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Canada's balance of international payments explained in report

Canada's underlying balance-of-payments position "is stronger than appears on surface", according to the Bank of Canada. Excerpts from the bank's 1979 annual report explaining Canada's balance of international payments follow:

One of the most important questions in recent years about Canada's balance of international payments has been how the balance on current account would respond to the substantial improvement that has taken place since 1976 in the competitive position of Canadian suppliers of goods and services in relation to foreign suppliers both in Canadian markets and abroad.

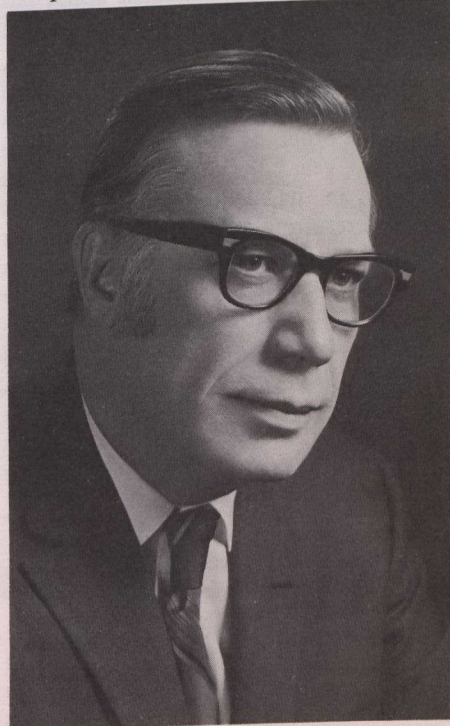
Since 1976 there does not appear to have been much difference in the trends of costs of production in Canada and the United States as measured in their own currencies, and therefore the substantial depreciation of the Canadian dollar in terms of the U.S. dollar has greatly improved the position of Canadian suppliers relative to U.S. suppliers. The Canadian competitive position has improved even

more relative to suppliers from a number of important trading nations overseas since there was also a substantial depreciation of the U.S. dollar against their currencies.

Improved competitive position

There is considerable evidence that Canada's improved competitive position as an international supplier is, in fact, having a substantial effect on a wide part of our international trade. The impact on the total balance on current account has, however, so far been largely offset by other influences, some of them transitory, and [Canada's] underlying payments position is stronger than appears on the surface. This view is reinforced by the present prospects for Canada's international trade in oil and gas.

The improvement in 1979 in the balance on merchandise trade would have been considerably larger but for some developments of a rather special nature. Canada's net deficit on trade in automotive products with the United States grew from 1978 to 1979 by \$2.5 billion to a level of \$3 billion. This was due to a combination of a much weaker market for North American models in the United States than in Canada and a concentration of Canadian automobile production in larger models for which demand in the United States was particularly weak. Also, the physical volume of wheat exports was severely constrained by transportation and handling difficulties although the effect on the value of wheat exports was more than offset by an increase in the price of wheat. In another area of [Canadian] trade where the outcome is determined by special considerations, namely that of crude oil and natural gas, the value of Canada's net exports increased from \$0.3 billion in 1978 to \$1 billion in 1979. The balance of Canada's



Bank of Canada Governor Gerald Bouey.

One-hundred-and-five-years ago yesterday...
The Northwest Territories Act established a
Lieutenant-Governor and Territorial Council.

international trade in other goods improved substantially in 1979, continuing a trend evident since 1975. For this trade, which comprised over two-thirds of Canada's total trade in goods, there was an increase in the net surplus from 1978 to 1979 of over \$2 billion to a level of \$3.7 billion.

Exports increased

The physical volume of exports of goods other than automobiles and parts to the United States, wheat and oil and gas rose by 10 per cent in the year, nearly the same gain as in 1978 and twice that of 1977. The expansion was paced by shipments of highly manufactured goods, one of the more price-sensitive components of exports, which rose by over 20 per cent in each of the last two years. This was achieved in the face of some slowing in the pace of real growth in the United States, by far [Canada's] largest market.

The competitive position of Canadian industry in many areas of trade would have allowed [Canada's] real trade balance to be stronger than it was in 1979 if the output of many suppliers had not been constrained by productive capacity. Indeed, the emergence of high levels of capacity utilization in Canada during the past year or so was in part a manifestation of the response of Canadian industry to its enhanced international competitiveness. Limitations on production capacity and improved profits spurred a marked pick-up in business investment which will increase the scope for the rechannelling of trade flows in favour of Canada in the longer run. However, increased outlays on machinery and equipment worsened the trade balance in 1978 and 1979 because such outlays have a high import content. At the same time imports of industrial materials rose by more than might have been expected in the light of general economic conditions. In both these areas high levels of capacity utilization in various domestic industries, notably machinery and primary iron and steel, forced an increasing reliance on imports. The volume of imports of machinery, equipment and industrial materials rose more than by 15 per cent in 1979 while imports of other goods, comprising over half the total, increased by just 2 per cent.

