

Demand for Canadian goods and services continues to be high

A broad review of Export Development Corporation (EDC) business conducted in 1978 and a general outlook for potential export sales in 1979 are featured in the Corporation's annual report for 1978, just released.

John A. MacDonald, chairman and president of EDC, points out that, despite widespread predictions of a slowdown in the economic growth in many areas of the world, the lower exchange rate of the Canadian dollar has acted as a major stimulus for exports. He expects the demand for Canadian goods and services to remain strong, particularly in the developing countries.

In 1978, EDC's business volume more than doubled, rising to over \$6 billion from \$2.6 billion in 1977. It is calculated that the availability of EDC financing was responsible for approximately 50 per cent of the export of capital goods and services outside North America. EDC's profit of \$29.5 million for 1978 is up substantially over the amount of \$18.7 million earned in 1977, reflecting the Corporation's increased volume of business activity and asset base.

During 1978, the Corporation arranged 32 lending transactions, including guarantees and lines of credit, in 20 countries, involving more than 300 Canadian exporters and major suppliers across Canada, for a record amount of \$3.6 billion, representing a threefold increase over the 1977 volume.

Largest agreement ever

EDC also signed its largest-ever financing agreement for a single project in 1978, as the major participant in a U.S. \$730-million financing arrangement for construction of a natural gas-processing plant in Algeria. Loans and guarantees totalling \$88 million were also made on behalf of the Government of Canada.

Lines of credit continued to be an important tool in assisting Canadian exporters to market abroad. EDC signed an unprecedented \$1.2-billion line of credit with Algeria in 1978. Agreements were also signed with a number of other countries, including Mexico, Indonesia and the Soviet Union.

The Corporation's insurance support — surety, export credits insurance and foreign investment guarantees — increased in volume to over \$3 billion in 1978 from



Over 100 of these off-track universal carriers, made by Canadian Foremost Ltd., of Calgary, have been sold to the U.S.S.R.

\$1.5 billion in 1977.

EDC issued a record \$2.95 billion in export credits insurance on its own account in 1978 and \$31 million on behalf of the Government of Canada. At the end of 1978, EDC had some 950 Export Credits Insurance policies in effect across Canada, covering sales of goods and services to buyers in 150 countries.

Coverage under the insurance program was extended to exporters' sales which are invoiced in 17 freely-convertible currencies, including Canadian and U.S. dollars.

The Corporation's foreign investment guarantees facility now encompasses a new type of cover. The recent boom in world-wide oil exploration has created opportunities for a number of Canada-based oil exploration and development companies showing expertise and capacity in the field. EDC has responded by expanding coverage against political risks to eligible companies for the exploration phase as well as the production phase of a project. Among the potential benefits to Canada from production-sharing agreements of the Canadian investing companies is the opportunity for new sources of oil. The aggregate coverage outstanding for the foreign investment guarantee program totalled \$202 million at the end of 1978 compared to \$184 million in 1977.

Credit rating high

All borrowings during 1978 to fund the lending transactions of EDC were under-

taken by the Corporation in its own name as will be those required for future years. Mr. MacDonald explained that, in 1978, EDC raised all its borrowing requirements, amounting to \$450 million, from public and private capital markets throughout the world. EDC's "triple A" credit rating and status as a profitable Crown corporation allowed it to borrow money at attractive rates.

Ryanodol synthesized by Sherbrooke scientists

After 11 years of research, two chemists from the University of Sherbrooke, Quebec, Pierre Delongchamps and Luc Ruest, have succeeded in synthesizing what is believed to be the most complex molecule ever constructed by man — ryanodol.

The synthesis was as difficult as that of Vitamin B-12, which won the Nobel Prize in Chemistry for Robert Woodward of the United States in 1965.

Ryanodol is no more valuable in itself than Vitamin B-12; in fact, it is easier and less expensive to extract it from certain South American plants. But the work of the two chemists has enabled the discovery of various chemical reactions previously unknown, as well as the creation of 300 new compounds, and the development of new techniques for use in research and in the pharmaceutical industry.

Women's image in advertising

"The use of sexist stereotypes in advertising is an impediment to the changing status of Canadian women and...the negative portrayal of women is becoming increasingly offensive," stated Communications minister Jeanne Sauvé at a meeting of the Second International Advertising Show in Montreal recently. Because of Government's concern over this, a committee to monitor sexist stereotyping in the electronic media had been formed, said Mrs. Sauvé, which would look particularly at advertising for sexist content and would make its findings public.

The image of women as presented by the media, said the minister, was important in the promotion of the status of women.

The 12-member committee, chaired by Stella Baudot of Montreal, held its first meeting April 27.