foreign trade

Canada Sells Equipment, Expertise for Indonesian Forestry

Department of Industry, Trade and Commerce, Canada

October/71

Talking of O. Mary Hill

This space normally contains the words of O. Mary Hill, long-time editor of *Foreign Trade*. Not so in this issue, for Miss Hill has resigned the editorship—we can almost hear a collective gasp of astonishment—to embark on the monumental task of planning and writing a history of the Department of Trade and Commerce.

While Miss Hill is vacationing in the Canary Islands we take the opportunity—perhaps a little sneakily, for Miss Hill is no lover of personal publicity—to talk about her.

And talking about Miss Hill is talking about *Foreign Trade* to many Canadians, coast to coast. This is particularly true of susbcribers who have followed *Foreign Trade* since 1952 (then a weekly) when she became editor.

Among her first tasks was editing an issue (in May 1952) tracing the history of the Department of Trade and Commerce since it was formed in 1892. C. D. Howe was Minister when Miss Hill became editor.

O. Mary Hill will tell you that although 20 years would seem a long span in the same job, "everything was always changing—the magazine's style and approach; its format as a weekly, fortnightly, monthly; world market areas were growing; Trade Commissioners were coming and going.... so much variety."

When Miss Hill began to edit *Foreign Trade*, Canada's two-way trade figure stood around $8,000,000,000: in 1970 the comparable figure was close to $31,000,000,000. As Canadian participation in world trade became more and more important, the Department grew and its theatre of operations expanded. And from her editor's desk, Miss Hill had a front-row view.

Hardly surprising, then, that the Department would approach Miss Hill with the project of a Departmental history. It will be in two parts, covering the years 1892 to 1939 and 1939 to 1969, when the Departments of Industry and Trade and Commerce were merged. Miss Hill, who now has the title "Chief, Historical Section," has met some of the people who will figure in the first half and will find herself thoroughly at home in the second.

The Nova Scotian daughter of a Presbyterian clergyman, Miss Hill began her career in business journalism during World War II. She spent 11 years on the staff of *Canadian Business*—magazine of the Canadian Chamber of Commerce—and was its associate editor before leaving to join *Foreign Trade*.

Now her job was to keep exporters briefed on conditions in foreign markets, to point out specific trade opportunities in other countries, to tell Canadian businessmen about successful exporters and to write about the techniques of carrying on export trade.

We spoke to Miss Hill before she left on vacation about what she would miss most:

"No doubt about it. The contact, through meetings and correspondence, with our own Trade Commissioners, with businessmen all over the country and with people in associations such as the Canadian Export Association and the Canadian Manufacturers Association. I always enjoyed that aspect of my job most, although very occasionally I would have a difficult time convincing a hard-nosed businessman that a woman could know anything about the complexities of exporting. But a little perseverance worked."

Miss Hill has walked warily through industrial plants of every description in practically every Canadian province but regrets that she never toured a steel mill. Dodging machinery, slabs of concrete, eyeing overhead cranes with some trepidation, Miss Hill always got her story. "I must say most of my guides on slippery-floored or cobblestoned tours felt better when they discovered I had come prepared with flat-heeled shoes," she remarks.

Miss Hill's work-travel was concentrated in Canada but she did spend six months abroad during 1969/70. Her book *How to Win World Markets*, prepared for the Department, attracted the attention of officials of Geneva's International Trade Centre—an organization run jointly by the General Agreement on Tariffs and Trade and the United Nations Conference on Trade and Development. At the request of the Trade Centre's Director, Miss Hill was given special leave to take on the job of preparing a manual, *Getting Started in Export Trade*, intended for use in developing countries.

Miss Hill returned to the usual flurry of a deadline-oriented editor's job with a greater understanding of the problems involved in helping developing countries—and with a whole new bunch of friends and admirers.

In the latter case she was adding to a lengthy list, for many of her readers have become her friends. So have a great number of the Trade Commissioners who have dropped in and out of Miss Hill's Ottawa office over the years, many of whom she has helped in one way or another.

So now, we trust sun-tanned and rested, O. Mary Hill will be rolling up her sleeves to tackle those 35 boxes of historical records in the Departmental vaults.

Goodbye, Mary—and all the best!

P.S. One question everyone wants to ask—and we eventually did—what does the "O" stand for? Miss Hill may tell you—and then again, she may not.

ANNA ARMSTRONG
Editor, *Canada Courier*

foreign trade

Vol. 135 No. 16 October 1971

In This Issue

If you think of the export manager's job as consisting largely of hopping on and off aircraft and holding conferences with agents and customers in one sophisticated city after another, our leading article may give you a bit of a shock. In it, one export manager relates some of his experiences in selling to, and maintaining relations with, logging companies on Sumatra and other islands in the Indonesian archipelago. It proves that for some, it's a career that still offers adventure.

The author, F. W. Fraser, also supplied the color photo that we have used on the cover. It shows a log skidder made in Canada coming ashore from a landing barge on the island of Kalimantan. The arrival of the skidders was an exciting occasion, we are told, and many of the local folk turned out to watch. The picture shows the freighter anchored just off shore.

Mr. Fraser's candid account of selling and servicing these tough machines is followed by a piece by Yvon Jauron, our Commercial Secretary in Djakarta, on what Indonesia is doing to develop its latent forest resources and what opportunities have opened up for marketing Canadian equipment and consulting services.

Robert Higham's personal experiences as a Trade Commissioner in Boston were not nearly as colorful as Mr. Fraser's in Indonesia. But they did give him a good deal to think about as he packed up for his new assignment in Bangkok. The conclusions he reached and the message he wishes to pass on to firms close to the New England market you will find on page 33.

Now that the world's money markets have settled down a little, we are able once again to publish a full listing of the foreign exchange rates.

Next month we plan to feature those important markets for Canada, the countries around the Pacific Rim, including Japan, Australia, and China. There will also be some surprises in the layout of that issue and we suggest that you watch out for it.

CREDITS: Photos on pages 9, 10, 11 and 12 courtesy of the Asian Development Bank, Manila.

Articles

Departments

Established in 1904.
Published by the Department of Industry, Trade and Commerce.

The Hon. Jean-Luc Pepin, Minister
J. F. Grandy, Deputy Minister

O. Mary Hill, Editor
W. H. Lambton, Assistant Editor

93295—1

Address correspondence to:
Editor, "Foreign Trade", Department of Industry, Trade and Commerce, Ottawa, Ontario K1A OH5

Subscription
Published monthly; $5 a year in Canada, $7 abroad. Single copies 25 cents each. Please forward all orders, with cheque or money order made out to the Receiver General of Canada, to Information Canada, Ottawa, Ontario K1A OS9

Telling It Like It Is—

on the Indonesian Out Islands

F. W. Fraser, export sales manager of the Canadian Car Division, Hawker Siddeley Canada Ltd., believes in personal selling. In the Out Islands of Indonesia this can mean rugged travelling and adventures. Mr. Fraser describes his experiences there in a colorful and individual style.

Running a big machine like this has unusual hazards in Sumatra. The fence that you see in the picture above isn't to keep the operator in, but tigers out.

Personnel from our Export Department make fairly regular trips to most countries in the world, both to service the accounts and equipment we have working, to interview new dealer prospects, and to do some market research. For equipment such as ours, it is necessary to visit the areas in most countries to see if our equipment will indeed work.

Indonesia is particularly interesting for us as we are one of a very few manufacturers, one Canadian and one American, that makes a large log skidder. We have been fortunate in getting a lead over our competitors and have more large skidders, 180 h.p. and up, in the export market than all other manufacturers combined. The timber in Indonesia is large and heavy and lighter and less powerful skidders will not live, and indeed in most instances will not perform at all.

Our first sale of the Canadian Car C-8 skidder was to a Filipino firm, Valgosons Indonesia Ltd., that has an office in the Karya Wisata Hotel in Djakarta. Valgosons' operation is in Telukepajang, Lasong District, Kalimantan Selatan (Borneo). To give you some idea of what Canadian exporters do for a living, we took an order for three C-8 skidders for Valgosons, met the equipment in Singapore, and then travelled with it by landing barge for ten-and-a-half days down the South China Sea. Our destination was Pagetan in Borneo, about a 24-hour sail from Bandjarmasin. Here the skidders were transferred to a barge and towed up a river about 60 kilometers to the logging site. We travelled by speedboat, a voyage of some four hours.