Net importer of manufactured goods

The surge in imports of investment and industrial goods held the real balance of trade in 1979 in goods other than auto-

motive products with the United States, wheat and oil and gas to much the same level as in 1978. The sharp rise in the value of the net surplus on this trade was mainly the result of a greater increase in the prices of Canada's exports than in the prices of its imports. This improvement in [Canada's] merchandise terms of trade largely reflected upward pressures in world commodity markets. Since Canada is a net exporter of raw materials and a net importer of manufactured goods, an increase in world prices for primary commodities relative to manufactured goods strengthens [its] trade balance.

Trade in services has also responded to the gain in competitiveness. The deficit on the travel account decreased markedly in 1979. Canadian expenditures on travel abroad declined, in sharp contrast to the rapid growth of the previous several years, and receipts increased strongly for the second year in a row, particularly from visitors from countries other than the United States. The effect of the improvement in the travel account on the over-all balance on services and transfers was, however, more than offset by an increase in the deficit on interest and dividends. The continued widening of the latter deficit was due mainly to the growth of Canada's foreign-held debt, the counterpart of the large current account deficits of recent years. Since most of this debt is denominated in foreign currencies, the depreciation of the Canadian dollar has contributed to the increase in interest payments expressed in Canadian dollars.

Although the net inflow of long-term capital into Canada in 1979 was of much the same order of magnitude as in the previous year there were significant changes in its composition. The net outflow resulting from direct investment transactions moderated substantially from its unprecedented level in 1978, but the inflow from borrowing by the Government of Canada in foreign capital markets decreased appreciably. Gross provincial, municipal and corporate financing in bond markets abroad, which had fallen off dramatically from a very high level in 1976, was little changed in 1979.

Favourable energy position

Short-term capital movements in the year resulted in the first substantial net inflow since 1975. The margin of Canadian shorter term interest rates over yields on corresponding U.S. dollar instruments was at no time very large in 1979, and in

the latter part of the year it was on occasion negative, but there was an improvement in attitudes of investors towards Canadian dollar assets. While assessments continued to be tempered by concerns about Canada's large current account deficit and domestic cost and price increases, the depreciation of the Canadian dollar that had taken place was widely viewed in the exchange market as having restored the international competitiveness of domestic industry. Attention also focused on Canada's favourable energy position compared with most industrial countries in a world of rapidly rising oil prices and uncertain supplies. In the event, the exchange value of the Canadian dollar in terms of the U.S. dollar was relatively steady most of the time in 1979 and was a little higher at the end of the year than it was at the beginning.

Negotiations resume on bilateral fisheries agreement

Canada and Spain have overcome difficulties which had been preventing progress in the negotiation of a bilateral fisheries agreement for 1980, the Department of Fisheries and Oceans has announced.

The Spanish Government has advised the Canadian Government that Spanish vessels fishing just beyond the 200-mile limit on Canada's Grand Banks will be withdrawn pending decisions to be taken by the Northwest Atlantic Fisheries Organization (NAFO) in Toronto. The Spanish Government has also agreed to control the fishing activity of its fleet beyond the 200-mile zone in light of the regulations and decisions of NAFO.

This action by the Spanish Government opens the way for a resumption of negotiations for the 1980 bilateral agreement between Canada and Spain aimed at stabilizing the relationship and removing a number of difficulties which have been complicating the bilateral relationship in recent years.

These problems came to a head in January when it was discovered that Spanish vessels were fishing on the Grand Banks just beyond the 200-mile limit. This problem was further compounded by an indication that Spain might not be prepared to live within the limits of NAFO allocations and regulations. These developments led to Canadian officials breaking off negotiations with the Spanish representatives.

Committee on disarmament begins its 1980 session



United Nations

The United Nations Committee on Disarmament began its 1980 session recently at the Palais des Nations, Geneva. The current session is expected to resume consideration of the question of nuclear test ban, cessation of the nuclear arms race and nuclear disarmament, chemical weapons ban, prohibition of radiological weapons and security assurances for non-nuclear-weapon States against nuclear attack. Donald McPhail (Canada), Chairman, urged Committee members to show "a spirit of goodwill and flexibility" in getting down to work. At the presiding table (left to right) are: G.A.H. Pearson (Canada), Jan Martenson, Assistant Secretary-General for the Centre for Disarmament; D.S. McPhail, Chairman; Rikhi Jaipal, Secretary; J.T. Simard (Canada) and Liang De-Fen (China).

