

and the husband would be liable to tax on half of that amount. Since the taxpayer's wife would not have paid anything for her interest in the property, she would have no cost. This means that on a later sale of the property, she would be required to treat her full share of the proceeds as a capital gain and would be required to bring one-half of the proceeds into her income.

The change proposed ensures that a capital gain will not arise on the division of the property. The husband will be deemed to transfer his half-interest in the cottage for \$5,000. On any subsequent sale of the property, both the husband and wife would include one-half the gain in income.

### Grants in aid of bilingual programs

Twenty-one grants totalling \$139,405 have been awarded to voluntary organizations to aid them in making use of both official languages.

Some of these grants will help such associations meet the cost of simultaneous-translation services during conferences and the cost of translating their main documents. The associations, required to meet part of these costs themselves, will eventually be encouraged to consider interpretation and translation services as part of their normal operating costs. Other grants are given to organizations to assist in their plans for developing bilingualism.

The following organizations received grants for both simultaneous interpretation and translation of documents:

New Brunswick Psychological Association Inc., Moncton — \$1,185; Federal Institute of Management, Montreal — \$860; International Maple Syrup Institute,

Montreal — \$1,200; Quebec Furniture Manufacturers' Association Inc., Montreal — \$3,500; Canadian Paperworkers Union, Montreal — \$10,700; Canadians For Health Research, Montreal — \$3,755; Canadian Council on Electrical Maintenance, Dorval, Quebec — \$939; The Quebec Society for Autistic Children, Pierrefonds, \$1,025; National Union of Students (NUS), Ottawa — \$3,000; World Literacy of Canada, Toronto — \$2,120; The Children's Broadcast Institute, Toronto — \$7,725; Ontario Association of Family Service Agencies, Toronto — \$9,060; Committee on National Voluntary Organizations, Toronto — \$7,760; Canadian Ethnic Studies Association, Toronto — \$4,520; Canadian Advertising Advisory Board, Toronto — \$1,200; Canadian Association for Pastoral Education, Mississauga, Ontario — \$3,000; Canadian Association of Animal Breeders, Guelph, Ontario — \$1,456.

Four organizations were given grants for their bilingualism-development plans — World University Service of Canada, Ottawa — \$25,000; Canadian Association in Support of the Native Peoples, Ottawa — \$25,000; the Canadian Red Cross Society, Toronto — \$25,000; and the Canadian Federation of University Women, Regina, Saskatchewan — \$1,400.

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### News briefs

**The Bank of Canada** increased its lending rate to 8.5 per cent from 8 per cent, effective April 4, the second time in less than a month. The bank rate was increased to 8 per cent from 7.5 per cent on March 9. Gerald K. Bouey, Governor of the Bank of Canada, said the decision to raise the bank rate had been taken in light of the downward pressure on the Canadian dollar in the unsettled international currency markets.

**The Federal Government** is preparing legislation for the rationing of oil and gasoline if the need arises. Energy Minister Alastair Gillespie told the Commons that the Government hoped to introduce the measure in the next session of Parliament but, he said, such a law would be used only in an emergency.

**Hong Kong and Canada** have signed a memorandum of understanding that calls for Hong Kong to restrain its exports of certain textile products to Canada.

**The Federal Government** has agreed to contribute up to \$26.4 million in a program to encourage industrial development in Manitoba.

A **seasonally-adjusted merchandise** trade surplus of \$306-million was recorded in January, compared with a surplus of \$435 million in December.

**The Government** plans to study the use of a means test to limit eligibility of unemployment insurance claimants. Employment Minister J.S.G. Cullen said on April 4 that an internal advisory body would be asked to examine the idea to bar high-income earners from receiving unemployment insurance benefits. While he did not favour the proposal, he said, complaints had been received about people earning more than \$20,000 a year receiving the benefits which, said Mr. Cullen, he could not "just dismiss out of hand".

**After 38 years**, the McGill University's rowing club is starting up again, reviving a popular sport which once drew up to 2,000 spectators to competitions. From 1926 to 1939 the Montreal university's team excelled under coach Urbain Molmans, winning a number of contests, notably the Henley Regatta in 1927. But Molmans' death and the outbreak of the Second World War brought it to a halt.

**Premier Alex Campbell** of Prince Edward Island has called a provincial election for April 24 in which he will be seeking a record fourth term. The election call came in a packed Legislature shortly after the province's 1978-79 budget was brought down. The Premier predicted a tough campaign. At dissolution, Mr. Campbell's Liberals held 24 seats and the Conservatives held 8 in the 32-seat House.

**Air Canada** will not operate a low-cost domestic charter program this year because it says its Nighthawk flights will be an adequate substitute.

**The St. Lawrence Seaway** is expected to award soon a contract for a cost-benefit study on an extended Seaway season of up to 11 months, according to a senior adviser to the President.

**Union Gas Ltd.** has applied to the National Energy Board to export up to 50 billion cubic feet of synthetic natural gas to the United States.

**Canada** recently captured the gold medal in the world junior curling championship held in Grindelwald, Switzerland, with a 4-2 win over Sweden. It was the second world junior title for the Canadian "skip", Paul Gowsell of Calgary, who won in 1976 in Aviemore, Scotland.

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