We brought the landing barge on which we had sailed from Singapore into Pagetan at dusk. There was no docking facility so we ran up on the beach and lowered the front section of the boat. Apparently one person among the natives who met us on the beach thought it was an invasion, (to him the skidders were probably tanks) so he threw rocks at the crew and then stabbed one of the foremen. He aimed for his heart but the man put his arm up and was only stabbed in the arm. It was a nasty wound and became infected so the foreman was in trouble for a couple of weeks. The person who made the attack was apparently a little soft in the head. We decided it might be the better part of valor to unload in the morning, so we put on guards and went to sleep. The next day everything went well. We unloaded the skidders and the

authorities gave the schoolchildren a holiday to see the fun.

The skidders worked well at Valgosons but later ran into a heat problem caused by the high temperatures and the long haul, about seven kilometers. None of the skidders is designed for long hauls so we had to find a solution to their problem. This was one of the reasons for our second visit a few weeks ago, when we installed a new type of cooler which works perfectly. Ernie Zepik of our export sales division and I wanted to visit personally and assure ourselves that this indeed was the trouble and that our modification would be satisfactory. Our experience here gave us assurance that our equipment will operate satisfactorily under all temperatures, from the Canadian below zeros to the 100-odd in the tropics.

Valgosons is very pleased with the performance of the skidders and is indicating a further order of three or five later this year.

It is almost impossible to get transport from Pagetan to Bandjarmasin unless a client's boat is at hand, so in this instance we took a local ship which plies irregularly between the two ports. Twenty-three hours sitting on our bags was indeed a rough trip—no place to sit down and no place to stretch your legs. There must have been 150 people on this small boat, with no life raft or lifeboats. Luckily, there was no storm. We arrived in Bandjarmasin completely exhausted.

Our next trip was to the island of Obi in the Moluccas. We travelled by air to Ambon on the island of Seram and then by boat, the company's, to Obi. The schedules are very irregular so we had to wait four days in Ambon in a small hotel. Very generous and hospitable but what you don't have you can't give, and they didn't have too much.

The P.T. Poleco Co. is one of our best accounts in Indonesia. They have ten C-8 Tree Farmers and furnished us with some quite staggering figures as to the productive capacity.

Their operation is rugged, 24 hours a day and six days a week. Some departments work seven. Like all foreign firms, they have agreed to instruct the Indonesians in logging and have an Indonesian helper for every Filipino. It is expected that the Indonesians will be running the operation, except for management, within a few years. Foreign firms are allowed to retain 51 per cent of the shares.

At Obi there are 102 Filipinos, 232 Indonesians and four Japanese. The Japanese purchase all the logs and it is interesting to watch them load their vessels offshore. One night we were invited to the Japanese quarters for dinner, had wonderful raw fish with a fantastic sauce, and sang songs.

All these loggers have doctors and some dentists. At Obi they have both a doctor and a dentist. There are about 9,000 people on the islands living in small villages, picking coconuts, fishing, etc., and the logging company furnishes them with medical and dental service at no charge. I don't believe this was a stipulation in their contract. The last night I was in Obi a little girl bitten by a poisonous snake was brought by

→

boat from a distant village to the camp and put in hospital. One young Filipino was killed while I was there, hit by a falling tree.

Canadians have a reputation for logging expertise and we receive many inquiries for quotations on skidders. Poleco is very pleased with the operation of the Tree Farmers and has promised another order for ten or more shortly, when they will log at another location on the island.

They are working three shifts per day of eight hours: skidding distance 5 to 7.5 kms; grades run from 45 degrees down to 35 degrees uphill and these they manage without any problems. Fuel consumption is from 176 to 210 liters per day per machine, and they take out from 136 to 150 cubic meters of wood on 22 average running hours. The other two hours are used for machine maintenance, check-up and refueling.

An operation like this is a very lonely one for the Filipino workers as they sign for two years and hope to see their families in the Philippines before the two years are up. Many won't as transportation is very difficult. The camp has no radio so while there you are simply out of touch. The boys, mostly young and in their twenties, play the inevitable basketball (every camp has a court) and have a movie, usually Japanese or Filipino, when the log boats arrive. Movies are in the open and it is interesting to watch the expressions on the faces of the natives. Some of the Indonesians have wives with them so do not have the moods of depression which occasionally hit the Filipinos. Food of course is a problem but there are many wild boars on the island and quite often they appear on the table.

Our last visit this tour in Indonesia was to the firm AISALOG, a Filipino firm logging near Djambi in Sumatra. To reach them we made a 76 km. trip by jeep over terrible roads, then a 30 km. river trip. Aisalog's camp was recently burned to the ground and is only now being rebuilt, so the accommodation was "modest."

This firm had been very pleased with the performance of the C-8 Tree Farmers and hopes to add to its fleet of three. Although the facilities at these camps for repair are not the best, the personnel are well qualified, which is a real bonus for us. If experienced men were not at hand, the experience of the loggers with our tractors could be less than satisfactory.

Aisalog has a 200-km. trip to the coast before logs can be loaded, but it remains a viable operation. Low river water at times slows the operation but when the rains come and raise the water level up to three meters, all is fine. Fifty-four Filipinos and 80 Indonesians are working at this site. The concessions are for twenty years with an extension if requested. The operation is tax-free for four years, and this also applies to purchase of equipment. The species of wood extracted is mostly meranti. When a tree is felled you will often see the feller cupping his hands to catch the water or sap which comes out in great quantity. It is pure as opposed to other trees, most of which are toxic.

Aisalog has a concession of 100,000 hectares, which is large. Valgosons has 55,000 hectares at the present time. Aisalog works two eight-hour shifts.

Sumatra is somewhat different from other areas in Indonesia and much wild life is seen, including tigers. We were very interested to see upon arriving at the camp that our skidders had been modified to protect the operators, who work alone at night, from the tigers. You will notice the protection on the sides of the skidder and also the bars in front of the operator in the photograph on page 5.

A few days before we arrived, a large tiger was shot right in the camp and a few days before three tigers blocked the skid road some miles from the camp. The operator had a gun and was able to kill a very large tiger. When Aisalog first arrived, the men could hear the tigers but the noise of the machines and the lights frightened them so none appeared. Lately all fear is gone, so some protection had to be built into the tractors. This is the first time Can Car has ever had to add tiger protection to a skidder! A good many snakes are seen, in particular pythons. These

Many of the operators of the forest harvesting equipment in this area of Indonesia are Filipinos, like the man pictured above. They are training Indonesians to take over their jobs eventually. Most of them serve for two years under contract.

the natives try to catch with a rope around the neck, then pull out on the river bank. Many are eight to ten meters long.

We feel that there is a great deal of business to be secured by Canadian companies involved in logging equipment in Indonesia, and we hope to open a branch in Southeast Asia to service the area. I was able to relate this good news to a few of our prospects, and in one case it resulted in an immediate order for three C-8's. Service is all-important and this will enable us to support the equipment in these remote places.

I recently picked up an Indonesian Magazine, *Perspectives*, February issue, and noted where there was trade between South China and Indonesia in precious stones, minerals, metals, spices, and timber, as far back as 206 B.C. to 24 A.D. So it has really taken Canadian Car a long time to make its slight contribution to the extraction of Indonesian timber!

Indonesia Pushes Forest Development

...and some Canadian firms are already working there, doing forest resources surveys or supplying heavy-duty equipment. Others could follow in their footsteps.

YVON JAURON, Commercial Secretary, Djakarta

This group at a logging operation near Djambi was photographed one morning in front of a hard-working Tree Farmer, one of three in use at the project. Fifth from left is O. Zapik, of the Export Department of Canadian Car, and third from left is the project manager for Aisalog, a Philippine firm. To reach Djambi the Canadians travelled over rough roads and by river.