Canadian-Spanish trade expected to surge ahead

After stagnant growth for much of the past decade, Canadian-Spanish trade surged ahead in 1979, and trade observers expect a continuation of that trend, along with some major changes in the composition of trade in the next few years, reports Mark Lukaszewicz in the *Globe and Mail*, January 14.

At the end of October, 1979, the total of two-way trade stood at \$218 million, more than 15 percent ahead of the entire year's total in 1978. Growth in previous years was more modest, in the order of 5 per cent annually.

One of the most notable increases resulted from iron ore sales by Sidbec-Dosco of Montreal, the Quebec government-owned steel company. Total iron ore exports rose from \$5.5 million in 1978 to \$23.5 million in the first ten months of 1979. Sponge iron sales totalled \$7.6 million in the ten months, up from zero in 1978.

Coal is probably the most promising

Canadian export item, according to a spokesman of the federal Department of Industry, Trade and Commerce. The first Canadian coal sale to Spain was worth \$4 million in 1978; last year, sales of coal were up to \$13 million by the end of October, accounted for mainly by Alberta coking coal.

Although coking coal will continue to be sold in increasing quantities, Spain is even more keenly interested in thermal coal for use in power generation. A Spanish trade mission visited Alberta and British Columbia in March to consider joint ventures in developing new coal mines. Exports of this type of coal could reach \$40-\$50 million annually in three or four years.

Other important export items are wood pulp (\$18.8 million in the first ten months of 1979), wheat (\$14.8 million), copper ore (\$16.8 million) and steel scraps (\$6.4 million). Exports of each of these items rose substantially from 1978.

University completes ocean study

Canada and the world in general know more about the international management of the oceans today than they did in the early part of the 1970s.

One of the organizations which has made a contribution to improving knowledge about the oceans is the University of British Columbia's Institute of International Relations.

The Institute, headed by political scientist Mark Zacher, has just completed a four-year project on Canada and the international management of the oceans and is about to begin another study focusing on Canada and international trade relations. This study is part of another project — Canada and International Trade Relations — announced earlier. It will involve 23 experts from three UBC faculties, Arts, Law, and Commerce and Business Administration, undertaking 18 separate research studies to produce an estimated 50 publications.

Major changes

Dr. Zacher said the UBC institute decided to embark on the oceans study in the early 1970s when some major international changes were imminent. "In retrospect," he said, "I'm sure we'll look back on the decade of the Seventies as the period which saw the most important changes that have ever occurred in ocean management."

The changes referred to by Dr. Zacher include the extension of jurisdiction by states over all resources to a limit of 200 miles off their coastlines, regulation of the uses of the ocean to prevent pollution, implementation of new navigational restrictions and regulation of the uses of the seabed for mining and military purposes.

These topics have been the subject of more than 50 books, articles and other publications which have been presented by 18 faculty members and seven research associates who were supported by a \$170,000-grant from the Donner Canadian Foundation of Toronto and additional funding from the Department of National Defence, the U.S. Rockefeller Foundation and the Canada Council.

Dr. Zacher believes the major contribution of the UBC project has been to help fill a notable gap in knowledge about oceans issues by generating a great deal of analysis and discussion.

System reduces radiation risk

A revolutionary X-ray system that cuts the amount of radiation to the patient by up to 90 per cent has been developed at St. Joseph's Hospital in Toronto, reports Joan Hollobon in *The Globe and Mail*, January 17.

Dr. David Hynes, radiologist-in-chief, said the hospital has the first working, low-dose fluoroscopic unit anywhere in the world. He said the present system, which also promises to cut costs substantially, is a prototype "but it works, it is a reality". Dr. Hynes is using it routinely on patients every day.

The cost saving comes primarily through using less X-ray film. The film has become 40 percent more expensive over the past few months because of rising silver prices, increasing costs for a hospital the size of St. Joseph's by some \$80,000 a year.

Dr. Hynes estimated the new system can halve the cost of film used for fluoroscopy, which probably accounts for about one-quarter of all X-ray film used in a big general hospital. When the new system can also be applied to ordinary X-rays the cost saving will be even greater.

Ordinary medical X-rays produce the familiar large negatives — radiographs — on which the body image shows up white against a dark background. These can be examined at will and filed away with patient records.

A fluoroscopic examination is also an X-ray taken with the same kind of radiation, but it is an immediate, ongoing event that enables a doctor to look at what the X-ray reveals at the moment the picture is taken. Images appear on a television-like screen showing, for example, blood flowing through the heart.

