

Business Vote Reaction To Come In Months Ahead

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Business reaction to the election is not something that can be summed up in punchy phrases or tidy fables. Its reaction, rather, will come in the weeks and months ahead as business confidence in the government, and what the government is doing, rises or falls. If confidence rises, and if the international economic situation is reasonably favorable, then a period of decision-making may be expected in which many projects hitherto on the doubtful list presumably will get a go-ahead sign.

Some observers, in fact, feel that a period of confidence in all that is needed to set off a new round of capital expansion to meet expected demand after the 1966-67 period.

NO UNANIMOUS REACTION
Whatever the reaction, it is unlikely to be unanimous, for the voice of business is rarely unanimous. Far-reaching decisions that may help the economy as a whole are likely to hurt some segments.

To the extent that business reaction to the election can be summed up, it seemed to be pretty well expressed by Carl A. Pollock, president of the Canadian Manufacturers Association.

He said manufacturers hoped for a stable government with a working majority, but minority government need not be a tragedy if decisive leadership is given and if minority parties put national interest ahead of partisan considerations.

As the week progressed, business opinion appeared to gain confidence that the essentials for stable government exist. The business community was also relieved to see little in the election results to upset the confidence of foreign investors.

Bond prices also advanced, with a corresponding decrease in current money rates, and this was interpreted as a sign of confidence.

While most business appeared to maintain a normal pulse following the election, hearts beat faster in one segment—the advertising agencies, where, say advertising writers, a change in government can be expected to bring a large switching of government advertising accounts.

The week's indicators included: Current bulletin of the Canadian Association of Purchasing Agents: "The March survey of manufacturing and processing industries showed only a slight improvement over February in new orders entered. However, production was reported higher by a significant majority. Inventories were unchanged. Employment showed a marked improvement for the second month in a row, and prices were reasonably stable." A compilation by J. R. Timmins and Company shows dividend payments by Canadian

companies in the first four months of the year 11.6 per cent ahead of these in the corresponding period of 1967. April dividends were 12.5 per cent ahead of April last year.

NEW BOOK OUT
Among other items of the week, the Bank of Montreal announced publication of a new 64-page booklet entitled "Export Markets in Brief—a Guide for Canadian Exporters."

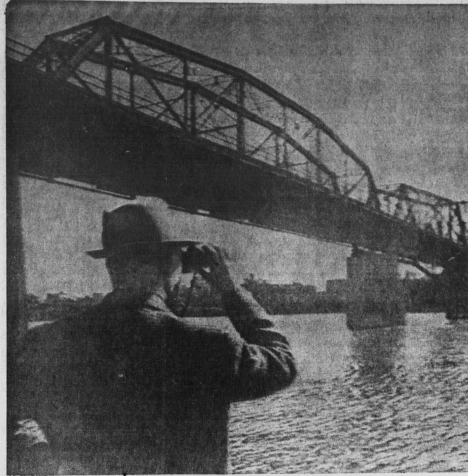
The publication is designed, the bank states, to promote increased Canadian exports and to offer advice to businessmen planning sales abroad. It comments on potential markets for Canadian goods in 68 countries.

The booklet was prepared by the bank in conjunction with the department of trade and commerce. The week's indicators included: Current bulletin of the Canadian Association of Purchasing Agents: "The March survey of manufacturing and processing industries showed only a slight improvement over February in new orders entered. However, production was reported higher by a significant majority. Inventories were unchanged. Employment showed a marked improvement for the second month in a row, and prices were reasonably stable." A spokesman for the Massachusetts department of natural resources said more than 2,000 brush fires had been reported in the state since April 1. Continued dry weather probably would force state officials to

bar the public from woodlands, he said. The U.S. weather bureau at Boston said there is no rain in sight before Friday and only light showers are expected then.

Rainfall at most reporting stations in New England is far below normal for the first 15 days of April, the weather bureau said. Half an inch or less has been recorded at Boston, Worcester, Pittsfield and Nantucket, and less than one-eighth of an inch at Providence, R.I., Hartford, and New Haven, Conn. Normal rainfall in southern New England for the first

Precipitation is below normal in most of Northern New England, but the fire danger is lessened in the extreme north by the snow cover which remains in the woods. Half of April is almost two inches. **CAME FROM RUSSIA**
The 18,000 Doukhobors in Canada are the emigrants—and their descendants—who left Russia in 1880-89 to escape persecution.