Indonesia has the richest timber resources among the countries of the Far East, with a reported 276 million acres of forest land, which represents two thirds of the land area. Until recently these enormous forest resources remained unexploited or under-exploited, primarily for lack of investment. This situation is now changing following government policies aimed at accelerating development, and prospects are promising.

The largest part of the forest resources and by far the richest is in Kalimantan (Borneo), with an estimated 104 million acres. It has huge quantities of timber of the dipterocarps group which makes up the bulk of international trade in tropical hardwoods. The next most important forest resources are found in Sumatra, with an estimated 69 million acres. The prevailing species found on Kalimantan are found also in Sumatra, where prospects for development are heightened by the proximity of large and rapidly growing timber-processing industries in Singapore and Malaysia. The tropical forests of Kalimantan and Sumatra are believed to contain more than 40 exportable wood species. The forest resources in West Irian and the Moluccas, though large (91 million acres) are believed to be of less commercial value. Those in Java and Madura amount to less than 7,415 acres but contain much valuable teak wood and plantations.

More than 93 per cent of the total forest in Indonesia is "national" forest classified into teak and non-teak, representing approximately 281 million acres. The remaining part is largely community forest. Private forests are found only in Java.

Forest organization in Indonesia comes under the Directorate General

→

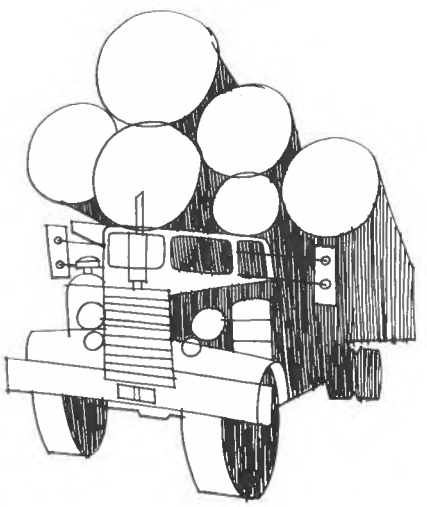
for Forestry, a division of the Ministry of Agriculture, which is responsible for management and development of the national forest, marketing of forest products, and improvement of forestry through research and planning. The main management task is carried out by the State Forest Enterprise (PERHUTANI), which until recently has been primarily concerned with management of the teak forests of Java but has now expanded its operations into Kalimantan, in collaboration with foreign operators. Planning is carried out chiefly by the Institute for Forest Inventory and Planning, and research by the Forest Research Institute.

The Directorate General of Forestry is responsible for issuing concession permits to domestic and foreign operators. These fall broadly into two categories:

1. Small concession permits for areas up to 24,710 acres for a period of 20 years.

2. Large concession permits for areas from 24,710 acres to roughly 618,000 acres for a period of 20 years. These large concessions are open to foreign investors.

After a period of stagnation, the Indonesian economy in recent years has recovered impressively. The forestry sector, with minerals and oil, showed the largest growth. Preliminary estimates indicate that in 1970 production of forest products increased by 26.2 per cent over 1969 to 9.5 million cubic metres of roundwood equivalent, compared with 5.3 million in 1967. The value of exports of logs and sawwood, negligible in 1965, reached nearly $50 million in 1969 and almost $90 million in 1970, of which $72 million went to Japan. This substantial increase in forestry exports has largely resulted from new domestic and foreign investment in the industry during the last few years, following government policies designed to accelerate forestry development. Foreign investment alone is estimated at about $30 million in 1970. It is expected that the rapid expansion of forestry production and exports will continue in 1971.



The Five Year Development Plan (1969-74) emphasizes the expansion of the agricultural sector, including forestry. According to the plan, by 1974 the production of forestry products should reach 7.9 million cubic meters compared with 2.9 million in 1969, or a 172 per cent increase; the 1974 objective was exceeded in 1970. In view of the limited production of timber for export in the Philippines and Malaysia, Indonesia appears determined to play an important role in the timber trade in Southeast Asia. Exports of wood products, according to revised targets, should reach by 1974 about 30 million cubic meters valued at $240 million.

The Government has also recognized that local capital and managerial skills are not adequate to exploit the forest potential and decided in 1967 to invite foreign investors to participate by offering a wide range of incentives, such as tax exemption on profits, duty-free imports of equipment, and guarantees against nationalization. The Government is also actively encouraging the setting-up of joint ventures in forestry offering tax advantages. During the last few years private investors from Korea, Japan, the Philippines, Malaysia, the United States, and France have been competing to obtain forest concessions and develop the large untapped resources of the islands of Kalimantan and Sumatra.

Last year, approximately 90 per cent (or 7.7 million cubic meters) of Indonesia's non-teak wood products was exported, 80 per cent of which went to Japan. On the other hand, about 95 per cent of the teak production was sold domestically but efforts are being made to increase the export of this high-priced commodity, particularly to Europe. Attention is being concentrated, however, on the forestry export potential of the islands of Kalimantan and Sumatra with their huge resources. The principal outlets for Indonesia's timber are expected to remain for some years Japan, the world's largest user of logs, and the processing industries in Korea, Taiwan and Singapore.

TABLE 1

FOREST LAND OF INDONESIA

Region	'000* hectares
Java and Madura	2,991
Sumatra	28,420
Kalimantan	41,470
Sulawesi	9,910
Moluccas and West Irian	37,500
Nusa Tenggara (South East Islands)	1,483
Total area	**121,774**

*One hectare equals roughly 2.5 acres
Source: Central Bureau of Statistics

Production in the Indonesian timber industry is still basically log-oriented. For a number of reasons the wood processing industry over the years remained largely neglected, although there are now attractive opportunities for foreign capital and technical know-how. The paper industry at the moment consists of only five mills, with a total output of 36,000 tons. Three are using straw and the others bamboo as raw material. Long-fibered chemical wood pulp for mixing with the short-fiber pulp produced in the country is still being imported. Other industries, particularly the sawmills and plywood, are small and concentrated in Central Java. As the main sources of raw materials are located outside Java, there is now a planned effort to encourage the development of forest industries outside Java, closer to sources of supply.

Immediate and future prospects for Canadian services and equipment fall into three categories:

Consulting Services—The need for consulting services in the forestry

→

The huge log in front of which this operator is standing shows the type of timber that comes out of Indonesian forests—large and heavy. That means that skidders must be powerful and able to stand up under rugged use. The ones coming in from Canada are mostly 180 horsepower and up; getting them into remote forest areas is sometimes a rather difficult problem.

sector is enormous. For example, no over-all survey of Indonesia's timber resources has ever been done. But opportunities in the short term will depend on availability of funds under multilateral and bilateral programs. Until recently, no feasibility studies in forestry had been made under either multilateral or bilateral programs. Only a few months ago, the Asian Development Bank provided technical assistance for project preparation to rehabilitate and develop the teak industry in central and east Java. This feasibility study is being conducted by a Canadian firm, C. D. Schultz & Company Limited, Vancouver. There is some indication that technical assistance will be provided over the next few years in a variety of fields—such as forest resources surveys, timber harvesting, teak sawmilling, watershed management, employee training and education. There will be opportunities in the consulting field that Canadian firms should not ignore.

Canada has shown considerable interest in providing technical assistance in this field. Under Canada's aid program to Indonesia, the Canadian International Development Agency (CIDA) is financing two technical assistance studies. The first one will study the possibilities for the development of pine and agathis plantations in central Java, with the object of initiating a sawmill industry and ultimately a pulp and paper industry that could use the softwood plantations. The second will cover the pulp and paper industry in Indonesia, with the object of making recommendations to the Government on policy measures to promote its development. The survey should also identify the technical difficulties in existing mills, evaluate the present and future supply of domestic raw materials, and make recommendations for development. Both these studies are now being carried out by Sandwell & Company of Vancouver. Canada has also expressed an interest in providing experts to work in the Directorate General for Forestry with the primary object of assisting in the processing of timber licence applications and in establishing policy guidelines.