More radiation is needed for fluoroscopy than for ordinary X-rays because of the process and the time involved. In conventional fluoroscopy, radiation is emitted continuously for periods ranging from two to ten minutes (average about four minutes) to give a continuous moving image. Additional radiation must be given to the patient to obtain a permanent record on film.

System reduces radiation

The St. Joseph's Hospital system reduces radiation from both sources: X-rays are given in short bursts instead of a continuous beam and permanent records are

obtained by photographing the image from the TV screen rather than the patient.

Worldwide concern has been growing in recent years about the hazards of radiation, including radiation from medical and dental X-rays.

The St. Joseph's system uses a multi-image camera to obtain radiographs from the fluoroscopic image, so that up to nine images can be printed on a single ten by eight-inch film.

The camera does not literally photograph the screen that the specialist looks at: it is all done internally. When the specialist sees something on the screen he wants to film he presses a foot pedal. The desired images are instantly transmitted to a monitor inside the equipment which is photographed by the multi-image camera.

Pulsing during fluoroscopy produces an even greater reduction of radiation to the patient. Again, the radiologist controls the equipment so that he can feed in a continuous beam when he wants to obtain the clearest possible picture with a lot of detail or pulse when complete detail is not needed.

Record pork exports

Canada's balance of trade in pork swung from a deficit of almost 100 million pounds in 1977 to a surplus of about 100 million pounds in 1979.

In 1977, Canada imported about 200 million pounds of pork, almost entirely from the United States. In 1978, exports and imports were about balanced at 118 and 116 million pounds respectively.

Last year exports soared to 170 million pounds, while imports were just 70 million pounds, according to Statistics Canada.

By weight, the United States last year was Canada's main export market, but Japan continued to be the top export market in terms of value. Export sales to New Zealand, Cuba, South Korea, Britain and Caribbean countries also increased.

The strong export market last year helped hog producers during a period of large increases in hog production. Pork production is up more than 20 per cent, and for the first time since 1940 there is more pork being produced in Canada than beef and veal combined. The increase has led to a sharp reduction in pork prices and low returns for producers.

Canadian skaters compete at World Championships

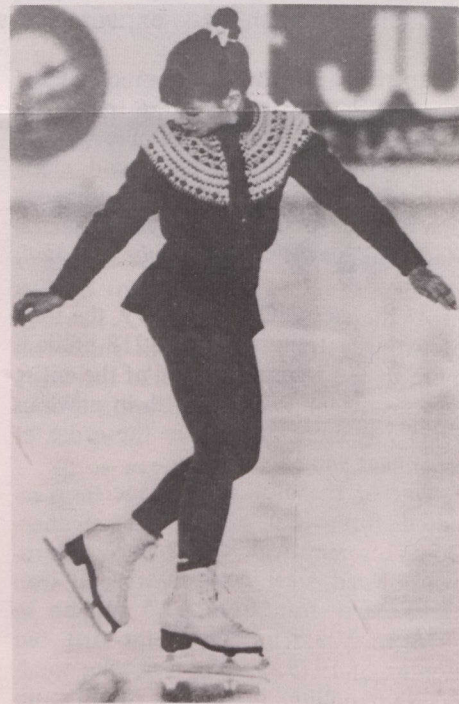
Twelve-year-old Tracey Wainman of Toronto, the youngest Canadian skater ever to compete at the World Figure Skating Championships, finished fourteenth overall at the international competition held recently in Dortmund, West Germany.

Wainman moved up steadily through the competition. She stood twenty-fifth after the first compulsory figure, moving up to twenty-first by the end of the figures section. A seventeenth placing in the short program, then tenth in the long one moved her up to fourteenth overall out of 29 competitors.

Wainman, who won the senior women's bronze at the Canadian Championships this year, said she was "a little bit nervous. I had little butterflies, but I just have to have that to make me skate well". She finished with 164 points and 128 ordinals.

Brian Pockar of Calgary, Alberta, finished ninth in the men's competition, his best placing ever. In the pairs, Barbara Underhill of Oshawa, Ontario and Paul Martini of Woodbridge, Ontario finished eleventh.

The best result came in ice dancing where Lorna Wighton of Don Mills, Ontario and John Dowding of Oakville, Ontario moved into fifth place. Marie McNeil and Robert McCall of Halifax finished thirteenth.



Tracey Wainman practises figures before world figure skating competition.

Tracking the north magnetic pole

Dr. Paul Serson, director of the division of geomagnetism, Department of Energy, Mines and Resources, has been tracking the north magnetic pole for 35 years. Excerpts from an article prepared by him for GEOS, Winter 1980 follow:

Magnetic charts of Canada have a distinctive feature found on no other national charts — the north magnetic pole. It is the point on the earth's surface, some 1,400 km distant from the north geographical pole, to which a magnetic compass would lead a traveller starting from any other point.

