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markets
for canadian
exporters

**NEW
ZEALAND**

NEW ZEALAND



MARKETS FOR CANADIAN EXPORTERS

NEW ZEALAND



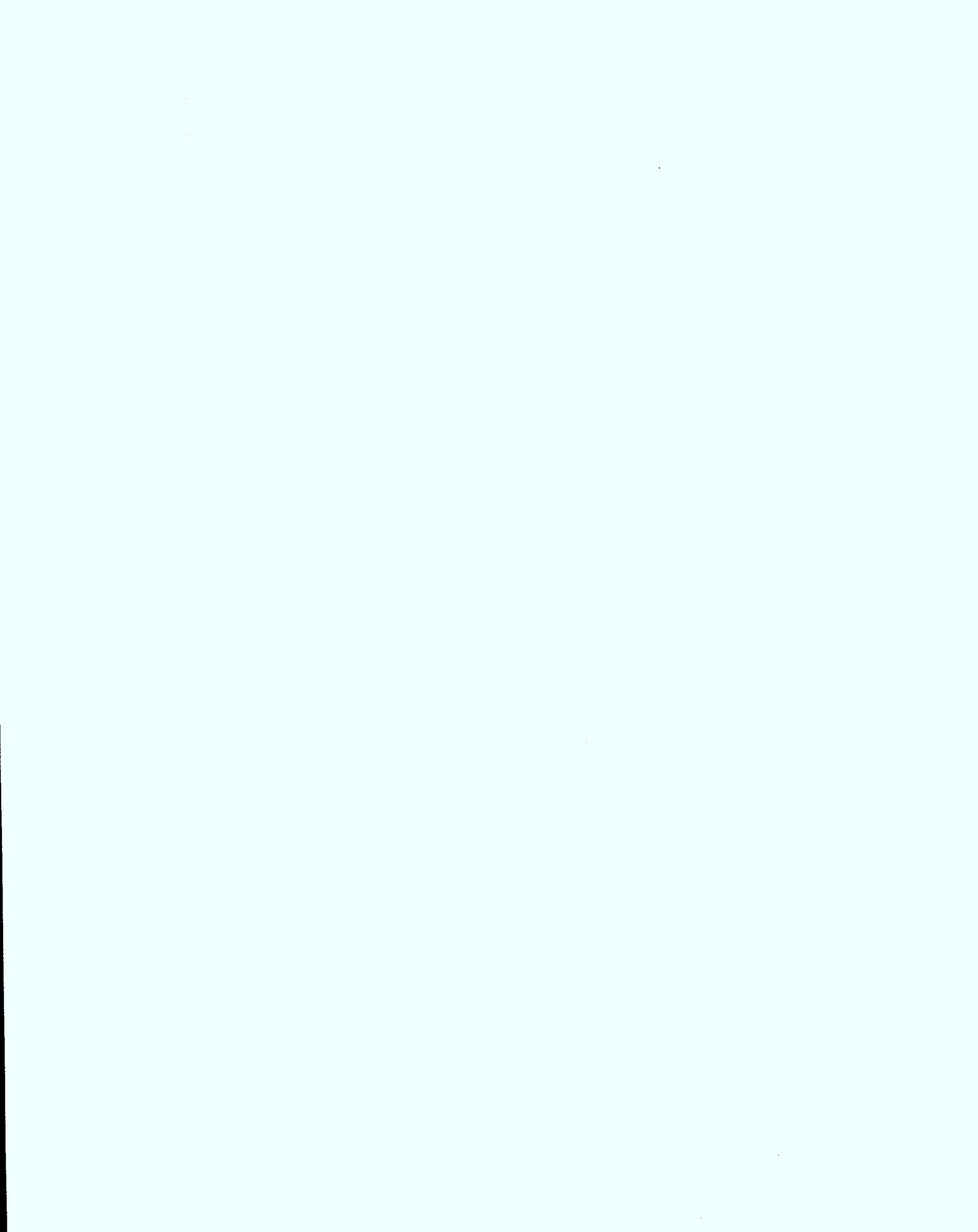
Government
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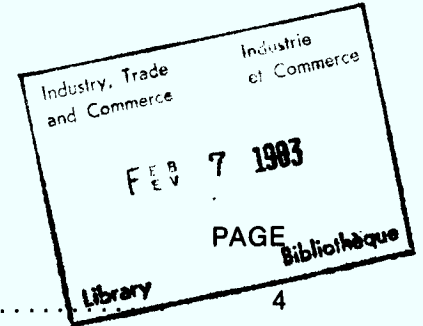
Industry, Trade
and Commerce

Industrie
et Commerce

1980



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I. INTRODUCTION

New Zealand, Where Market Opportunities Abound

New Zealand is a developed country with a work force and living standard comparable to the "upper bracket" OECD countries. It has extensive resources which will ensure a high standard of living and at the same time offer significant opportunities for Canadian business. Government policy in New Zealand is aimed at establishing a favourable environment for stable economic growth. The total value of imports by New Zealand was approximately \$4 billion in 1978. Unlike many other import markets this one offers substantial opportunities for Canadian exporters, particularly in manufactured products.

Canadian exports to New Zealand are largely semi- and fully manufactured products. With the country's growing sophisticated industrial and consumer markets, Canadian exports can meet this growing demand. Canada currently exports to New Zealand such items as processed fish and foodstuffs, fertilizer, specialized agricultural equipment, industrial machinery, lumber, carpets, wallpaper, toys, resource exploitation equipment, telecommunications equipment and aircraft. They illustrate the potential for increased exports.

Canada also enjoys a preferential tariff rate on many of its products.

Market prospects in New Zealand include major opportunities for Canadian companies in connection with offshore natural gas developments, steel mill expansions, fisheries, and pulp and paper mills.

II. GENERAL FACTS ABOUT NEW ZEALAND

History

New Zealand was discovered in 1642 by the Dutch navigator Abel Tasman and was inhabited solely by Maoris. It was not until 1769 that detailed exploration was begun by Captain James Cook.

The first European settlers arrived in 1792. Whaling stations were organized along the coast, but permanent settlement was not established until 1840, at what is now Wellington. In 1861 gold was discovered in the South Island, leading to a large influx of people from many parts of the world. Representative institutions were granted to New Zealand in 1853 and Dominion status was achieved in 1907. Complete autonomy from Britain was not gained until 1947 when the Statute of Westminster (1931) was formally adopted by the New Zealand government.