Logging Machinery and Equipment—The timber industry, even in its primary stage, has been singled out as a potential major foreign currency earner. The Government has recognized that the exploitation of the rich timber resources, particularly in the outer islands of Kalimantan and Sumatra, offers probably the best short-term prospect for raising export earnings and alleviating the acute foreign exchange problem. There is therefore a great need for extraction equipment—in particular chain saws, skidders and log loaders—and Canadian manufacturers should concentrate their efforts in this sector. The rugged Canadian logging equipment has proved highly successful and well attuned to forest conditions in the Outer Islands. The largest concession operators are already familiar with Canadian equipment, in particular skidders, which they find very dependable. Because of the lack of good logging roads, only small and medium-sized logging trucks can be used in the Outer Islands. The use of large off-highway logging trucks and tracked vehicles will not be possible until logging roads are improved considerably.

Sawmill Equipment and Wood Processing Equipment—At the moment

→

It's time for a break at a logging camp in Indonesia and the Filipino and Indonesian workers find the log skidder a good place to sit and relax. Because of the high temperatures and the long hauls, many of these skidders had to be equipped with a special type of cooler, installed by Canadian Car engineers who made a special trip to solve the problem. At many of these logging operations, work goes on 24 hours a day for six days a week and sometimes even for seven, when the pressure is on.

there are several hundred sawmills in Indonesia but they are small and antiquated and mainly concentrated in Java. Their production is almost entirely geared to the domestic market. There are only two veneer and plywood manufacturers at the moment in central Java and more than 95 per cent of these products continue to be imported. While, by and large, the Indonesian timber industry is expected to remain oriented to log production for some years to come, there is little doubt that Indonesia should be able to participate to some degree in the near future in the trade in processed products, as the Government encourages the accumulation of capital and skills through foreign participation. The establishment of sawmills and wood-processing industries could open up promising opportunities for Canadian manufacturers of machinery and equipment. At the moment, the best prospects appear to be for mobile automatic sawmills.

The development of Indonesia's forest industry has only started, and many observers believe that it will replace the Philippines as the largest timber supplier in the Far East. Already more than 45 foreign and Indonesian firms have been granted rights to exploit a total area of about 11.4 million acres of timber land in the Outer Islands and the lumber industry should play an increasingly important role in the development of the Indonesian economy, perhaps as important as oil and mines.

Canadian forestry equipment exporters interested in Indonesia should be aware that a regulation issued last December by the Department of Trade makes it compulsory for a foreign manufacturer to appoint an Indonesian firm as its sole agent and distributor for Indonesia. This means that Canadian firms selling their equipment to Indonesia through agents in Singapore and Hong Kong must now appoint Indonesian agents/distributors. The selection of a local agent, reputable and financially sound, with spare parts and servicing facilities, is not easy because major distributors in Djakarta are already committed to foreign firms. The Commercial Section of the Canadian Embassy in Djakarta will be pleased to provide help in finding a suitable representative.

Getting Contracts under ADB

In four years, the Asian Development Bank has financed many types of projects; 32 were approved last year. Canadian consultants and equipment suppliers could well be getting more of this business by following procedures outlined below.

BERNARD A. GAGOSZ, Consul and Trade Commissioner, Manila

The Asian Development Bank has been in operation now for more than four years and has made commitments of over $400 million in 16 member states. Shown here are members of a mission at a site for an industrial park near Kabul, Afghanistan, a project which will be financed by a loan from the ADB—to the obvious delight of the locals sitting in the foreground.

After four years of full operation, the Asian Development Bank recorded total commitments in loans to developing member countries in Asia in excess of U.S.$400 million in the first quarter of 1971. A sharp increase in lending activities during 1970 resulted in loan approvals totalling U.S.$245.6 million, pushing the ADB into the big league of regional development banking. These funds are being used for a wide range of development projects in the developing countries of Asia, and spell opportunity for a broad spectrum of Canadian industry—consultants, construction firms and a diversified group of equipment suppliers.

During 1970 the ADB widened the scope of its lending operations with its financing of new textile and rice mills in Pakistan, agricultural credit in Nepal, and vocational education in Singapore. These new areas were added to a range of activities that already included financial assistance to national development banks, loans for agricultural and irrigation projects, power transmission and distribution, construction of highways and development of seaports and an international airport, water supply, fisheries development, modernization of tea factories, expansion of a fertilizer plant, and establishment of a caprolactam plant.

A percentage breakdown of Bank lending by purpose during 1970 shows the following: transportation (including airports and harbors) 26, public utilities 23, industry 19, development banks 17, agriculture 14, and education 1.

93295—2

Here construction work is in progress at Pending Point, site for the extension of facilities at the port of Kuching, the capital of Sarawak, East Malaysia. About 26 per cent of ADB's loans are used for the development of transportation, including both airport and harbor sites like this one.

Background of ADB—When the ADB was inaugurated in the fall of 1966, it was conceived as a regional development bank to cater to the special needs of emerging nations in an emerging Asia. Although other multilateral and bilateral lending institutions were providing development funds there, it was felt that a regional bank with headquarters in Asia was needed to serve the particular requirements of the region. A measure of the ADB's success on this score is the fact that the Bank is now providing about 30 per cent of the over-all development financing received from multilateral sources by the 16 developing member countries in the region that have sought its assistance.

The ADB's resources include:

1. U.S.$1,004 million in the form of subscriptions to its Authorized Capital Stock by the 36 member countries (22 regional and 14 non-regional).

2. U.S.$127.4 million in Consolidated Special Funds comprising: Agricultural Special Fund $23.1 million, Multi-Purpose Special Fund $100.3 million, Technical Assistance Special Fund $4.1. million.

3. Long-term debt issues of U.S.$38.1 million.

4. Net income from operations of U.S.$20.9 million.

More issues of long-term bonds are planned for 1971, and the Bank's Board of Directors is discussing the question of increasing the over-all resources of the Bank.

Canada's stake in the ADB is important. Our subscription to its capital stock amounts to U.S.$25 million (the two largest holders of capital stock are Japan and the United States, each of which has subscribed $200 million). In addition, Canada has earmarked $25 million for the Multi-Purpose Special Fund, the second largest single commitment to this fund. Essentially, this $25 million is tied to procurement in Canada. Canada has also contributed $200,000 to the Bank's Technical Assistance Special Fund.

The operations of the ADB—it has its headquarters in Manila, Philippines—are supervised by a Board of Directors consisting of 12 full-time directors (eight regional and four non-regional) representing the 36 member countries. Canada is a member of a non-regional six-country grouping, made up of Canada, Denmark, Finland, Netherlands, Norway and Sweden, and is represented by a director, Poul H. Kryger of Denmark, and an alternate director, I. B. Robertson of Canada.

The ADB operates with a professional staff of approximately 160 and comprises an unprecedented nucleus of expertise on Asian economic affairs. To supplement this highly qualified professional team, the Bank frequently commissions individual outside experts or consulting firms to do feasibility studies and other evaluations, and provide supervision for projects.

The Bank's four-and-a-half years of progress through infancy have been impressive and total loan commitments of more than $400 million are a measure of its increasing maturity. The full impact of the Bank's growth is realized when figures for loan approvals for the past several years are compared: 1968, U.S.$41 million; 1969, $98 million; 1970, $245 million.

The total number of loans approved in 1970 was 32, compared with 20 in 1969. The average size of loans has also increased, from U.S.$4.9 million to $7.66 million. By the end of last year, the Bank was engaged in lending and technical assistance activities, or both, in all the 16 developing member countries that had sought its aid, namely: Afghanistan, Cambodia (Khmer Republic), Ceylon, Fiji, Indonesia, Korea, Laos, Malaysia, Nepal, Pakistan, Philippines, Singapore, Taiwan, Thailand, Vietnam and Western Samoa. ADB loans to these countries were comparable to commitments by the IBRD/IDA group, and loans to Cambodia, Laos, and the Republic of Vietnam were the first these countries had received from any international development banking institution.

Opportunities for Consultants—Up to the end of 1970, ADB projects had provided work for a total of 136 individual consultants employed on a contract basis and, in addition, 31 contracts had gone to consulting firms.

Six Canadian experts had provided their services to the ADB on an individual contract basis and early this year the first consulting contract was awarded to a Canadian firm, C. D. Schultz and Company Limited, for a forestry study in Indonesia.