There would be no rest for the traveller upon reaching the pole, however, since it is in continuous motion. Every 24 hours it describes an elliptical path about its mean position, and from year to year its mean position gradually drifts in response to the secular variation of the earth's magnetism.

The Department of Energy, Mines and Resources Earth Physics Branch has the responsibility of tracking these hour-by-hour and year-by-year changes, and of providing up-to-date magnetic charts of Canada....

* * * *

The search for the north magnetic pole began in earnest in 1818 with the British Royal Navy's campaign to discover the Northwest Passage. John Ross explored the west side of Baffin Bay. His second in command was Edward Parry, and he had two formidable magnetic observers: his nephew James Clark Ross and Edward Sabine. They measured inclination and made the first measurements of intensity in North America....

From his magnetic observations on the east coast of Boothia...James Ross became convinced that the north magnetic pole lay not more than 100 miles to the west. Travelling with Eskimos and stopping for observations on the way he reached his goal on June 1, 1831. A magnetic needle suspended horizontally by a single fibre of silk showed no directional preference. The dip circle gave a measurement of 89°59 minutes.

(The north and south poles are defined as the two places where the dip stands perpendicular to the surface of the sphere, that is a place where the inclination or dip is 90°.)

...Ross built a cairn to mark the spot at Cape Adelaide. Ten years later the

same James Ross was to become the first man to reach the south magnetic pole.

Ross could detect that the north magnetic pole was moving as he tried to locate it, and he would have liked to investigate its daily and annual motion, but the limitations of his instruments, and of the provisions he could carry, made such a study impossible.

* * * *

With the establishment of the Dominion Observatory in 1905, the Federal Government assumed responsibility for the magnetic survey of Canada. During the next 40 years magnetic observers such as C.A. French and R.G. Madill followed the tracks of the early explorers, down the northern rivers by canoe and to the far north by Arctic patrol ships. A comparison of their observations with those of the nineteenth century indicated a general northward drift of the pattern of magnetic curves. By the end of World War II, the configuration of the magnetic field in the Canadian Arctic had become a matter of interest to the military as well as for civil air transport.

In...1945, the Dominion Observatory organized its first survey to be transported entirely by air, with the aid of the Royal

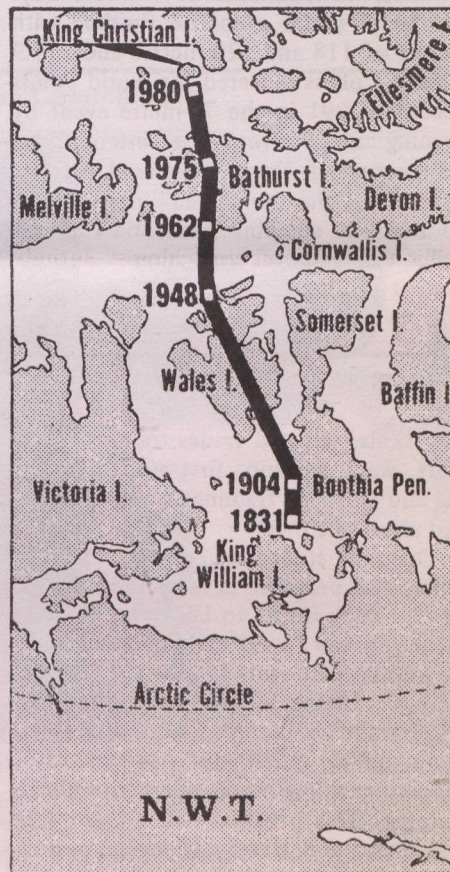
The north magnetic pole has been moving northwest across the Canadian Arctic at 25 kilometres (15 miles) a year and since 1904 has advanced about 800 kilometres (500 miles) northwest. It is now north of the Saskatchewan border just south of King Christian Island in the Franklin District of the Northwest Territories. Because steel ships deflect the needles of scientific compasses, called magnetometers, readings of the pole are often made from aircraft, which are usually non-magnetic, or from the magnetic observatory in Resolute Bay.

Canadian Air Force (RCAF). The expedition was headed by Dr. Morris Innes, who measured the force of gravity at each stop, an operation that took nearly a week in those days. As a student summer assistant [Dr. Serson], was sent on this trip as magnetic observer, obtaining data at ten points in the Western Arctic, the most northerly being Coppermine and Cambridge Bay.