Area and Geography

New Zealand is situated in the southwest section of the Pacific Ocean (just west of the international dateline) between latitudes 34° and 48° south and longitudes 166° and 179° east. It is 11,000 km southwest of San Francisco, 9,000 km from Singapore and approximately 1,600 km from Australia.

With a combined land area of 269,000 km², it is slightly larger than Britain.

There are two main islands: the North Island (114,600 km²) and the South Island (154,500 km²) separated by a narrow strait. Both are mountainous with less than one-quarter of their surfaces below the 200-metre contour line. The amount of land available for cultivation is therefore restricted; however, New Zealand is ideally suited to grazing which is the basis of its agricultural industry.

Government

New Zealand is an independent member of the Commonwealth. The Queen is represented by a governor-general, appointed for a term of five years.

The political system is democratic and modelled after that of Britain. The 92 members of the House of Representatives are elected by universal adult suffrage for terms of three years. Citizens can vote at 18 years of age. There is no Upper House or Senate. Wellington is the capital and seat of government. Major political groups are the Labour and National parties.

Population

The population of New Zealand is approximately 3.2 million (1977), of which some 280,000 are of Maori descent (the original Polynesian indigenous race). Population is concentrated mainly in urban areas.

Principal Cities

North Island	Population (1977 estimate)
Auckland	801,200
Wellington	351,000
South Island	
Christchurch	327,200
Dunedin	120,000

Auckland is the chief industrial centre followed by Wellington and Christchurch. Wellington has been likened to Ottawa and Auckland to Toronto or Montreal. More than one-half of the top 50 New Zealand companies are Auckland based.

Climate

Climate ranges from subtropical in the far north to almost continental in the arid central South Island. The main islands lie within the broad belt of strong westerly winds. Other factors which influence the climate of New Zealand are its position in the midst of a vast ocean and its shape and topography. Summers are rarely uncomfortably hot and winters, except in the far south, are usually short and mild. Generally, sunshine and rainfall are spread evenly throughout the year.

New Zealand's climate is similar to that of the Pacific coast between Los Angeles and Vancouver, with much the same seasonal variations.

Language

English is the official language.

Religion

There is no official state church and freedom to practise one's religion is an inviolable right.

Local Time

Standard New Zealand Time (SNZT) is 17 hours ahead of Ottawa (Eastern Standard Time). For example, 12:00 noon SNZT on the 12th equals 7:00 p.m. EST in Toronto on the 11th. The time difference varies with the introduction of daylight saving time in New Zealand (November - February) and in Canada (April - October).

Weights and Measures

Conversion of the Imperial system of weights and measures to metric has been completed.

Electricity

Multiple Earthed Neutral System i.e. system earthed at all consumer, as well as generating, points.

Distribution 33 KV and 11 KV 50 Hz
Consumer supply 11 KV, 400 V and 230 V 50 Hz
11 KV (3 phase)
400 V (3 phase and Neutral)
230 V (3 phase and Neutral)

Specifications N.Z., Australian, British Standard Specifications, and some IEC (e.g. IEC72 Electrical Motors), are acceptable, as are U.S. Underwriter's Specifications for use in hazardous locations.

Public Holidays

New Year's Day	January 1
New Zealand statutory holiday	January 2
Waitangi Day	February 6
Good Friday to Easter Monday	March or April
Anzac Day	April 25
Queen's Birthday	June (first Monday)
Labour Day	October (fourth Monday)
Christmas and Boxing Day	December 25, 26

Business and Banking Hours

Banks: 10:00 a.m. to 4:00 p.m., Monday to Friday; closed on statutory holidays.

Shops: 9:00 a.m. to 5:30 p.m., Monday to Friday; shopping to 9:00 p.m. on Thursday or Friday depending on locality. Generally closed on weekends.

Industrial premises are open five days a week during normal business hours.

Health

No special health precautions are necessary. All local water supplies are potable. All food supplies meet New Zealand government regulations.

III. ECONOMY AND FOREIGN TRADE

New Zealand is one of the world's most efficient pastoral and agricultural nations. The farming sector, extensively mechanized, employs about 10 per cent of the labour force, and is responsible for some 12 per cent of the gross domestic product. Total livestock is estimated at 60 million sheep and 10 million cattle (of which three million are dairy cattle). Principal crops are wheat, barley and high-grade grass.

Mining activity is based on coal, natural gas, oil condensate, iron sand and limestone extraction. New Zealand possesses especially promising natural gas fields.

Manufacturing — aided by government incentives — has been expanding rapidly in recent years. Medium and small size companies dominate the sector. Leading industries are food products, textiles, wood and cork, paper products and metal goods. Among export-oriented industries, pulp and paper products — profiting from the growth of the forestry sector — have strongly increased with exports by this industry currently amounting to about NZ\$ 150 million or 4.5 per cent of total export earnings. In the past 10 years New Zealand's manufactured exports have increased from virtually zero to a value of NZ\$ 1 billion.

Foreign Trade

New Zealand's prosperity is dependent on agricultural exports which represent some three-quarters of its exports. Traditionally, Britain has been its major trading partner, both as a buyer of food products and a supplier of manufactured goods. This is rapidly changing, however, due to the country's efforts to diversify its export markets.

Because of its small population and only partially developed industrial sector, New Zealand relies on imports of industrial raw materials, capital equipment and many consumer goods, either fully manufactured or in component form.

MARKET PROSPECTS

Agriculture, Fisheries and Food Products

Continued opportunities exist for Canadian canned and processed foodstuffs within the limits of the availability of import licences.

Chemicals

There is a continuing demand for industrial chemicals for fertilizers as well as for petrochemical products.

Construction and Consultative Services

Opportunities exist for Canadian firms to provide consulting services in specialized fields such as forestry, fishing, mining, petrochemicals. However, such work must generally be undertaken in conjunction with New Zealand construction and engineering firms.

Electrical and Electronics

There is a continuing market for Canadian components for locally assembled electronics products. Opportunities also exist in the field of telecommunications, while projects to expand electrical generating facilities are under way in the Pacific Islands.