Several Canadian consulting firms have been doing a good business development job with the ADB and its borrowers and we are hopeful that their efforts will result in contracts in the near future. On the whole, however, Canadian performance has been unspectacular and Japanese, United States and European consultants have captured the lion's share of the business. It might therefore be useful to review ADB procedures for selecting consultants.

First, and most important, a consultant must register with the Bank in order to be considered for an ADB project. To initiate registration procedures, Canadian firms should write directly to: H. J. Hansen, Chief Engineer, Asian Development Bank, 2nd Floor, Rufino Building, Ayala Avenue, Makati, Rizal D-708, Philippines.

Consulting firms are employed for ADB projects either by the Bank itself or by the borrowing countries, depending on whether the project is financed by a technical assistance grant or a straight loan.

In technical assistance grants, the Bank makes its own selection of consultants. The first step is the selection of a "long list" from those firms registered with the ADB. This selection is done on the basis of the interest and capabilities that firms have expressed on their registration forms. Currently, there are about 1,200 consulting firms registered with the Bank and a long list for a project may contain anywhere from 10 to 40 of these. Subsequently, a "short list" of four to seven firms is chosen by the Bank according to its assessment of the firms' qualifications and expressions of interest in a particular project. At this point, consultants on the short list are notified and asked to submit proposals.

When projects are being financed by a straight loan, the borrower is usually responsible for selecting consulting firms, under ADB guidelines and with ADB approval. Consulting firms would be well advised to express interest directly to the implementing agency in the borrowing country. Implementing agencies can be Ministries of government, public utilities or even private firms. Canadian Trade Commissioner Service offices throughout Southeast Asia can help consulting firms to contact the various implementing agencies responsible and, in any event, consulting firms are advised to keep in touch with the various Trade Commissioner Service offices to get current information on any projects that might be of interest to them. In addition, the Department of Industry, Trade and Commerce in Ottawa is informed promptly of ADB projects and consultants are advised to keep in touch with: Chief, Industry Machines & Engineering Services, Machinery Branch, Department of Industry, Trade & Commerce, Ottawa, Canada.

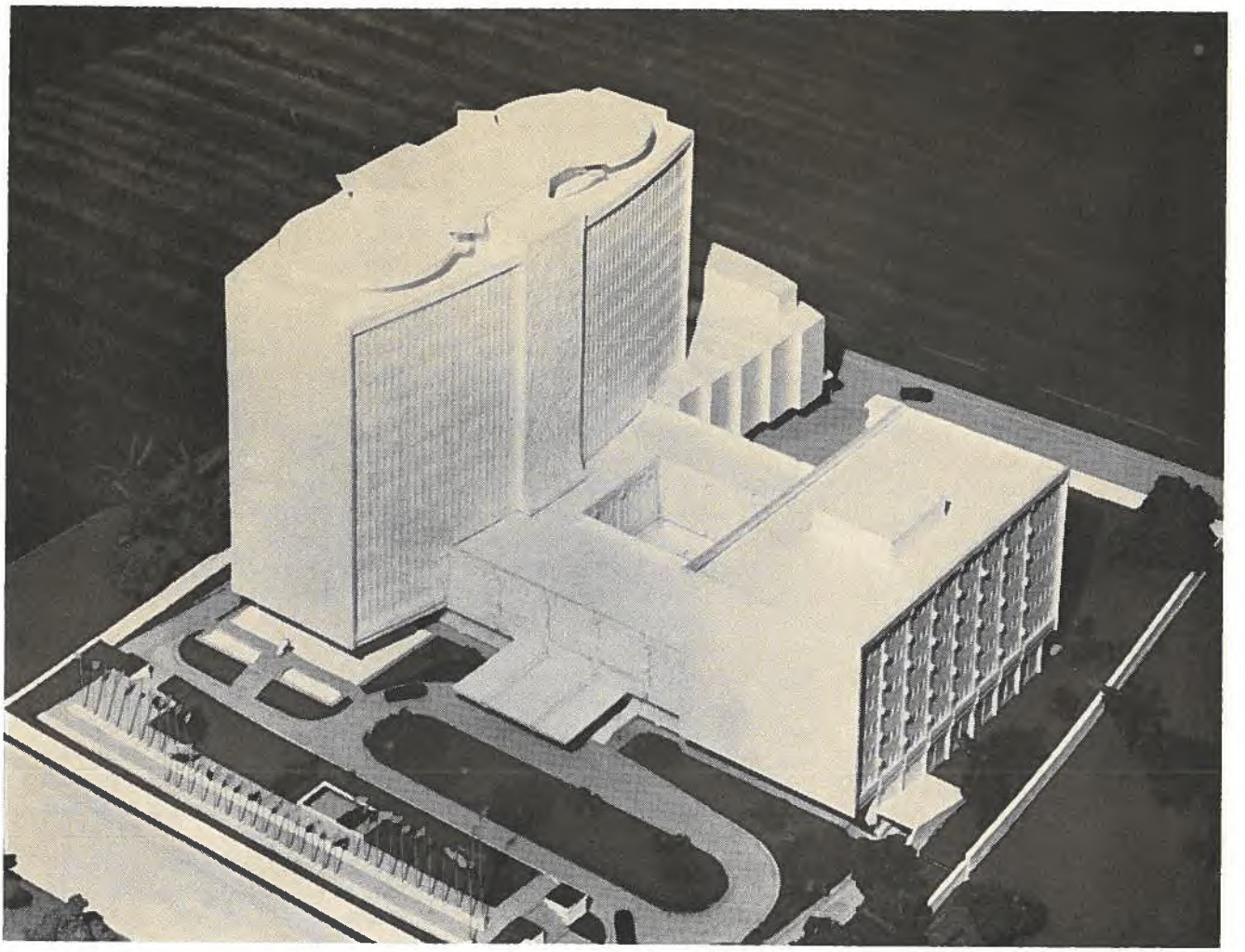
Opportunities for Manufacturers—The initial stages of feasibility study, evaluation, design, and later, supervision, offer excellent opportunities for consultants, but the bulk of ADB funding is used for project implementation for construction and procurement of equipment and supplies.

Procurement requirements are as varied as the projects undertaken and the borrowing countries: roadbuilding machinery for the Philippines; thermal electric plants for Taiwan; hotel equipment for Fiji; satellite communications facilities for Ceylon; waterworks equipment for Korea; airport equipment for Singapore and Nepal; cold-storage plants; fishing trawlers—the list grows continuously.

Experience to date with ADB procurement has been limited, because of the short time the Bank has been in business and the time lags between loan approval, contract award, and actual procurement. Of the more than U.S. $400 million committted, contracts worth only $54.4 million have been awarded and a paltry $26 million

Another example of the variety of ways through which the Asian Development Bank assists its member states. Here a lecturer gives a training course on water management to a class in the Philippines. This type of activity comes under technical assistance, to which Canada has contributed $200,000.

93295—2½



An architect's model for the permanent headquarters of the Asian Development Bank in Manila, which is being provided by the Government of the Philippines. It is scheduled for completion by the end of November this year.

actually disbursed. It is thus somewhat premature to form too many conclusions about the relative competitiveness of suppliers from the various member countries. It is significant, however, that of the $54.4 million in procurement contracts awarded, more than $25.4 million in contracts has gone to Japanese suppliers. Japanese firms understandably regard the ADB as an extension of their own country's financing institutions, and they have been quick to seize the opportunity to extend Japanese economic influence in the region. Britain has rated a poor second in terms of total value of contracts obtained (U.S.$7.1 million); for West Germany and the United States the figures are U.S. $3.7 million and $3.5 million. Despite limited success to date, Canadian equipment enjoys a good reputation in the region and, with a greater awareness of the opportunities provided by ADB funding, the performance of Canadian manufacturers will probably improve.

The Bank has published a booklet entitled *Guidelines for Procurement under ADB Loans* which provides full details on procurement procedures. Copies are available on request. Essentially, the Bank employs generally accepted rules of international competitive bidding. Suppliers are limited to the Bank's member countries, but these include Canada's major industrial competitors in North America, Europe and Asia. Depending on the magnitude of the procurement, suppliers may be required to prequalify, and in all instances, procurement requirements must be advertised in Canada. Canadian Trade Commissioners can provide advice on projects in their region.