In 1946 [he] was sent as magnetic observer on a three-month circuit of the eastern Arctic on the Hudson's Bay supply ship *Nascopie*. The next few summers, travelling by RCAF Canso aircraft, [the group] surrounded the north magnetic pole with observations taken with a new electronic magnetometer developed especially for use near the pole. The highlight of these surveys was in 1947, when J.F. Clark and [Dr. Serson] observed for 20 hours at Allen Lake on Prince of Wales Island. [Their] average dip was 89°36 minutes, but twice...measured 89°56 minutes, indicating that the pole had come within a few miles of where [they] were standing. In 1948 a magnetic observatory was established at Resolute Bay, and the north magnetic pole has been under constant observation ever since.

* * * *

...James Clark Ross was very fortunate to have measured a dip of 89°59 minutes on June 1, 1831, especially since a measurement with his equipment took an hour, and even on a quiet day the dip can change by 30 minutes in an hour. James Ross realized this, and he published all his readings to allow others to judge whether he had reached the pole or not. Whatever doubts Ross had himself, his readings indicate that he spent a day closer to the north magnetic pole than any observer since.



Globe and Mail, Bernard Bennell

The route of magnetic north since 1831.

Canadian ski-jumper sets international marks



Sixteen-year-old Steve Collins scored four victories in 14 days.

Steven Collins, a 16-year-old from Thunder Bay, Ontario recently won his first World Cup ski-jumping event registering a record-setting jump off the 90-metre hill in Lahti, Finland.

Collins soared 124 metres, surpassing the Lahti hill's previous mark, set by 1978 world champion Tapio Raisanen of Finland. Collins collected 146 points for the jump, finishing 14.3 points ahead of Finland's Jouko Tormanen, followed by Austria's Hubert Neuper.

The Canadian ski-jumper is tied for tenth in World Cup points. He placed ninth at the Winter Olympics in Lake Placid, New York and later won the

World junior championship in Ornskoldsvik, Sweden.

Collins scored his fourth ski-jumping victory in 14 days by winning both the 70- and 90-metre events during the Big Thunder International in Thunder Bay. In the 90-metre event he finished with jumps of 118 and 120 metres and 271.9 points. Collins bettered the world points record of 291 in the 70-metre event by earning 292.9 from the international jumping panel. His two weekend victories gave him the combined international tournament standing with 564.1 points followed by Robert Moesching of Switzerland at 474.9 points.

Armed forces youth summer employment program

The Canadian Armed Forces will provide employment for approximately 13,000 students across Canada this year as its contribution to the federal Summer Youth Employment Program (SYEP). To finance the project, the Department of National Defence has been allocated \$12.6 million.

Under the SYEP, the Forces will conduct Reserve Force and cadet training programs designed to give both secondary and post-secondary students temporary employment.

The Reserve Force training program will permit approximately 5,800 students to train with the militia and the naval, air and communication reserves. Subjects to be covered include general mili-

tary skills, selected trades training, fieldcraft, watermanship, first aid, orienteering and weapons training as well as sports and physical fitness.

Open to students 17 years of age or older, the program pays a minimum of \$147 a week for six to 12 weeks' employment between June 1 and September 1.

Additionally under the SYEP, the Forces' existing summer cadet programs will be allowed an increase of approximately 6,800 cadets and student staff, thereby enabling more cadets to undergo training. This program offers free room and board and travel costs to all participants plus a \$100 bonus for those cadets completing six week's training.

Curlers take title

A Canadian rink won the women's world curling championship held recently in Perth, Scotland.

Marg Mitchell's Saskatchewan rink, made up of Nancy Kerr, Shirley McKendry and Wendy Leach, earned Canada its first victory in the women's world championship by beating Sweden 7-6 in an extra-end game that took three hours and 15 minutes to play.

Bypasses lessen heart attacks

Patients who survive coronary-bypass operations have a much lower rate of heart attacks than heart patients who have not had such surgery, a study by one of Canada's leading open-heart surgeons indicates.

The findings of a recent study on the post-operative lives of open-heart patients were described in Sudbury, Ontario recently, by Dr. Paul Field, the first surgeon in Canada to perform an open-heart bypass operation.

Paris meeting

The study, which he said is the first follow-up of its kind on open-heart patients and which he presented to an international meeting of cardiovascular specialists in Paris in December, found that only 7.1 per cent of his open-heart patients suffered subsequent heart attacks.

The study also discovered that the annual death rate of his patients who survived the operation with no complications is 1.7 per cent a year. The normal annual mortality rate of patients with some kind of heart condition is 10 per cent.

Dr. Field performs 250 open-heart operations a year at Sudbury's Memorial Hospital, and only about 1 per cent of patients who have received the operation since he first performed it 11 years ago have died as a result of surgical complications.

