

Economic chronology

March 1979 - May 1980

Appendix 3

In previous editions of the *Canada Year Book*, Appendix 3 was a general chronology of Canadian events with a bearing on political, social or economic development. This new economic chronology includes not only Canadian items, but also others dealing with the European Economic Community (EEC), Organization for Economic Co-operation and Development (OECD), Organization of Petroleum Exporting Countries (OPEC), the Federal Reserve Board (FRB) of the United States, financial institutions, corporations and events in other countries with effect on the economy of Canada.

This chronology is drawn from the publication *Current economic analysis monthly summary*, produced in the Current Economic Analysis Section, System of National Accounts, Economic Statistics Field of Statistics Canada. The summary includes up-to-date articles on the current state and short-term course of the economy. First produced in limited editions for circulation in Statistics Canada, the publication was scheduled to become available to the public in 1981.

March 1979

Mar. 9. Highlights of the Saskatchewan budget included rebates of \$115 a year on rent paid by tenants and \$250 on mortgage interest paid by home owners, and higher taxes on alcohol and tobacco.

Mar. 13. The EEC launched a new monetary system designed to provide exchange rate stability in Europe and agreed to reduce petroleum imports; the weighted basket of EEC exchange rates in relation to major world currencies was fixed at US\$1.35.

Mar. 27. OPEC announced a rescheduling of its 9.05% increase in crude oil prices; the increase, previously scheduled for October 1, would take effect April 1, and would bring crude oil prices to US\$14.54 a barrel; a meeting of OPEC ministers authorized members to add surcharges up to \$4 a barrel, depending on market demand.

Mar. 29. The Quebec budget speech called for abolition of the sales tax on clothing sales under \$500, on footwear sales under \$100 and on textiles; 12.5% indexing on personal income tax exemptions beginning in January 1980; municipal fiscal reform, and setting up of a plan for shared savings; the projected deficit was nearly \$1.5 billion.

Mar. 30. New Brunswick unveiled a record \$1.6 billion budget; highlights included record capital spending of \$202 million, higher cigarette taxes, limited deterrent fees for people using the medicare program, reduced taxes for small businesses, and a 7.8% limit on the growth of spending on social programs.

April 1979

Apr. 1. The National Energy Board raised the export tax on light crude oil and condensates by \$1 a barrel to \$8, and on heavy crude by \$1.35 a barrel to \$5.70, both changes to take effect immediately; the board also announced that the new export price

of US\$2.30 per thousand cubic feet of natural gas would become effective May 2 rather than May 31 as originally planned. Prices of crude oil from Venezuela, Canada's main supplier of imports, were raised an average of 18% to a range of \$15.39 to \$17.27 a barrel.

Apr. 2. The British Columbia budget was tabled, calling for spending and revenues of nearly \$4.6 billion; highlights included a reduction in the provincial sales tax rate to 4% from 5%, a reduction in the personal income tax rate to 44% from 46% of the federal tax, and an increase of \$100 to \$380 in home-owner grants. General Motors of Canada Ltd. raised new car and truck prices by an average of 2.7%; US prices were raised by an average of 2.1%.

Apr. 3. Down payments on homes financed by CMHC were lowered and the maximum mortgage available raised to \$70,000; the changes allowed 95% financing on the first \$50,000 and 75% on the remainder.

Apr. 4. Chrysler Corp. and Ford Motor Co. raised US car prices by an average of 2.7% and 2.1% respectively.

Apr. 5. Chrysler Canada Ltd. laid off almost 2,100 workers as a result of the strike and lockout of truckers in the United States.

Apr. 6. The Nova Scotia budget was introduced. It called for expenditure of \$1.49 billion, up 4.6% from the previous fiscal year, and revenue of \$1.50 billion; taxes were raised on cigarettes, alcohol and tobacco.

Apr. 9. Ford Motor Co. of Canada Ltd. raised prices by an average of 2.7%. Nickel prices were raised about 11% by Sherritt Gordon Mines, following the lead of Falconbridge Nickel a day earlier.

Apr. 10. The Ontario budget was tabled. It called for total expenditure of nearly \$15.6 billion and revenue of \$14.4 billion, for a deficit of almost \$1.2 billion; highlights included increases of 5.3% in OHIP premiums and to 14% from 13% in the