Although the Bank's loans from Ordinary Capital Resources are open to international competitive bidding, it is particularly interesting to note that loans from the Bank's Special Funds are in most cases tied to Special Fund contributors: Canada, Japan, Australia, Denmark, the Netherlands, and Britain. Canada's contribution of $25 million to this fund therefore means a $25 million opportunity for Canadian suppliers.

This information on the Bank will, hopefully, whet the appetite of Canadian industry—both the consulting and the manufacturing sectors—so that in future Canada will gain a proportionate share of ADB-financed business. For further details, Canadian firms should write to the Consul General & Senior Trade Commissioner, Canadian Consulate General, P.O. Box 1825, Manila, Philippines.

Find a Need–and Fill It

That's the export philosophy of a Vancouver company that turns out parts for chain saws. Here's how it works, according to the vice-president and general manager of Windsor Machine Company.

O. MARY HILL
Editor, *Foreign Trade*

Exporting is really quite simple. Find out what people want and give it to them.

That's the export philosphy of Windsor Machine Company Ltd. of Burnaby, British Columbia. What it sells to the people who want them are bars, chains, sprockets, and replacement parts for chain saws.

How do you find out which people in which countries want them? That's simple too: you write letters. In fact, you write to every Canadian Trade Commissioner in every foreign post, telling him about your products. You send him brochures describing them. You put advertisements in trade journals like *Chain Saw Age*. You get answers to your letters and inquiries from your advertisements. Then you decide to get out and begin campaigning.

Fifteen years ago, that's exactly how C. E. Pulham, vice-president and general manager of Windsor Machine Company, went to work. He wrote to all the Trade Commissioners, he analyzed their answers to his letter, he got contacts through the ads he placed. Then he tackled the question of where to start selling.

Basically, Windsor Machine caters to two types of markets. One is the O.E.M. market—firms making chain saws. Like the big watch manufacturer or the auto-maker, the chain saw manufacturer doesn't always make all the parts himself. As Pulham explains, "When it is not economic for a maker to produce a certain part, he comes to us." (Of course he didn't come at first—Pulham went looking for him.) The other market, which was developed later, is for saw bar and sprocket replacements.

What's all the excitement? Giles Mangel, champion logger of France, is carving a replica of the Eiffel Tower in wood, using a chain saw equipped with Windsor bar and chain. The event: the annual French logging championship, held in the rain.

In the search for buyers, the United States was obviously the place to begin and Pulham and his colleagues sought out O.E.M. companies. Things went so well that the United States became, and continues to be, the company's best customer.

There is one catch in this business of expanding markets—being too successful and out-selling production. The result: frustrated clients who can't get the product when they want it. Pulham and his associates were

→

canny. They first sold guide bars only, then they added sprockets.

About a year ago they went into selling saw chain also. They entered one market at a time, consolidated it, and moved on.

Europe was the next objective. Pulham himself prospected there, paying special attention to Sweden, Norway, Finland, France and Germany. He concentrated on calling on O.E.M. companies. So successful was he that today Sweden's three major chain-saw manufacturers all use either Windsor guide bars or sprockets. In Germany he made his first sales to three large saw makers on the strength not only of persuasive sales talk but of quality, price and service.

Get the order, then make it up to the customer's specifications. That's how this business works. Windsor applies its own standards of permissible tolerances, hardness of the steel used, etc., and that's where quality comes in. The product may retain the Windsor label or it may lose its identity completely.

C. E. Pulham, vice-president and general manager of Windsor Machine Company (right) presents the gold sprocket award to the company's distributor in Britain, J. West, director of Glanfield Lawrence. This award goes to the distributor who achieves sales of 10,000 sprockets made by its Windsor principal.

So successful was the initial drive that by 1963 Windsor Machine was supplying 70 per cent of the chain-saw manufacturers in North America and in Europe with guide bars and sprockets. Many of the countries in which it now sells its products are still primarily O.E.M. markets, such as Germany, Sweden and Britain.

It was time to move in a new direction. But where? Obviously, into the big market for replacement parts, such as bars and sprockets. Production first: new lines were installed at Burnaby to turn out these parts. Then sales. A new company, Windsor Metal Products, was set up in Vancouver and it mounted a drive for the replacement market.

Service—quick service—was vital. Vancouver is not exactly next door to Europe and customers might well be uneasy about the distance between buyer and seller when a missing or broken part could stop a production line completely. Even in the United States, this could be a factor. The company acted by establishing two other sales companies: one called Waco Industries, in Jackson, Tennessee, the land of southern pine, and the second, Windsor S.A., in Antwerp, Belgium. Antwerp was chosen as a site because parts could be shipped there easily, stockpiled in a bonded warehouse, and European orders filled quickly. To head this European operation, which included getting orders as well as filling them, Pulham chose a man with two important qualifications. In addition to sales experience he had some engineering background and could discuss chain saws and their workings intelligently. And he spoke a number of languages—eight, all told. Antwerp is also a good base for serving all the Common Market countries because, once the duty is paid, parts can be (and are) sold anywhere in the Six without further tariff problems.

As representatives in individual countries, the company decided upon agent/distributors, on an exclusive basis. Currently, it has representatives in 70 countries. Motivating these distributors and keeping them keen has become an important part of sales policy. Personal visits by personnel from Burnaby (Pulham or some of his staff) are frequent. In between, he says, they either write to or hear from all their distributors at least once every two weeks. Windsor doesn't make a practice of drawing up formal written contracts with them but relies on gentlemen's agreements. Terms offered to them, as to all customers, are ex factory (or sales company warehouse), with payment in Canadian funds.

One good way of helping the distributor is to enter into co-operative advertising arrangements with him. Costs of advertising in local markets are shared with distributors 50-50, up to a value of 1 per cent of sales. The advertising program is discussed with each distributor and approved, but he receives the company's share of the expense only after he has sent in proofs of the ads and receipted invoices.

Naturally, there is a language problem. Trying to convey technical information in a number of languages isn't simple: translation can be tricky. Copy for the ads is written in Canada, the artwork done, and a layout made. But on the advertising plate itself, space is left for the copy to be dropped in after the translation is done. The rule is that all translating is done

This is the plant of Windsor Machine Company at Burnaby, British Columbia, where bars, chains, sprockets, and replacement parts for chain saws are manufactured. Successful entry into export markets meant that new production lines had to be installed in the plant to meet the demand that was generated abroad.

Windsor Machine has found, like many companies, that displays in trade fairs abroad lead to excellent new contacts and often to actual sales. This is one of its displays at a specialized trade fair in Paris, France. Such exhibits are also a good means of supporting the local distributor's efforts and giving him more prestige.

in the country in which the ad is to appear. This avoids any headaches when usage, even of the same language, varies from one country to another. As for the firm itself, it makes good use of the advertising pages in *Chain Saw Age*, published in Portland, Oregon, and read by chain saw operators all over the world. One ad brought the company business in Angola.

And the results of this sales policy and all this activity? Today Windsor makes 127 different guide bars and 180 different sprockets to fit 95 per cent of the chain saws made throughout the world. This illustrates another point that Pulham likes to make. This is flexibility—the ability to move quickly to meet a customer's wishes and needs. Here, he says, the smaller company, like many of those in Canada, has the advantage; it can adapt its production line fast to fill an urgent need. This means it can handle orders, for example, from a saw manufacturer who suddenly discovers that he is running short of some vital component.