Machinery

New Zealand is a significant importer of machinery and capital plants. There are requirements for fish processing machinery, natural gas handling equipment and cement plant components. It should be noted that import licences for machines similar to those made in New Zealand are difficult to obtain.

Resource Industries

There is a market for steel products, pipes for pipelines, and tubings. Continuing demand exists for fine paper. Prospects are also interesting in fishing and forestry-related industries and natural gas exploration.

Textile and Consumer Products

There is a limited market for woven fabrics, fabrics for furnishings and yarns for industrial use. Continuing demand is shown by import licence holders for silverware, pottery, crystal giftware and sports equipment from Canada.

Transportation Industries

There is a market for heavy trucks (also in Fiji), fishing vessels and gear and other marine equipment. There are possibilities for aircraft sales.

Special Projects

As in the case of Australia, efforts are being directed to ensure that Canadian businessmen are aware of projects in New Zealand in which Canada has demonstrated export capabilities. In order to identify which projects are currently proposed, Canadian businessmen should contact the Canadian Commercial Counsellor in New Zealand or the Department of Industry, Trade and Commerce, Ottawa.

Trade and Economic Policy

New Zealand governments have followed a policy of protecting industry through import licensing (although this has been gradually eased during recent years). Its trade relations are governed by the GATT and trade agreements with other countries. The most significant of these are the New Zealand-Australia Free Trade Agreement (NAFTA) which is encouraging a trans-Tasman Sea rationalization of industries and the Canada-New Zealand Trade Agreement that provides for preferential tariff rates on a number of Canadian products. To find out if your products qualify for preferential rates, please contact the Bureau of Asian and Pacific Affairs, The Department of Industry, Trade and Commerce, Ottawa.

NEW ZEALAND EXPORTS BY COMMODITY GROUP

Year Ended December 1977/78

	NZ\$ (000) Total '77	NZ\$ (000) Total '78	% Share
Meat	892,800	977,106	26.6
Wool	663,200	667,436	18.2
Dairy Products			17.1
Butter	178,000	241,515	(6.6)
Casein	79,000	81,041	(2.2)
Cheese	89,600	87,684	(2.4)
Milk powders	149,600	158,821	(4.3)
Other milk products	68,600	59,363	(1.6)
Other Animal Products			8.8
Hides and skins	72,100	94,387	(2.6)
Meat by-products	24,400	26,224	(0.7)
Sausage casings	25,600	28,429	(0.8)
Sheepskin and pelts	102,500	116,091	(3.2)
Tallow	43,400	37,635	(1.0)
Livestock	16,200	18,972	(0.5)
Forest Products			8.0
Logs and timber	68,600	77,115	(2.1)
Wood pulp and chips	103,000	94,135	(2.6)
Newsprint	70,100	65,042	(1.8)
Paperboard	25,200	32,683	(0.9)
Other forest products	15,600	23,552	(0.6)
Other Primary Products			4.9
Fish (incl. fish oils)	49,400	58,071	(1.6)
Fresh fruit, vegetables and honey	68,100	83,622	(2.3)
Seeds and other primary products	46,200	37,216	(1.0)
Manufactured Goods			15.8
Processed foodstuff	50,300	54,989	(1.5)
Machinery and electrical equipment	77,300	88,312	(2.4)
Carpets and other textiles	56,700	63,905	(1.7)
Base metals and manufactures of metals	151,000	197,750	(5.4)
Other manufactured goods	167,700	177,480	(4.8)
Miscellaneous			0.6
Minerals	19,500	16,332	(0.4)
Sundry (including gold)	6,100	6,232	(0.2)
Total export receipts	<u>3,379,800</u>	<u>3,671,140</u>	<u>100.0</u>

Source: Reserve Bank Bulletin — March 1979

CANADA-NEW ZEALAND TRADE

New Zealand is an interesting market for Canadian exports. They cover a wide range of products and are composed mainly of manufactured and semi-fabricated goods. Important opportunities exist for Canadian participation in capital projects, particularly in the resource development areas.

CANADA-NEW ZEALAND TRADE

(in C\$ millions)

	1976	1977	1978
Canadian exports	56.3	70.5	68.6
Canadian imports	73.9	72.0	100.2
	<u>-17.6</u>	<u>-1.5</u>	<u>-31.6</u>

NEW ZEALAND'S IMPORTS FROM CANADA JULY 1976-77/JUNE 1977-78 (CDV)

Leading Imports	(NZ\$)	
	1976/77	1977/78
Fish	2,308,000	2,746,000
Fruits, fresh	79,000	299,000
Vegetables and roots and tubers	640,000	491,000
Crude rubber, including synthetic	686,000	1,110,000
Wood, shaped or simply worked	402,000	371,000
Pulp and waste paper	204,000	201,000
Synthetic and artificial fibres	692,000	671,000
Sulphur and unroasted iron pyrites	8,732,000	7,932,000
Other minerals	1,915,000	3,719,000
Crude animal materials, n.e.s.	242,000	243,000
Petroleum products	2,000	4,430,000
Organic chemicals	982,000	614,000
Medicinal and pharmaceutical products	273,000	233,000
Fertilizers, manufactured		2,405,000
Plastic materials, regenerated cellulose, artificial resins	6,365,000	3,606,000
Veneers, plywood boards, artificial or reconstituted wood and other wood, worked	280,000	390,000
Paper and paperboard	2,729,000	791,000
Textile yarn and thread	948,000	708,000
Cotton fabrics of standard type	1,269,000	807,000
Textile fabrics of standard type, other than cotton fabrics	1,692,000	2,048,000
Special textile fabrics and related products	871,000	583,000
Mineral manufactures, n.e.s.	333,000	303,000
Iron or steel bars, rods	1,144,000	1,037,000
Universals, plates, and sheets of iron or steel	4,626,000	2,699,000
Nickel and nickel alloys	829,000	750,000
Zinc and zinc alloys	554,000	426,000
Other manufactures of metal, n.e.s.	247,000	230,000
Power generating machinery (except electric)	17,928,000	14,697,000
Agricultural machinery and implements	1,192,000	1,310,000
Office machines	2,356,000	1,711,000
Machines for special industries	774,000	1,601,000
Machinery and appliances and machine parts, n.e.s.	2,795,000	3,201,000
Electrical power machinery and switchgear	518,000	671,000

Leading Imports (con't.)	(NZ\$)	
	1976/77	1977/78
Telecommunications equipment	970,000	217,000
Electric machinery and apparatus, n.e.s.	2,428,000	939,000
Road motor vehicles	1,828,000	1,604,000
Watches and clocks	984,000	310,000
Printed matter	80,000	254,000
	<u>70,897,000</u>	<u>66,359,000</u>
	88 per cent of all imports from Canada	92 per cent of all imports from Canada

Canadian imports from New Zealand are essentially of agricultural origin, the most important of which are beef, veal, lamb and wool. This pattern is beginning to change, however, as New Zealand's industrial base expands and additional consumer and industrial products become available.

