6% ceiling on increases in provincial operating expenditures.

Apr. 19. The minister of finance presented a new federal budget in the House of Commons with a \$4.8 billion four-year recovery program aimed at supporting private and public investment and improving financial position, growth prospects and job creation in the private sector.

Apr. 25. The federal government agreed to Bell Canada's proposed reorganization; the new company, Bell Canada Enterprises, would combine the telephone service operations with the operations of its 80 subsidiaries, including Northern Telecom, the largest telephone equipment manufacturer in the country.

## May 1983

May 2, Bell Canada International announced the renewal of an agreement with Saudi Arabia; this new five-year agreement, covering expansion and modernization of the telephone system of that country would amount to about \$1.6 billion and create 100 new positions for Canadian telecommunications management.

May 5, The federal government ended a home ownership stimulation plan which had been introduced in the June 1982 budget to stimulate the construction of new housing units by contributions of \$3,000 to create employment and improve access to home ownership.

May 6, The provincial government of New Brunswick tabled a budget, intended to reduce the provincial deficit from \$511.5 million to \$391.8 million.

May 10. The Quebec budget for fiscal year 1983-84 was introduced to the national assembly with the objectives of encouraging economic recovery and keeping the deficit at the same level of about \$3.2 billion. The treasurer of Ontario tabled a budget for 1983-84 imposing a new 7% tax on tobacco immediately, a higher sales tax on alcoholic beverages beginning May 24 and temporary abolition of the tax on furniture and appliances until Aug. 9.

May 11, Maintenance employees of the Montréal Urban Community Commission (MUCC) went on strike; the Quebec government tabled a bill on May 13 to end the unlawful strike.

May 24. New Quebec savings bonds went on sale offering 9.5% interest for the first year, then 8.5% a year until 1993; by federal and provincial agreement, premiums could be deducted from the pay of federal public servants residing in Quebec who bought bonds.

May 25, The US commerce department announced that no customs duties would be charged on Canadian lumber crossing the American border. The sale began of federal government bonds totalling \$300 million, offering an interest rate of 9.25%.

## June 1983

June 8, An agreement was reached between the Canadian Wheat Board and China on the export of 2.1 million tonnes of wheat to that country during 1983; the sale amounting to about \$400 million was part of an agreement signed in 1982.

June 20, An 8% Quebec sales tax on jet fuel for international flights was abolished.

June 28, The prime minister announced that the 6-and-5 program of wage restraint for the federal public sector would be continued into its second year, limiting wage increases to 5%. Canada concluded a new agreement with Japan on the import of Japanese cars in 1983, reducing the share of the Canadian automobile market held by Japanese manufacturers from 25% in 1982 to 19%.

June 29. The federal government awarded a contract for building six frigates to Saint John Shipbuilding and Dry Dock of New Brunswick. The governments of Quebec and France reached an agreement on building an aluminum smelter at Bécancour, Que.

June 30, The federal and Alberta governments signed a new agreement on oil and natural gas prices, freezing Canadian oil discovered before 1974 (about 70%) at the then current level of \$29.75 a barrel for the next 18 months, ensuring that the retail price of gasoline would not rise substantially for a certain period of time.

## July 1983

July 1, The Bank of Nova Scotia announced a program of reduced interest rates on new car loans taken out in July, to stimulate recovery in the auto industry.

July 4, Fees were introduced for selected medical services. July 7, Premier W.R. Bennett of British Columbia introduced a restraint budget for 1983-84 and 26 new bills, providing for cuts in government services. More than 400 public sector employees would be laid off by Oct. 31, and about 5,000 others in the next few months.

July 8, The governments of Quebec and France signed an agreement for the development of a cable television system in France at an expected benefit of between \$200 million and \$1 billion to the province.

July 13. The government cut the air fare increase previously awarded to airlines from 10% to 5% because of its decision to continue the 6-and-5 program; the increase would take effect in October 1983.

July 26, It was announced that the excise tax on beer, wine and other alcoholic beverages would be raised 13% on Sept. 1; this increase was expected to generate some \$280 million in revenue.

July 29, Through a school board computer network management group, the Quebec government signed an agreement with IBM for the purchase of approximately 500 microcomputers to be installed in 133 high schools.

## August 1983

Aug. 10. In Quebec 9,000 clothing workers went on strike for the first time in 43 years because of slow progress in negotiations for a new collective agreement; a new agreement was accepted by 51% of the workers on Aug. 24 and the employees returned to work.

Aug. 11, At the 24th annual conference of first ministers, provincial premiers met in Toronto to discuss the economic situation in general, measures required to sustain the recovery, job creation, staff development and federal-provincial funding of health care services.

Aug. 15, The Ontario government announced a 10% tax increase on imported and domestic low-priced wines.