing Corporation has been making loans since 1961 to assist municipalities and municipal sewerage corporations in the construction of sewage-treatment projects for the control of water and soil pollution. In subsequent years, the legislation under which this

program is authorized has been amended, notably to encourage comprehensive land use and residential development in previously undeveloped areas, and through acceptance of municipal trunk sewers and water-supply systems as eligible for assistance.

"Altogether, the Government of Canada has approved more than 3,700 projects under this program with a dollar value of more than \$1.5 billion.

"During this period, more than 700 loans have been approved to towns and cities in the province of Quebec for a total of \$356 million. Of this amount, \$67 million is forgivable."

News briefs

A Montreal firm, the SNC group, has signed a \$100-million contract for the first phase of an electrification project in Saudi Arabia, Trade Minister Jack Horner said recently. Total value of the project will be \$300 million.

Leonard H. Newman, Dominion Cerealist with the Federal Department of Agriculture from 1923 to 1948, has been named to the Canadian Agricultural Hall of Fame. Dr. Newman was a founder and secretary of the Canadian Seed Growers' Association where he pioneered the principles of registered seed production. Dr. Newman, 96, is the oldest living graduate of the Ontario Agriculture College in Guelph, where he received his agriculture degree in 1903.

Claude Ryan, publisher of the Montreal daily newspaper *Le Devoir*, says he will not be a candidate for the leadership of the Quebec Liberal Party, as had been hoped. After having taken a "fresh look" at his role in the community he says his decision is "firm and irrevocable".

The number of people without jobs eased slightly during October to 787,000 from 798,000 a month earlier, although the seasonally-adjusted unemployment rate was unchanged at 8.3 per cent, Statistics Canada reports.

The Finance Department has reported that Canada Savings Bonds payroll sales at November 1 were up 12 per cent from the sales result in the corresponding period a year earlier.

The Canadian Export Development Corporation has agreed to a loan of \$102.6 million to support the sale of

\$114 million of Canadian goods and services to Iran Wood and Paper Industries Inc., with the Bank of Montreal participating in the loan.

Large increases in food and home-ownership charges raised the cost of living by 1 per cent in October, Statistics Canada reported on November 15. The increase was the highest for any month since March and resulted in a 12-month inflation rate of 8.8 per cent as measured by the federal agency's consumer price index.

A five-year, \$2.77-million research program aimed at reducing the high cost of mining exploration was announced by Frank Miller, Ontario's natural resources minister, on November 15.

Newfoundland has established regula-tions for offshore oil and gas drilling in a continuation of its dispute with the Federal Government about control of undersea minerals. The dispute is likely to be referred to the Supreme Court of Canada. The new regulations would provide Newfoundland with 40 per cent ownership of all gas and oil found in the 700,000-square-mile offshore area claimed by the province.

Transport Minister Otto Lang announced on November 2 that a contract of about \$90 million had been awarded to Bombardier-MLW Ltd. of Montreal to buy 22 locomotives and 50 coaches for the new VIA Rail passenger service. It is the first major purchase of rail-passenger equipment in Canada in more than ten years.