NEW ZEALAND'S EXPORTS TO CANADA JULY 1976-77/JUNE 1977-78

Leading Exports	(NZ\$)	
	1976/77	1977/78
Meat, fresh, chilled or frozen	43,420,000	50,403,000
Milk and cream	586,000	598,000
Cheese and curd	160,000	510,000
Fish, fresh or simply preserved	260,000	200,000
Fruits, fresh	2,176,000	2,408,000
Fruits, preserved and fruit preparations	217,000	242,000
Alcoholic beverages	211,000	203,000
Wool and other animal hair	5,529,000	5,071,000
Crude animal materials, n.e.s.	5,426,000	5,991,000
Crude vegetable materials, n.e.s.	188,000	255,000
Chemical materials and products, n.e.s.	194,000	624,000
Leather and composition leather	630,000	548,000
Textile yarn and thread	12,000	308,000
Floor coverings, tapestries, plaiting materials	825,000	1,022,000
Iron or steel bars, rods, angles, shapes, and sections, including sheet pilings	1,914,000	2,313,000
Articles of man-made plastic materials, n.e.s.	115,000	234,000
	<u>61,863,000</u>	<u>70,930,000</u>
	95 per cent of New Zealand exports to Canada	97 per cent of New Zealand exports to Canada

NEW ZEALAND: FOREIGN TRADE BY MAJOR TRADING PARTNERS

(in NZ\$ million)

EXPORTS BY COUNTRY OF DESTINATION:	1970	1970	1978	1978
		Shares in per cent		Shares in per cent
Britain	386.0	35.9	596.3	18.4
EEC (excl. Britain)	123.9	11.5	354.9	10.9
U.S.	172.9	16.1	439.0	13.5
Japan	105.6	1.0	435.5	13.4
Australia	87.8	8.2	408.3	12.6
Canada	45.3	4.2	73.5	2.3
Others	153.7	23.1	935.6	28.9
Total	1,057.2	100.0	3,243.1	100.0
IMPORTS BY COUNTRY OF ORIGIN:				
Australia	197.8	21.0	652.0	21.7
Britain	279.1	29.6	527.6	17.6
EEC (excl. Britain)	73.1	7.7	271.4	9.0
U.S.	123.2	13.1	420.1	14.0
Japan	78.1	8.3	389.8	13.0
Canada	37.5	4.0	72.4	2.4
Others	155.5	16.3	668.2	22.3
Total	944.3	100.0	3,001.5	100.0

Source: OECD

IV. DOING BUSINESS IN NEW ZEALAND

As a result of an exchange of letters between the governments of Canada and New Zealand signed July 26, 1973, margins of preference have been retained for most Canadian goods entering New Zealand. Preferences for British goods have been phased out due to Britain's entry into the European Common Market.

Import licensing is required for a wide range of goods, particularly where a domestic industry exists. Canadian exporters are therefore advised to make initial enquiries through the Pacific, Asia Bureau, the Department of Industry, Trade and Commerce in Ottawa, or the Canadian High Commission in Wellington.

Advertising and Promotion

The usual facilities and media used in Canada are also available in New Zealand. Advertising literature should be in English with measurements in metric. The Canadian company's name, complete address, telephone and telex numbers should be clearly printed on all promotional material.

Credit Information

On request the Commercial Division of the Canadian High Commission in Wellington will obtain status reports on New Zealand companies. The cost (NZ\$20.00) is billed to the Canadian company through the Department of Industry, Trade and Commerce, Ottawa. Information on the financial standing of local companies can also be obtained through normal banking channels.

Price Quotations

Importers normally prefer c.i.f. quotations, although the provision of f.o.b. prices enables comparison of various shipping alternatives. Quotations are acceptable in either Canadian or New Zealand dollars.

Usual Methods and Terms of Payment

Most Canadian exporters quote sight draft against documents. Credit arrangements vary depending on the particular agreement reached between the parties concerned.

Banking Facilities

New Zealand has a highly developed branch banking system which provides complete banking services both domestically and internationally. The five major trading banks are:

Australia and New Zealand Banking Group Ltd.
P.O. Box 1492
Wellington

Bank of New South Wales
P.O. Box 1298
Wellington

Bank of New Zealand
P.O. Box 2392
Wellington

National Bank of New Zealand Ltd.
P.O. Box 1791
Wellington

Commercial Bank of Australia
P.O. Box 1593
Wellington

It is suggested that you refer to your Canadian bank to obtain the name of its corresponding bank, and that you request the New Zealand importer to deal with the nearest branch of the corresponding bank.

Shipping Services

From Eastern Canadian Ports

Associated Container Transportation (Canada)
(Pacific America Container Express)
410 Nicholas Street
Montreal, Quebec
H2Y 2P5

Container service sailing from Saint John approximately twice monthly to Auckland and Wellington. Other New Zealand destinations may be served via feeder service or overland transportation.

Colombus Line (Canada) Ltd.
1155 Dorchester Boulevard West
Montreal, Quebec
H3B 3V6

Container service sailing from Halifax approximately every three weeks to Auckland, Port Chalmers and Wellington. Other New Zealand destinations may be served via feeder service or overland transportation.

Atlanttrafik Express Service
c/o Barber Steamship Lines
500 St. James Street West
Montreal, Quebec
H2Y 1S1

General cargo and container service from Saint John once per month to Auckland, Wellington, Christchurch and Dunedin.

From Canadian Pacific Coast Ports

Columbus Line c/o Bakke Steamship Corp.
1075 West Georgia Street
Vancouver, British Columbia

Container service sailing from Vancouver approximately every two weeks to Auckland and Wellington. Other New Zealand destinations may be served via feeder service or overland transportation.

