

## News briefs

**Gordon S. Smith** has been appointed Deputy Under-Secretary of State for External Affairs (Management and Planning) effective September 11, 1979. Born in Montreal, Mr. Smith studied at McGill University and at the University of Chicago and obtained his Ph.D. in Political Science from the Massachusetts Institute of Technology, specializing in questions of international security and order. He joined the Department of External Affairs and worked in Ottawa in the Defence Liaison Division before being posted to the Canadian Delegation to NATO. In 1970, Mr. Smith became Special Adviser to the Minister of National Defence. In 1972, he joined the Privy Council Office, where he has held a variety of positions; most recently he has been responsible for the implementation of the new Cabinet structure and decision-making process.

**MacMillan Bloedel Ltd.** of Vancouver has signed a long term contract to supply kraft pulp to China. The amount of pulp to be supplied was not disclosed but Calvert Knudsen, president of MacMillan, says the contract calls for substantial volumes of bleached and unbleached kraft pulp. The initial term of the agreement is three years and will continue after that unless terminated by either party.

**New Zealand Railways** has ordered ten diesel-electric locomotives from General Motors of Canada Limited in Oshawa, Ontario. The company says the units will be similar to 20 others supplied to New Zealand Railways earlier this year, bringing to 168 the number of units built at General Motors' London, Ontario, diesel division for the New Zealand fleet.

**The Federal Government** will have to borrow only \$10 billion this fiscal year, down from the \$10.8 billion forecast by the former government, Finance Minister Crosbie has announced. The budgetary

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deficit now is expected to be \$11.3 billion, down from \$13 billion. Real GNP is expected to rise by 3 per cent in 1979, down from the range of 4 per cent to 4.5 per cent previously forecast. Also, consumer price inflation is expected to be 9 per cent compared with the budget forecast of 6.5 per cent. The unemployment rate is expected to average "no higher than 8 per cent" in 1979.

**Alberta's gas producers** and Trans-Canada PipeLines Limited of Toronto have both been granted a 7.5 percent increase in their respective Alberta border price netback and gas transmission charges by the National Energy Board. The new Alberta border price for gas rose to 10.6 cents *per* thousand cubic feet, effective August 1.

A **\$155-million** hydroelectric plant will be built in southern Newfoundland to alleviate a power shortage expected by 1983, Leo Barry, Newfoundland's Mines and Energy Minister, has announced. Mr. Barry says work on an access road to the site from the existing 580-megawatt hydro station at Bay d'Espoir will begin this year. The new plant, in a wilderness area, will produce 81 megawatts and is scheduled for completion by October 1982. The project, known as the Upper Salmon development, has been under study since 1975 and is the second of its kind announced during the past three years.

**Loans totalling \$134,442,796** were made under the Farm Improvement Loans Act during the six months from January 1, 1979 to June 30, 1979. Under this legislation the Government may guarantee loans by chartered banks and other designated lenders to farmers for a wide range of purposes. The maximum that a borrower may have outstanding is \$75,000. The Farm Improvement Act was introduced in 1945 and since then loans totalling \$4,025,756,309 have been made.

**Sixty-one national welfare grants**, totalling \$2,759,805 have been renewed for another year, Health and Welfare Minister David Crombie has announced. The grants cover a wide range of demonstration and research projects and other activities in the social welfare field. The grants are designed to promote improvements and innovation in welfare services by providing financial assistance, consultation, information and advice to welfare agencies for short-term research, demonstration and other project activities.

**The Insurance Corporation** of British Columbia will begin a new \$55-million automobile insurance program to remove discriminatory insurance rates and place the cost burden on bad drivers. As of March 1, 1980, the average premium will drop to \$280 from \$393.

**Canadian assets** in the Société Générale de France, one of the world's ten largest banks, have soared from \$20 million less than two years ago to \$200 million in 1979. The bank has 2,600 branches in France and 200 foreign branches on five continents. Profits in 1978 were \$225 million on revenues of \$75 billion.

**The Winnipeg Commodity Exchange** says trading during the 1978-79 crop year reached its highest level in 25 years. More than 2,055,000 contracts with an estimated value of \$8.9 billion were traded in the futures market of the exchange in the year ended July 31. All six grains traded, registered gains over the previous year's figures. The largest increases were in barley and feed wheat. Barley volume was 122 percent higher than it was a year earlier with 722,485 contracts traded. Wheat trade was up 106 per cent to 312,881 contracts.

**Sympatico**, one of Canada's main hopes for a gold medal in the 1980 Olympic equestrian events, died recently in Puerto Rico. The horse, owned and ridden by Terry Leibel of Toronto, contracted a virus while in San Juan for the Pan-American Games in July. He won his jumping event, but had been ill since. Sympatico held the world puissance jumping record of 7 feet 4 inches and had been the top Grand Prix horse in the United States from 1972-75.

**Litre Beater**, a car with a cardboard covering kept together with sticky paper, had the best performance in the special category of a "fuelathon" staged recently by Shell Canada Ltd. in Oakville, near Toronto. The aim of the "fuelathon" was to travel the furthest distance using the least amount of gasoline over an 8.9-kilometre course at average speeds not lower than 24 kilometres an hour. *Litre Beater* used 0.283 litre of gasoline in 100 kilometres. The other car in the competition, *Fuel Scrooge*, came in with 0.493 litre *per* 100 kilometres. In the only other competition, the free-style or production models where engineers tune their own cars, a Chevrolet Malibu station wagon won with 6.925 litres of gasoline *per* 100 kilometres.