BRIDGE CLOSELY WATCHED

A plain clothes CPR policeman scans the Interprovincial Bridge linking Ottawa with Hull, Que. Nine CPR policemen

watched the span around the clock throughout the Easter weekend after the Ottawa Citizen was "tipped" that the

bridge would be dynamited by the Front de Liberation Quebecois. (CP Wirephoto)

Republic Steel Boosts Prices As Trend Continues In U.S.

NEW YORK (AP)—Republic Steel Corporation Monday became the first major U.S. producer to join in selective steel-price increases.

The action by the third-largest steelmaker came soon after a U.S. congressional investigation of steel prices, profits and production problems was ordered.

There still was no word from U.S. Steel Corp., No. 1 producer, and Bethlehem Steel Company, No. 2, on their intentions. President Kennedy, vacationing in Florida, was reported conferring with advisers to determine if the latest price increases were within his suggested "public interest" area.

Republic citing increased production costs since the last price increase in 1958, said it was making selective price increases averaging \$5.34 a ton on carbon-steel products.

It then fell into line with Wheeling Steel Corp., which initiated the increases last Tuesday, and Lakeland Steel Company, which followed Sunday. Wheeling is ranked 11th among U.S. producers and Lakeland 20th.

Pittsburgh Steel Company, No. 14, followed Republic Monday by announcing price increases averaging \$5.36 a ton.

ANNOUNCES INQUIRY
The congressional inquiry was announced by Senator Paul H. Douglas (Dem. Ill.), chairman of the Senate-House of Representatives economic committee.

He said hearings will begin next week on steel prices, profits, production, unit labor costs, raw material costs and the impact of foreign competition.

Douglas added that the hearings will be conducted in "an impartial and factual way" and will seek to produce "an informed view of the problem."

The demand for steel, spurred by buying as a hedge against a possible strike this summer, was

reflected in a report of the American Iron and Steel Institute that the industry's production last week was the heaviest in three years. The output of 2,464,000 tons represented the 11th consecutive weekly advance.

"In fact, such prices have declined since that time while during the same period costs have increased substantially."

CITE LABOR COSTS
It mentioned five labor-cost increases totalling 50 cents an hour since 1958.

It said the "existing price squeeze" had forced it to cut its

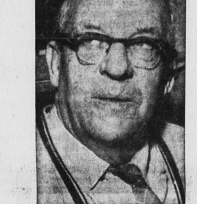
dividend by 33 1/2 per cent to conserve cash to pay for modernization of its plant and equipment.

"Wheeling's action in initiating the increases came a year to the day after U.S. Steel Corp. ordered an across-the-board, \$6-a-ton increase. This aroused the anger of President Kennedy and the pressure he exerted, along with the decision of some companies not to go along with the raise, resulted in it being rescinded three days later."

This time Kennedy has indicated he would not oppose selective price increases but cautioned the industry and the steelworkers union against action which would lead to a general increase.

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ASSOCIATE DEALER APPOINTMENT!



A. S. MacSwain, Senior Vice-President

Mr. A. S. MacSwain, senior, has been serving the people of St. Peter's and surrounding areas with farm machinery for the past 30 years, and announces with pleasure his appointment as an Associate Dealer of Hillside Motors Ltd. Under the management of his son, Norman, MacSwain's Sales and Service is now equipped and ready to serve you with fine General Motors products.

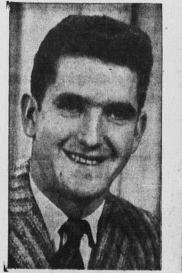
We are pleased to announce our appointment as an associate dealer of Hillside Motors Ltd., having complete facilities for sales and service of PONTIAC - BUICK - ACADIAN - VAUXHALL, and GMC Cars & Trucks



Norman MacSwain, Manager

Norman has been associated with his father in the garage business since finishing high school twelve years ago. During this time he has gained wide experience in the sales and service field, and has now taken over the management of MacSwain's Sales and Service. Norman will be happy to serve you at any time.

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V-8 motor, standard transmission. Snow tires, radio.
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1961 GMC
Model 970. 4 ton. Cab and chassis. Fully equipped with all heavy duty equipment.
\$1900

1962 MERCURY COMET
Fully equipped with radio. All new tires.
GRAND OPENING SPECIAL
\$2000

1955 CHEVROLET
4 door standard. 6 cylinder. This is a real sharp auto.
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