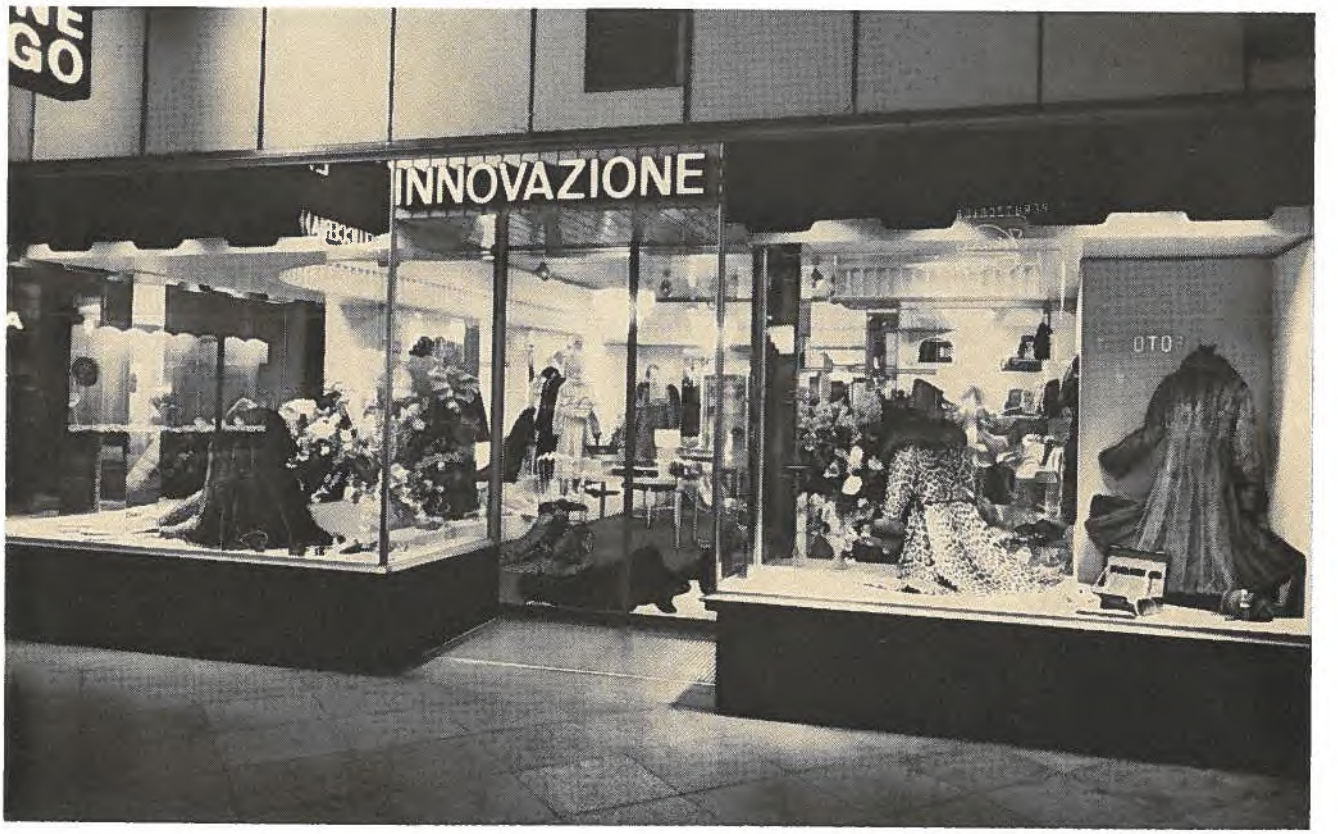
The United States continues to be the company's leading market, taking 48 per cent of its export sales. (Exports account altogether for 81 per cent of total sales.) Next in line comes Western Europe, where 16 countries are Windsor customers. Gradually Windsor has moved farther afield—into Malaysia, Japan, Singapore, and Fiji, and in May the company's president, W. G. Hodges, left on a sales survey trip in the Far East. New Zealand too is a good customer. So far the company has not entered into any licensing agreements, though it may try this approach in Australia, where the high tariff is a barrier.

It hasn't been roses all the way. There is stiff competition to buck—from other North American companies in the United States and from Sweden, Austria and Japan in other markets. And Eastern Europe has so far not yielded in any large measure to a determined attack—"we beat our brains out to try to get the business that we know is there," says Pulham. But 15 years of selling have brought him customers in 28 countries. For a start, that will do!

Switzerland: Our Best Fur Customer

Sales of fur apparel to the Swiss last year topped $8.9 million, and of fur pelts $3.4 million, to make them our leading customers for fur skins, coats, hats and accessories.

ODETTE VOULICH, Commercial Officer, Berne



These high-style Canadian fur garments are on display in the window of a store with the largest fur department of any of the Swiss chains. One such chain bought $760,000 worth of fur garments from Canada last year. Fur accessories, such as hats, boots, and even muffs are also selling well in this quality market. Very competitive prices are essential in obtaining orders here.

Watching a crowd in a Swiss city on a cold winter morning, the visitor sees more fur garments than he does in Montreal or Stockholm. Nearly every woman seems to have her little piece of fur, which ranges from a luxury fur coat to a collar or hood. The slogan that a successful Canadian exporter of fur hats uses: "The skin you like most next to yours," is not only clever but apparently true. Men as well as women are gradually becoming fur conscious.

Furs are selling well in Switzerland. With fashion on a broader basis than before, furs that twenty years ago were the prerogative of the wealthy have become part of the working girl's wardrobe. Swiss furriers, though hampered by the labor shortage, have capitalized on the new demand for their products. In 1965 there were 360 fur workshops in Switzerland—50 more than at the beginning of 1940—located in Zurich, Basel, Geneva, Lausanne and Berne. Because of the restrictions placed on foreign labor in recent years, however, resulting in a drastic shortage of manpower, Swiss furriers have to purchase many of their garments already made up, either direct or through wholesalers and distributors.

Canadian furs are highly thought of in Switzerland. In fact, it was Canada's main customer for fur apparel in 1970, with purchases amounting to $8.9 million, followed by West Germany

This display at the Swiss Autumn Fair in Zurich attracted attention because it showed furriers actually at work making up Canadian skins into garments. Note the advertisements for the Canadian product that decorate the front of the booth.

with $4.2 million, the United States with $3.7 million, and Britain with $1.1 million. The 1970 sales were up 23.6 per cent and the first quarter of 1971, with imports of fur apparel from Canada worth $2 million, indicates that this trend will continue. In addition, some of the fur goods supplied to Switzerland from West Germany and Britain are of Canadian origin (see Table 1).

The annual Frankfurt Fur Fair attracts a large number of Swiss furriers, wholesalers and buyers for department stores. Canadian manufacturers taking part in this fair in 1972 should make a point of inviting Swiss importers to view their fur goods. An even better approach is to follow up participation in Frankfurt with a special showing for Swiss furriers in Zurich, Basel or Geneva. Canadian exporters who are interested in finding new outlets for their fur goods should keep in mind that, although Switzerland is the most important market for Canadian fur garments, Swiss customers demand well-styled quality furs at very competitive prices. Collections that lack any of these three basic requirements will not sell.

The Office of the Commercial Counsellor, Canadian Embassy, 88 Kirchenfeldstrasse, Berne, Switzerland, is always pleased to help Canadian exporters to make contacts and to set up appointments with Swiss companies. It should be emphasized that a business visit to Switzerland can only be effective and successful if the trip is planned well in advance so that appointments can be set up with the right people in good time. We strongly recommend that selling trips be scheduled for March, April and May, when most orders are placed. A second choice is August and September, when wholesalers and retailers complement their lines. Buyers of fur accessories, such as hats, prefer to see manufacturers with sample collections in January or February. If buyers are interested in a particular article, they normally place an immediate sample order. The samples are examined in March, with accessories preselected from all sources. It is therefore imperative to ship samples promptly if a manufacturer hopes to land a follow-up order for the following season.

Fur Coats—The initial craze for maxi coats last winter put the fur trade in a dilemma over future trends. As winter progressed, it appeared that the most-sought-after lengths in fur coats were knee-length and midi, followed by maxi. Swiss retailers are confident that midi fur coats will be in the lead next season. This has been confirmed by one of the leading Swiss furriers who said: "Form-fitting midi coats, probably varying between 9 and 15 inches from the floor, will set the fur fashion in Switzerland during the coming season. Mini length coats are not expected to be in demand."

An increasing number of men are wearing fur coats, but mainly because of conservative male taste in Switzerland and partly because of the relatively temperate climate, sales of men's fur coats have proved rather disappointing. Furriers are optimistic, however, that next season more men will be wearing them. The most suitable furs for men appear to be natural raccoon, wolf and muskrat. The unshorn long-haired furs are popular for ski resort wear. Furriers are promoting sales of mink and persian lamb jackets and fur coats for men and fashion plates appeared in a number of Swiss magazines last winter.