Farrell Line c/o Anglo Canadian Shipping (Westship) Ltd.
200 Granville Street
Vancouver, British Columbia
V6C 1C2

LASH, general cargo and container service sailing from Vancouver approximately twice monthly to Auckland. Other New Zealand destinations may be served via feeder service or overland transportation.

Patents and Trademarks

Canadian exporters are advised to patent their inventions and register their trademarks in New Zealand. All applications should be made directly to:

The Commissioner of Patents, Patents Designs and Trademarks Office
Justice Department
Departmental Building
Stout Street
Wellington, New Zealand

or through a patent attorney or solicitor in New Zealand.

New Zealand subscribes to the International Convention for the Protection of Industrial Property.

Patents

Application for patent is made by the inventor, his assignee (whether an individual, firm or corporation) or any legal representative. To be eligible for patent the invention must not have been publicly used, sold, described in a printed publication published in New Zealand or otherwise disclosed prior to the filing date.

Patents are issued for a period of 16 years from the date of receipt of complete specifications. Renewal fees are payable annually from the end of the fourth year.

If a patented invention is not worked in New Zealand within three years from the date the patent was sealed, interested parties may be granted compulsory licences.

Trademarks

Trademarks are registered under the Trademarks Act of 1953 for a period of seven years from date of application and are renewable for a further 14 years. Applications for renewal should be made within 12 months preceding expiration of the previous period of registration.

V. CURRENCY AND EXCHANGE REGULATIONS

Currency and Exchange Rates

The monetary unit is the New Zealand dollar. The following denominations are in circulation:

coins — one, two, five, 10, 20, and 50 cents
notes — one, two, five, 10, 20, and 100 dollars

The value of the New Zealand dollar is fixed daily by the Reserve Bank of New Zealand using a "basket of currencies" concept. Currencies of the country's major trading partners are included in the basket and are weighted. As a result, the New Zealand dollar "floats" to the extent that its value can and does gradually change in relation to other major currencies.

On January 15, 1980, the New Zealand dollar was equal to Cdn. \$1.1560. The daily exchange rate is available from most Canadian banks.

Currency Controls

There are no restrictions on the amount of foreign currency, traveller's cheques or New Zealand dollars a visitor can bring into the country, except that New Zealand dollars must be in denominations of \$1, \$2 or \$5 (\$10, \$20 or \$100 notes cannot be brought into the country). On departure, however, only \$50 in New Zealand bills (\$1, \$2 and \$5 denominations) can be taken out of the country. Visitors are advised to use foreign currency, bank drafts or traveller's cheques. Any foreign currency changed into New Zealand funds may be reconverted on departure provided a foreign exchange transaction receipt from a trading bank is presented. Major credit cards, American Express, Diners Club, Carte Blanche and Visa are widely accepted.

Exchange Control

All remittances through the banking system to overseas countries are controlled by the Reserve Bank under the Exchange Control Regulations of 1978. To facilitate payments for imports the Reserve Bank has given a general authority to trading banks to remit money overseas provided:

- a) an import licence carrying an exchange availability (not a no remittance licence) is held if the goods have not been exempted from the requirement of a licence, or
- b) the goods have been exempted from the licensing regulations and
- c) in both cases, a full set of shipping documents, including a bill of lading, invoice and, where appropriate, an insurance certificate, etc., is presented to the trading bank making the remittance.

VI. CUSTOMS REGULATIONS AND DOCUMENTATION

Tariff

The New Zealand Customs Tariff is based on the Customs Co-operation Council Nomenclature (CCCN) in which products are classified within one of 99 chapters.

The tariff provides for the assessment of duty under two headings: Normal tariff or Preferential tariff. Normal (MFN) tariff rates apply to all countries excepting those countries named as being entitled to the benefits of a preferential tariff. Under the Canada-New Zealand Trade Agreement Canada is entitled to the benefits of preferential tariff rates on many products.

Exclusions from the requirement to pay duty are defined in the publication "Decisions of the Minister of Customs Relating to the Customs Tariff of New Zealand". This publication lists tariff item numbers and products which qualify for concessionary entry and which, in general, may be admitted free of duty from all sources.

Unless stipulated in the tariff, or if concessionary entry applies, duty is assessed as a percentage of the current domestic value of the goods concerned.

Because the determination of a tariff item number is directly related to the application of import controls (if any) it is advisable to obtain a tariff item ruling for any new product which is to be introduced to the New Zealand market.

Tariff Preferences

To qualify for preferential rates of duty, goods must be:

- (a) wholly the products of Canada
- (b) wholly manufactured from materials that are unmanufactured raw materials or partly manufactured materials if these are of a type specifically provided for in the New Zealand tariff (a list of such materials can be obtained from New Zealand Customs or through the Canadian High Commission, Wellington)
- (c) partially manufactured in Canada provided the final process of manufacture was performed in Canada and at least half of the factory or works cost of the article in its finished state is of Canadian and/or other preferential country (except Britain) origin.

Concessionary Entry

Upon receipt of an application, the New Zealand Department of Customs may grant concessionary entry of "free from all sources" for products not available locally. If granted, preferential margins are temporarily suspended for the duration of the order.

Value for Duty

Ad valorem duty is assessed on the current domestic value (CDV) of the goods. This is defined as the fair market value of those goods when sold for cash in the ordinary course of business for home consumption in the principal markets of the country of export at the time of export.

Where CDV is not applicable, value is largely determined by the price at which the goods or identical goods would be sold in the ordinary course of business in the domestic market.

Documentation

The official invoice and accompanying certificates are usually combined into one form which includes invoice, certificate of value and certificate of origin.

Documents should be carefully prepared and include all relevant information. This is particularly important where the goods in question qualify for preferential rates of duty.

Sample forms and detailed explanations for exporters are contained in the pamphlet "Information for Exporters to New Zealand", available from the Canadian High Commission, Wellington, or from the New Zealand Department of Customs, Private Bag, Wellington.

Import Controls and Licensing

Import controls were first introduced in New Zealand in 1933 as a measure to conserve foreign exchange reserves. Import controls are accepted as one of the tools of balance of payments management by the government.

