

## Chrysler gets government assistance

The Canadian Government has agreed to give Chrysler Canada Limited \$200 million in loan guarantees in return for guaranteed investment levels of approximately \$1 billion and other investments by Chrysler Canada and Chrysler Corporation.

In making the announcement May 10, federal Industry, Trade and Commerce Minister Herb Gray said the Federal Government's assistance is subject to a number of conditions.

Chrysler Canada must invest approximately \$1 billion in Canada in the period 1980-85. Four hundred million dollars of this investment, and a specific project for which the loan guarantees must be used, will be for the conversion and expansion of Chrysler's existing van plant to produce a new small fuel-efficient van/wagon to be built exclusively in Canada.

Chrysler will also spend more than \$250 million to improve existing production facilities and to build one of the new lines of front wheel drive small cars to be introduced in 1983.

Also, more than \$300 million will go to improving several existing assembly and manufacturing operations.

The investments, outlined in Chrysler's corporate plan, are expected to lead to an employment level of 15,900 by 1984.

In recognizing the difficulty of projecting automotive job figures through to 1986, the Minister said that Chrysler has agreed, in addition to providing target employment figures, to maintain the historic ratio of U.S. to Canadian jobs (11 per cent of U.S. total) from 1982 to 1986. During the restructuring phase (1980-81) that figure is based on a 9 per cent average.

Deviation from either the investment financing and facilities outlined in the corporate plan, or from the employment commitments is possible only with the Minister's approval.

Mr. Gray outlined the consequences that would result from failure of Chrysler Canada. There are 40,000 jobs across Canada directly dependent on the company: some 16,000 in dealerships; 10,000 employed by parts suppliers; and 14,000 employed by the company.

The Ontario government has agreed to provide a \$10-million grant to Chrysler Canada to establish a research and development facility.

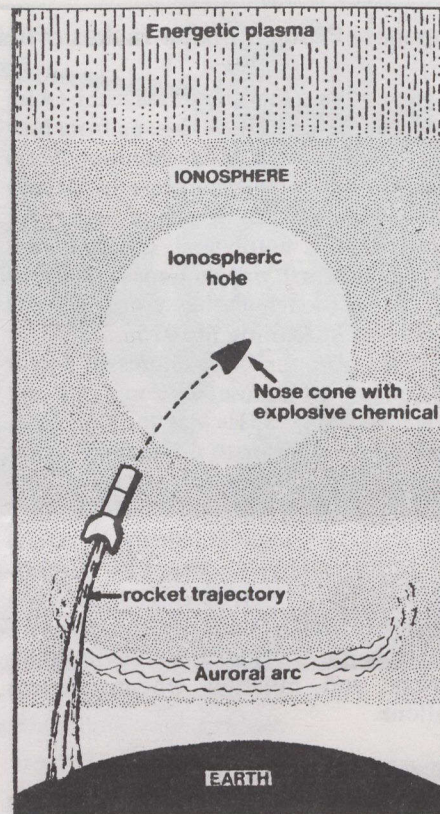
## Scientists study Northern Lights

Canadian and American scientists recently punched a hole in the ionosphere to learn more about the links between the earth's magnetosphere, innosphere and the mechanisms of the Northern Lights.

Under a research project called "Waterhole" or "Trou d'eau", scientists from the National Research Council in Ottawa and the Los Alamos Scientific Laboratory in New Mexico launched a rocket into the ionosphere from the Churchill Research Range on the western shores of Hudson's Bay. The scientists are studying what happens to the ionosphere when 200 pounds of chemicals explode and create a region where the number of ions is dramatically reduced — a so-called hole in the ionosphere.

The research group will also try to discover the mechanisms that drive and energize the Northern Lights. They believe a large number of powerful currents flow between the lower and the upper limits of the ionosphere and reach out into space into the comet-shaped magnetic field of the earth called the magnetosphere.

The ionosphere is a region of the atmosphere between 60 and 1,000 kilometres above the earth where shortwave radiation from the sun splits the oxygen and nitrogen molecules of the air into



Chemicals were exploded in ionosphere.

atoms, ions (atoms minus one or more of their electrons) and free electrons. It helps radio communication because it reflects radio waves back to the ground.

## New cable television technology gets assistance

The Federal Government will contribute \$1.2 million towards development of what could be Canada's most sophisticated multi-service two-way cable TV system, Communications Minister Francis Fox has announced.

Prime mover behind the four-year, \$4.5-million program is Télécable Videotron, a major Montreal area cable TV firm serving some 95,000 subscribers. With federal backing, and along with a number of other participants, the firm will develop a pilot system capable of providing new services such as videotex, fire, burglar or medical alarm-monitoring and home video games — in addition to conventional, one-way cable television distribution.

The Government will contribute \$700,000 to the program from the Department of Communications, with an additional \$500,000 provided by the Department of Supply and Services.

A major component of the project is a 250-terminal field trial of Telidon, the Government's interactive television technology, which provides subscribers with access to text and graphics from a variety of data banks. The Telidon trial is to take place in 1982.

Extensive modifications to current cable systems will be required if the new interactive services are to be realized. The systems will have to be able to both "address" and receive messages back from individual subscribers, combining the broadband capabilities of cable distribution with the flexibility of telephone-type switching.

Besides the federal Department of Communications and Télécable Videotron, other participants in the program include the Montreal newspaper *La Presse*, Ecole Polytechnique de Montréal, the University of Quebec and Hydro-Quebec.