The study revealed that 80 per cent of open-heart patients went on to lead normal lives, often returning to heavy work in the mines and mills of the area's nickel industry, while only about 10 per cent had been able to live and work normally before the operation. The surgery also lessened dependency on drugs.

News of the arts

Ontario increases funds to support film industry

Ontario's fast growing film industry will receive increased funding through a greatly expanded support program stressing film location promotion and film location services.

Following recommendations by a five-man committee representing major film associations, the Ontario Government is doubling its budget in support of the industry and will increase its marketing efforts for Ontario-made film through participation in three major film trade shows.

Immediate attention is being given to boosting Ontario's film location promotion activities through expanded advertising in selected film trade publications, an updated film industry directory and a complete remake of Ontario's film locations guide illustrating potential film sites in the province.

The provincial government will also work with two Federal Government agencies, the Canadian Film Development Corporation and the Festival Bureau, in order to avoid duplication of support. Ontario will concentrate on directing its

marketing support to television film, considered the fastest growing segment of the industry.

This will be done mainly through Ontario exhibits at selected film trade shows such as the International Television Program Market (MIP) in Cannes, the largest television film market in the world; the National Association of Television Program Executives (NATPE) in California, attended by U.S. syndicators of television film and the International Film, TV Film and Documentary Market (MIFED) in Milan, the world's second largest television film market.

The film industry working committee, which has indicated total support of the program, is composed of William Marshall, president, Canadian Association of Motion Picture Producers; Ralph Ellis, president, Canadian Television Program Distributors' Association; Robert Barclay, president, Directors Guild of Canada; Millard Roth, executive director, Canadian Motion Picture Distributors' Association and Findlay Quinn, president, Canadian Film and Television Association.

Canadian Cultural Centre receives British Columbia gift



A 13-foot high totem pole, a symbol of Nootka art, was presented to the Canadian Cultural Centre in Paris by the representative of British Columbia in London, Lawrence Wallace (left). The top of the pole representing a mythical firebird with wings outstretched is in red, black, yellow and green, the basic colours used by western Canadian Indians. The Canadian Ambassador to France Gérard Pelletier and the director of the centre Alice Legrand receive the gift.

Famous people in New York

Famous People Players, a Toronto-based black-light theatre troupe, will appear at New York's Radio City Music Hall, beginning in early April.

The 12-member troupe will appear at the famed music hall for four weeks. The Players will perform *The Sorcerer's Apprentice* — which they gave its *première* last June in Toronto — with actor Lorne Greene as narrator. Before the New York engagement, the group will make another of its appearances in Las Vegas with pianist Liberace.

The 12 young puppeteers have become known over the years for their comic portrayals of such celebrities as Anne Murray, Barbra Streisand, Elvis Presley and Liberace.

Arts briefs

Canada's ambassador to Iran, Kenneth Taylor will be the special guest of honour at this year's Juno awards. Ambassador Taylor will present the Hall of Fame award, which goes to the performer who has "contributed to the betterment of the Canadian music industry on an international basis".

A University of Victoria professor of creative writing W.D. Valgardson won the short story category of the second Canadian Broadcasting Corporation (CBC) literary competition, it was announced recently. Mary Di Michele of Toronto won the poetry category and Bill Scherbrucker of Vancouver and the poet Morgan Nyberg of Surrey, British Columbia, shared top prize in the memoir category. The winners, chosen from 3,000 entries, will receive almost \$18,000 in prizes and have their entries broadcast on CBC Radio's *Anthology* series this June. A third literary competition will be held this summer.

Glen-Warren Productions Ltd. has acquired the rights to *The Courage of the Early Morning*, the biography of Air Marshal Billy Bishop. Bishop was a Canadian flying ace during the First World War. Glen-Warren's rights give the company both the theatrical and television rights to the book, which was written by Bishop's son, Arthur. The company plans to begin shooting this summer on what will eventually be either a television or motion picture production.

News briefs

The Bank of Canada moved to a floating-rate system for its key interest rate — the bank rate — on March 13. Bank of Canada Governor Gerald Bouey said the rate would be set weekly at one-quarter of a percentage point above the interest yield on 91-day Federal Government treasury bills. Mr. Bouey said the move to a floating-rate system was needed because of the "disturbed state" of money markets to provide the Bank of Canada with "additional flexibility in avoiding any greater increase in short-term interest rates in Canada than is consistent with the containment of inflation in Canada.

Australian Minister for National Development and Energy J.L. Carrick visited Ottawa March 20. Mr. Carrick met with Canadian Minister of Energy, Mines and Resources Marc Lalonde to exchange views on the current world energy situation. The two countries also share interests as producers and exporters of coal and uranium. The ministers also discussed their respective experiences in energy conservation programs. Both countries are members of the International Energy Agency.

