

New federal budget in May

Finance Minister John Turner plans to present a new budget to the House of Commons before the end of May. The last budget was tabled on November 18, 1974.

Mr. Turner said that he wanted to study three factors before announcing the date of the budget: the directions of United States economic policy; the impact of proposed increases in the prices of oil and gas; and the possibility of reaching a consensus on holding down prices and incomes to fight inflation.

The Finance Minister said he considered that inflation and recession were equally important problems "but if inflation isn't brought under control, the prospects of...growth are impaired and growth is necessary for employment".

His announcement followed reports that the national unemployment rate in March had risen to 7.2 per cent – the worst it had been for 14 years – and that housing construction was below that expected, with starts on new dwellings only half of what they had been in March last year.

Stamps honour authors

Two 8-cent stamps will be issued on May 15 in honour of Lucy Maud Montgomery and Louis Hémon, authors of *Anne of Green Gables* and *Maria Chapdelaine* respectively – two of the most outstanding characters in Canadian literature.

The Montgomery commemorative is from a painting by Peter Swan, which captures the flesh tones of Anne's face crowned by her red hair, on a background of light blue with darker blue typography; the Louis Hémon issue is a likeness of Maria Chapdelaine on a bluish-purple background, from a painting by Clarence Gagnon.

"There must be very few Canadians who have not read or heard about the world-famous 'Anne' books and the well-known novel of French-Canadian pioneer life, *Maria Chapdelaine*," said Postmaster General Bryce Mackasey. "We are fortunate indeed that L.M. Montgomery and Louis Hémon contributed their considerable talents to our heritage of Canadian literature."

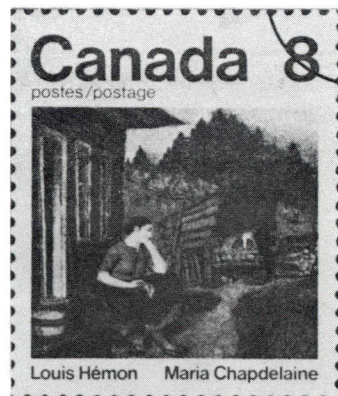


L. M. Montgomery

Lucy Maud Montgomery, born in Clifton, Prince Edward Island in 1874, was raised by her grandparents in the village of Cavendish. She submitted her first manuscript to a publisher when she was 11 years old.

She kept her ideas for stories in a notebook. In 1904 she found an old entry which said, "Elderly couple apply to orphan asylum for a boy. By mistake a girl is sent to them." It sounded like a good idea for the book, *Anne of Green Gables*, which eventually made her famous.

L.M. Montgomery married Rev. Ewan MacDonald, a Presbyterian clergyman, in 1911. They moved to Ontario, where she combined her careers as a "conscientious housekeeper" and a productive artist. Further novels continued to stress "the recurring myths of girlhood". She died in Toronto in 1942.



Louis Hémon

Louis Hémon, who was born in Brest, France in 1880, came to Canada in 1911.

In the Lac St-Jean region of Quebec he worked on a farm near the town of Péribonca. There, inspired by the area's people, he wrote *Maria Chapdelaine*, a realistic portrayal of habitant life. Some Quebec nationalist

groups disliked the novel, preferring the traditional romantic view of farming. The habitants, enraged at finding themselves in print, hurled Hémon's statue into the Péribonca River. Nevertheless, European acceptance of the book guaranteed its popularity in Canada. Hémon, however, did not live to see its success. He was killed by a train near Chapleau, Ontario in 1913.

Special mission to Angola and Mozambique

A special Canadian diplomatic mission will visit Angola and Mozambique from May 5 to 26, to make first contact with the provisional governments and future leaders of these Portuguese African countries, which will become independent later this year.

The mission's report will assist in the formulation of Canada's policies and future relations with the two territories in Southern Africa.

The group will be headed by Canadian Ambassador to Greece, Michel Gauvin, who has served as Chargé d'Affaires in the Congo (now Zaïre) and Ambassador to Ethiopia with accreditation to Madagascar and Somalia. Mr. Gauvin has travelled widely throughout Africa during seven years of diplomatic service on that continent. He has also represented Canada in Portugal as Secretary (1953-55) and as Ambassador prior to his assignment to Greece.

Mr. MacEachen stated that he hoped Canada would establish mutually beneficial relations with Angola and Mozambique, and begin to build contacts with the new countries emerging from Portugal's African territories.

Borrowing restraints removed

The Federal Government has withdrawn its five-year-old guideline that sought to discourage Canadian borrowers from raising money outside Canada. The withdrawal is being made "because the current account of Canada's balance of payments is not now in a surplus position, as it was when the request was made".

In addition, the Government plans to extend the exemption from Canadian withholding tax for interest on Government bonds for another three years to the end of 1978.