In recent years the government, in response to criticism and pressures from its trading partners, has gradually removed items from import control until approximately 70 per cent of New Zealand's total private imports are exempt from such control.

The Import Licensing Schedule is issued annually and covers imports during the period from July 1 of the current year to June 30 of the following year. Licences issued under the system may be used to cover imports from any source entirely at the licence holder's discretion.

All imports fall within one of the three categories provided. They are:

- 1) "E" Items — This category covers goods which are exempt from licensing requirements.
- 2) "Basic" Items — This category covers items where the Schedule provides a percentage allocation based on either the amount of the import licences issued during the previous import period or on the amount of actual imports during a previously specified period. Licences under this category are issued automatically.
- 3) "C" Items — This category covers items for which licence applications will be considered on an individual basis.

Goods imported into New Zealand without a licence, where such is required, are subject to forfeiture and the importer is liable to penalties provided under law.

Since many products, particularly those available from domestic suppliers, are subject to import licensing Canadian exporters are advised to contact the Pacific, Asia and Africa Bureau of the Department of Industry, Trade and Commerce in Ottawa, or the Canadian High Commission in Wellington for information concerning their particular products.

Other Restrictions

Because New Zealand depends on the export of agricultural products for its livelihood, stringent regulations are maintained on the importation of a wide range of animal and plant products to avoid the accidental introduction of disease. Canadian exporters of products in these categories should familiarize themselves with these regulations before undertaking major promotional programs.

There are additional regulations concerning packing materials. Hay, straw, chaff, rice husks, used sacks and sacking, grass and similar matting, articles of peat, used wool packs and agricultural waste in general are normally prohibited. Wooden packing cases must be completely free of bark or any visible signs of infection, and be accompanied by a declaration that all timber used was free of bark and visible signs of insect and fungal attack when shipped.

Commercial Samples

New Zealand is a contracting party to the International Convention for the importation of commercial samples and advertising material, which is allowed in accordance with the terms of

the Convention. The country does not accept A.T.A. carnets for the entry of commercial samples.

This generally means that samples are dutiable on importation, but refunds are obtainable on re-exportation. Where samples are defaced or rendered useless for commercial purposes, import duty is waived. Examples would include shoe samples with holes punched through the soles, carpets or linoleum less than one yard in length or textiles less than nine inches in length up to loom width.

VII. YOUR BUSINESS VISIT TO NEW ZEALAND

Advise and Consult the Commercial Counsellor

When planning your first business visit to New Zealand — well in advance of your departure — advise the Commercial Division, Canadian High Commission in Wellington. Inform the Commercial Counsellor of the objective of your visit and include several copies of product brochures. It is extremely helpful if you work out the c.i.f. prices on at least part of your product range. You should also list any business contacts you may already have in New Zealand and include a copy of your complete itinerary.

With this information at their disposal the commercial staff will be pleased to arrange a tentative itinerary and make appointments on your behalf which you can confirm on arrival. Because of the increasing number of Canadian businessmen visiting trade posts abroad, hotel reservations should be arranged by a travel agent.

When to Go

Business visits should be scheduled between February and November. The summer holiday season takes place during December and January when most businesses are closed.

Passport and Visas

All visitors to New Zealand must have valid passports. Canadian citizens will normally be granted an entry permit on arrival. Visas are not required for Canadian citizens.

Health Regulations

Although a valid International Certificate of Vaccination is not required if travelling directly between Canada and New Zealand, it is advisable to obtain such a certificate before leaving Canada because of possible diversions en route.

Agricultural Health Regulations

Visitors arriving in New Zealand are required to make a declaration to the New Zealand agricultural inspectors about any animal, fruit or vegetable products or plants they may be carrying.

If travelling through countries in which certain livestock diseases are endemic the inspectors may legally require items of clothing and produce to be subjected to disinfection under supervision. Animal products, fruit and vegetables and plants may have to be surrendered for destruction.

Permitted Imports

The following may be taken into New Zealand without payment of duty or sales tax:

- (a) up to 200 cigarettes, 250 gm tobacco or 50 cigars;
- (b) one one-litre bottle of wine and one one-litre bottle of spirits;
- (c) personal effects or clothing for own use;
- (d) a limit of NZ \$50.00 is placed on the value of gifts intended for New Zealand citizens.

A brochure on New Zealand Customs concessions for tourists and visitors is available from the New Zealand High Commission, Ottawa.

Travel Routes (International)

All international flights excepting some between Australia and New Zealand pass through Auckland International Airport. Some flights between the eastern seaboard of Australia and New Zealand use Christchurch International Airport. There is limited daily air travel between Sydney, Australia and Wellington International Airport.

Travel Routes (New Zealand)

Air. International services using jet or jet-prop aircraft operate frequent daily flights between some 30 centres.

Rail. New Zealand Railways operates daily services on its extensive rail network of about 4,800 kilometres. There are two daily services in each direction between Auckland and Wellington, each taking about 12 hours. There is one daily service (of about six hours) in each direction between Christchurch and Dunedin.

Inter-island drive-on, drive-off and rail traffic ferries are operated daily by New Zealand Railways in each direction between Wellington and Picton.

Road. Rental cars are available in most centres. Users are required to produce a valid driving licence at the time of taking delivery. Traffic travels on the left of the road. Major roads are generally in good condition but some pass through difficult terrain and reasonable care should be exercised. The speed limit on the open highway is 80 km (50 miles) per hour. Public bus routes operate between main centres.

Clothing

Canadian spring and fall clothing is suitable year round. Lounge suits are appropriate for evening wear. A raincoat is desirable for New Zealand's winter months of June to August.

Hotels

In all main centres modern hotels provide rooms with bathroom and toilet. Prices quoted are for room only. Meals are extra. Because of the tourist traffic in New Zealand business visitors should arrange accommodation through their travel agent. Motels which provide accommodation and cooking facilities are less expensive than hotels for travel within New Zealand. In general motels are clean and well equipped.

Restaurants

Restaurants operate in most cities, providing an alternative to hotel meals. Licensed restaurants serving wines and spirits of international quality are located in all main centres but recommendations should be obtained before making a reservation because prices are generally high.

Tipping

Tipping is not a usual practice in New Zealand, although in the more exclusive hotels and restaurants the staffs seem to expect tips.