Gulf Canada Products Co., a unit of Gulf Canada Ltd. of Toronto, says that, subject to regulatory approval, it plans to expand capacity at its Edmonton oil refinery by 40,000 barrels a day from the current 80,000 barrels-a-day capacity. Cost of the expansion is estimated at between \$80 million and \$10 million. The expansion, designed primarily to process synthetic crude oil, will be completed in two stages. The first phase, raising refining capacity by 10,000 barrels to 12,000 barrels a day, will come on-stream in early 1982 and the second phase in 1983.

The Federal Government raised export prices for light crude oil and certain petroleum products effective March 1, but the price for heavy crude has not

changed, said the National Energy Board. For light crude the price rose to about \$40.50 a barrel from \$38.50 a barrel delivered to the United States to take account of recent crude price increases announced by most members of the Organization of Petroleum Exporting Countries. For heavy crudes, exports of which average about 100,000 barrels daily, the price remains about \$36.50 a barrel delivered to the United States.

The Manitoba government recently allocated \$150,000 towards support of 18 projects in third-world nations. Earlier allocations in August and December brought the total for the present fiscal year to \$250,000. The provincial grants are provided to the Manitoba Council for International Co-operation, which coordinates projects on behalf of locally-based agencies. Under the program, the province matches dollar for dollar, to a maximum approved allocation, the funds provided by Manitoba agencies that serve overseas centres. The combined local and provincial grants are then matched by the Canadian International Development Agency.

The 3rd Battalion, Princess Patricia's Canadian Light Infantry (PPCLI) based at Victoria, British Columbia, recently began six months of United Nations peace-keeping duties in Cyprus. The PPCLI replaces the Lord Strathcona's Horse (Royal Canadians) (LdSH) of Canadian Forces Base Calgary and U Battery, 3rd Regiment, Royal Canadian Horse Artillery (RCHA) based at Shilo, Manitoba. This Cyprus rotation is the thirty-third to take place since Canadian troops began serving there in March 1964. It is the third tour of duty on the Mediterranean island for the 3rd Battalion. Previous tours were in 1970-71 and 1975-76.

About 200 executives and management people, including the chairman and president, of BP Canada Inc., will be on their way to Toronto from Montreal this summer. The decision to move the executive offices of the company to Toronto — technically the company's headquarters has been there for nearly 20 years — will leave Montreal with only one integrated-oil company headquarters, that of Petro-Canada Inc.

Canada Mortgage and Housing Corporation (CMHC), Bank of Montreal and the Royal Bank are setting up a technical home inspection service in the Atlantic region for five months beginning March

31. CMHC building inspectors will provide information on compliance with voluntary national building code standards, including energy-related information. The service is expected to be extended to other parts of the country later this year.

Stelco, Dofasco and Algoma have increased their prices by about 7 per cent for some steel products, effective April 1. Spokesmen cited cost increases for raw materials, energy and labour. Alan Paterson of Greenshields Incorporated said that despite Algoma's impressive increase in profits in 1979 (61 per cent), its return on investment was still only 13 per cent, about the level needed to retain capital investment.

The Export Development Corporation and the Canadian Imperial Bank of Commerce have announced the signing of a \$3,187,500 (U.S.) financing agreement to support the sale of 20 off-highway trucks to Colombia by WABCO Equipment of Canada (WABCO), Paris, Ontario. The sale, to Industrias e Inversiones Samper S.A. (Samper S.A.), Bogota, is for 11 Haulpak 35-ton and nine Haulpak 50-ton dumptrucks for use in the limestone quarrying operations of Samper S.A.'s new portland cement project near Bogota, Colombia.

Olympic silver medalist Gaetan Boucher of Ste. Foy, Quebec, won the unofficial world indoor speed-skating title in Milan, Italy. He dominated the two-day International Skating Union short-track championships, setting world records to win three of four individual events. Boucher established marks of two minutes 28.14 seconds in the 1,500 metres, 46.61 seconds in a 500-metre semi-final and one minute 35.89 seconds in the 1,000 metres. Louis Grenier, 18, also of Ste. Foy, won the silver medal in the men's 1,500 metres.

A meowing frog in Prince Edward Island has been saved from the experimenter's knife by a golden throat. The frog, which goes "meow" instead of the standard "ribbit", has been named Hop Sing by students. Biologists at the University of Prince Edward Island said they hope people of Oriental extraction are not offended by the name. It refers only to the frog's abilities, not its ethnic origin. Hop Sing has become a celebrity since his voice became known. The university has received calls from radio stations and newspapers throughout North America about him.

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