Communications

New Zealand Post Office

The state-owned post office is responsible for all internal and international mail, telephone and telegraph services. Airmail correspondence between Canada and New Zealand takes from five to seven days. Surface mail and parcel post between the two countries takes about one month.

Telegraph

Local and international telegrams can be sent from post offices throughout the country, or phoned in at any time.

Telex

Main post offices have telex facilities as have most of the modern hotels.

Broadcasting

The Broadcasting Corporation of New Zealand has two television channels transmitting throughout New Zealand. There are 26 community radio stations and 23 non-commercial stations operated by Radio New Zealand. There are eight private commercial radio stations in New Zealand.

VIII. CANADIAN GOVERNMENT SERVICES AVAILABLE TO EXPORTERS

Export Development Corporation

Of vital importance to Canadian businessmen is the Export Development Corporation (EDC), a Crown Corporation that reports to Parliament through the minister of Industry, Trade and Commerce. Its purpose is to encourage, facilitate and develop Canadian export trade by providing export and credit insurance and guarantees, export financing and other assistance to enable exporters to meet international competition.

The main functions of EDC are:

- (1) to insure the Canadian exporter against non-payment due to credit or political risks beyond the control of either the exporter or the buyer when export sales are made on normal credit terms. Almost all export transactions are insurable, not only those involving goods or technical services but also those involving invisible exports such as managerial services, advertising programs and the licensing or sale of patents, trademarks or copyrights;
- (2) to issue appropriate guidelines to chartered banks or to any person providing non-recourse supplier financing in respect of an export sale. Guarantees may also be issued in connection with a loan made to a foreign buyer for the purchase of Canadian goods and services;
- (3) to finance foreign buyers of Canadian capital goods and related services when extended credit terms are necessary and are not available from commercial lenders. Major engineering and other technical services (but not feasibility studies) may be financed, even when such sales are not related to the export of goods;
- (4) to insure Canadian investments abroad against non-commercial risks such as loss through confiscation, war or revolution or the inability to repatriate capital or earnings.

EDC has its head office in Ottawa (mailing address: P.O. Box 655, Ottawa, Ontario K1P 5T9). Regional offices are maintained in Montreal, Toronto and Vancouver, and a representative in Halifax. EDC is also represented by regional offices of the Department of Industry, Trade and Commerce in St. John's, Charlottetown, Fredericton, Winnipeg, Regina and Edmonton.

Program for Export Market Development

The Program for Export Market Development (PEMD) is designed to assist individual firms in their particular marketing endeavours. Financial assistance is provided for:

- precontractual and bidding costs for specific capital projects
- travel and related costs in market identification and market adjustment
- costs of individual participation in foreign trade fairs
- specified costs of bringing foreign buyers to Canada

Applications should be submitted to regional offices of the Department of Industry, Trade and Commerce in the province in which applicant firm is registered.

Trade Fairs and Missions

In order to further stimulate Canadian exporters in developing business in foreign markets, the Trade Fairs and Missions Branch, Trade Commissioner Service and International Marketing,

Department of Industry, Trade and Commerce, Ottawa, administers the following trade promotion programs:

- participation in trade fairs abroad
- trade missions to and from Canada
- in-store promotions and point-of-sale displays
- export-oriented technical training for buyers' representatives

For further information write to:

Director
Trade Fairs and Missions Branch
Trade Commissioner Service and International Marketing
The Department of Industry, Trade and Commerce
235 Queen Street
Ottawa, Ontario
K1A 0H5

Publicity

Canada Commerce — published bimonthly in English, and Commerce Canada, the French edition — contain articles and reports on export opportunities: ITC services to industry; international market conditions and terms of access; industrial developments; and joint industry-government efficiency studies. Both are available without charge to Canadian manufacturers by writing to The Public Information Branch, Department of Industry, Trade and Commerce, Ottawa K1A 0H5.

Canada Courier, a full-colour, tabloid-size newspaper gives international exposure to products and services that Canadian firms have for export. Published in English, French, German, Spanish and Japanese, its 28 issues a year are read by some 200,000 potential customers around the world.

Provincial Governments

Each provincial government has a department that provides guidance on business development including trade.

IX. USEFUL ADDRESSES

Commercial Counsellor
Canadian High Commission
P.O. Box 12-049
4th Floor
ICI House
Molesworth Street
Wellington, New Zealand
Tel: 739-577
Telex: NZ 3577 (DOMCAN)
Cable: DOMCAN

The Secretary
Department of Trade and Industry
Private Bag
Bowen State Building
Bowen Street
Wellington, New Zealand
Tel: 720-030
Cable: TRADBORD

The Comptroller of Customs
Customs Department
Private Bag
Investment House
Whitmore Street
Wellington, New Zealand
Tel: 736-099
Telex: NZ 31213
Cable: CUSWEL

The Secretary
Ministry of Energy
Private Bag
Lambton House
152 Lambton Quay
Wellington, New Zealand
Tel: 727-044
Telex: NZ 31488 (ENMIN)
Cable: ENMIN

The Director General
New Zealand Forest Service
Private Bag
Bowen State Building
Bowen Street
Wellington, New Zealand
Tel: 721-569
Telex: NZ 31011
Cable: FORESTRY

The Director General
Ministry of Agriculture and Fisheries
P.O. Box 2298
Dominion Farmers Institute Building
Corner Featherston and Ballance Streets
Wellington, New Zealand
Tel: 720-367
Telex: NZ 3049
Cable: MAFFCC

Pacific Division
Bureau of Asian and Pacific Affairs (28)
Department of Industry, Trade and Commerce
9th Floor East, 235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 996-5381
Telex: 053-4123

Director General
New Zealand Post Office
Post Office Headquarters
7-27 Waterloo Quay
Wellington, New Zealand
Tel: 738-444
Telex: NZ 3330
Cable: POSTDIV

New Zealand High Commission
Suite 801
99 Bank Street
Ottawa, Ontario
K1P 6G3
Tel: (613) 238-5991

Trade Commissioner
New Zealand Trade Commission
Suite 2616
2 Bloor Street East
Toronto, Ontario
M4W 1A8
Tel: (416) 961-9797

Trade Commissioner
New Zealand Trade Commission
P.O. Box 10071
Pacific Centre
Vancouver, British Columbia
V7Y 1B6
Tel: (604) 684-7388

REGIONAL OFFICES

IF YOU HAVE NOT PREVIOUSLY MARKETED ABROAD, CONTACT ANY REGIONAL OFFICER OF THE DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE AT THE ADDRESSES LISTED BELOW

NEWFOUNDLAND	354 Water Street St. John's, Newfoundland A1C 1C5	Tel: (709) 737-5511 Telex: 016-4749
NOVA SCOTIA	Suite 1124, Duke Tower 5251 Duke Street, Scotia Square Halifax, Nova Scotia B3J 1N9	Tel: (902) 426-7540 Telex: 019-21829
NEW BRUNSWICK	Suite 642 440 King Street Fredericton, New Brunswick E3B 5H8	Tel: (506) 452-3190 Telex: 014-46140
PRINCE EDWARD ISLAND	P.O. Box 2289 Dominion Building 97 Queen Street Charlottetown Prince Edward Island C1A 8C1	Tel: (902) 892-1211 Telex: 014-44129
QUÉBEC	C.P. 1270, Station B Suite 600 685, rue Cathcart Montréal (Québec) H3B 3K9	Tél: (514) 283-6254 Télex: 012-0280
	Suite 620, 2 Place Québec Québec (Québec) G1R 2N5	Tél: (418) 694-4726 Télex: 051-3312
ONTARIO	P.O. Box 98, Suite 4840 No. 1, First Canadian Place Toronto, Ontario M5X 1B1	(416) 369-4951 Telex: 065-24378
MANITOBA	507 Manulife House 386 Broadway Avenue Winnipeg, Manitoba R3C 3R6	Tel: (204) 949-2381 Telex: 075-7624
SASKATCHEWAN	Room 980 2002 Victoria Avenue Regina, Saskatchewan S4P 0R7	Tel: (306) 569-5020 Telex: 071-2745

ALBERTA
NORTHWEST TERRITORIES

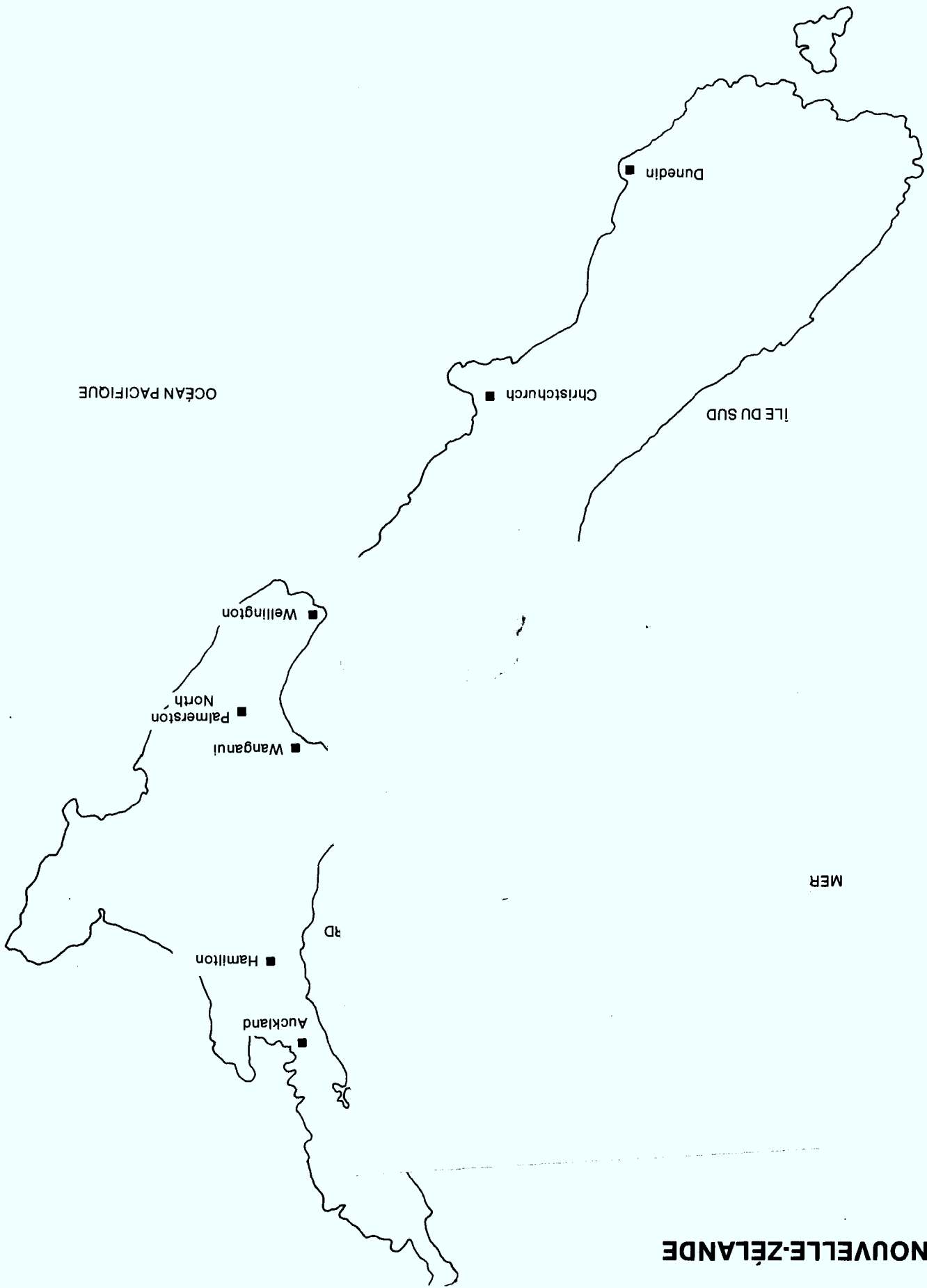
500 Macdonald Place
9939 Jasper Avenue
Edmonton, Alberta
T5J 2W8

Tel: (403) 425-6330
Telex: 037-2762

BRITISH COLUMBIA
YUKON

P.O. Box 49178
Suite 2743
Bentall Centre, Tower III
595 Burrard Street
Vancouver, British Columbia
V7X 1K8

Tel: (604) 666-1434
Telex: 04-51191



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