Sheepskin and suede coats lined with fur are widely worn by both sexes in Switzerland. It would, however, be difficult for Canadian manufacturers to break into the sheepskin market in the face of competition from low-priced sheepskins from Eastern Europe.

Table 1 shows Switzerland's main suppliers of fur apparel, according to Swiss statistics. These are lower than the figures in Canadian export statistics. The Swiss Customs advises that the difference is due to transactions taking place in bonded warehouses in Switzerland, from which goods are shipped to other European countries without being cleared by the Swiss Customs.

Fur Accessories—The Swiss market for fur accessories also offers opportunities to Canadians. About 30 years ago hardly a man in Switzerland wore a fur hat; today men who are still not prepared to buy a fur coat have adopted fur headgear enthusiastically. The most popular style is without doubt the wedge type made from such furs as persian lamb, mink or beaver, as well as synthetic furs. The trapper- or

→

TABLE 1

WHERE THE SWISS BUY FUR APPAREL

	$	
	1969	1970
Canada	5,862,357	6,838,673
West Germany	2,739,421	2,839,745
Britain	2,913,031	2,052,377
France	1,420,696	1,764,292
United States	1,228,899	1,167,719
Finland	311,713	512,414
Greece	182,714	414,259
Czechoslovakia	220,439	370,957
Austria	299,326	343,301
Israel	316,370	338,256
Netherlands	246,809	261,373
Hungary	235,749	215,997
Others	1,509,692	1,512,178
Total	**17,487,216**	**18,631,541**

Source: Swiss Customs statistics.

TABLE 2

SWISS IMPORTS OF CANADIAN FURSKINS

	$'000	
	1969	1970
Beaver	2,180	1,990
Fisher	14	27
Fox	53	41
Fox, white	—	2
Lynx	22	49
Marten	123	62
Mink, ranch	696	752
Mink, wild	169	189
Muskrat	2	1
Otter	59	79
Furskins undressed	34	118
Furs dressed, mink	6	24
Furs dressed	86	96
Fur plates and mats	20	14
Total	**3,483**	**3,472**

Source: Statistics Canada.

TABLE 3

CUSTOMS DUTIES ON FUR PELTS AND GARMENTS

	Swiss francs per 100 kg. gross weight
43.01 Raw furskins	0.30
43.02 Furskins assembled in plates, crosses or similar forms; pieces or cuttings of furskins, tanned or dressed, including heads, paws, tails and the like (not being fabricated)	
(10) not assembled, pieces or cuttings of furskins, including heads, paws, tails and the like (not being fabricated)	30.00
(20) assembled	100.00
43.03 Articles of furskins	
(10) articles of apparel and clothing accessories of sheep or goat skins, of the type obtained from local breeds	300.00
(12) of other furskins	1,000.00
65.06.10 Headgear of furskins	300.00

Jivago-style hat, often fashioned from muskrat, is gaining in popularity. Fur hats have also become part of the uniform of the Swiss police force. Women have long since discovered that a fur toque, beret or hood not only keeps the head warm but is flattering. Muffs are also coming into fashion again. Other fur goods that will doubtless be added to the long list of accessories are boots of shorn fur for town wear and of long-haired furs for après-ski wear, as well as bags and mittens in assorted furs. It should be remembered that the fur fashion is not only confined to coats but also invades other sectors of the apparel industry, from the waistcoat and bolero to the evening cape, long reversible scarf, and even tailored suit.

Furskins—Most of the pelts that Swiss furriers use are imported, as there is practically no breeding of fur animals within the country. Almost all imports are brought in by some 25 fur dealers, located principally in Zurich, Geneva and Lausanne. They purchase their requirements individually at overseas auctions or buy through brokers. Table 2 shows the trend in Swiss imports of furskins from Canada.

According to the buyer for a large department store chain who last year purchased approximately $760,000 worth of fur coats from Canada, beaver lost out to mink because of the latter's mounting popularity. Mink was apparently more in demand because it is lighter than beaver and not as bulky and demand has been stimulated by big publicity campaigns. The higher standard of living and increased spending have also contributed to the greater demand for this prestige fur.

To make the public even more fur-conscious, it would be worthwhile for Canadian fur goods exporters and fur associations to run collective advertisements, using well-chosen slogans and eye-catching photographs in the more popular fashion magazines. Such advertising campaigns organized by foreign fur associations, often with the participation of Swiss furriers, are frequently seen in Swiss publications.

Swiss customs duties on fur pelts and garments are listed in Table 3. Canadian fur exporters will not encounter non-tariff barriers nor will import permits be needed when selling to Switzerland. They should, however, pay attention to the Swiss method of assessing import duties. This is based upon gross weight, which includes contents and all packing material. In addition to the tariff, imports are subject to a statistical fee of 3 per cent of the amount of duty paid, and to a tax of 5.4 per cent on the duty-paid value.

Dutch Chemical Profits Lower

The chemical industry in the Netherlands last year had total sales worth an estimated $2.58 billion, of which $2 billion was exported. In 1969 the corresponding figures were $2.29 billion and $1.75 billion. Capital expenditure last year amounted to $545 million, compared with $344 million in 1969, and the number of employees in the industry rose by 1,000 to 88,500.

Profit margins and returns on capital, however, are beginning to shrink and the industry foresees less investment taking place this year.

The chemical industry's share in total sales by all industries in the Netherlands fell from 11.1 per cent in 1969 to 10.9 per cent in 1970, and in total exports from 17 per cent to 16.4 per cent. In total capital expenditure, on the other hand, the industry's share rose from 16.7 per cent in 1969 to 21.5 per cent in 1970.

Singapore—a Place to Sell Industrial Machinery

This island state will need machinery and tools for light and heavy industry to push forward development plans. The article describes opportunities in eight different industrial fields.

WILLIAM CHIA, Commercial Officer, Singapore

Singapore has been able to achieve enviably rapid industrial development because of its ability to import and use light and heavy industrial machinery and tools to assist its essentially labor-intensive industries. Today the emphasis is changing. Tax incentives and pioneer industry status offered by the Singapore Government now are employed to encourage export-oriented industries using higher technological skills. The Government has set up crash technical training programs and technical education is being stressed. All this will mean even larger imports of light and heavy engineering machinery and tools and should provide excellent opportunities for Canadian suppliers able to meet market demands. Canada's exports to Singapore in 1970 doubled over 1969 and about one-tenth (Cdn. $1.45 million) of that figure was accounted for by machinery, tools and components (see Table 1).

Canadian products enjoy preferential tariff treatment (in the rare cases where it exists) and Canadian quality is well known in Singapore, but intensive marketing and knowledge of competitive equipment will ensure greater penetration of the market. Potential suppliers should not be discouraged by the island state's small population of two million because it serves the whole of Southeast Asia. Malaysia, to the north, has a population of 8 million and Indonesia, to the south, has 100 million. Canada should be able to obtain a larger share of this market by taking advantage of the programmed expansion in the manufacturing, aerospace, oil, shipbuilding and repairing, logging and packaging fields. New developments in power utilities, telecommunications and transportation are also earmarked for the near future.

More than $33 million is being spent this year to develop and improve facilities at the Port of Singapore, already the world's fourth busiest port. Part of the project is being financed by an Asian Development Bank loan of just over $8 million.

As these new projects proceed, both in Singapore and in neighboring countries, the demand for industrial expertise and equipment will be crucial to their completion. There are thus sales opportunities in the sectors listed below; these opportunities are discussed in the remainder of this report.

Electrical power generation, distribution and transmission equipment

Cargo-handling equipment

Airport equipment

Oil exploration and shipbuilding equipment

Logging, sawmilling and woodworking machinery

Construction equipment

Machinery for the electronics industry

Packaging machinery.

It is essential that Canadian suppliers visit this market and appoint representatives to handle their products and provide installation and after-sales service. The maintenance of equipment and the stocking of spare parts are usually done by Singapore engineering firms. These firms offer after-sales service not only to customers in Singapore but in neighboring countries as well. Singapore firms are always interested in representing new lines. Our office can provide lists of potential representatives and will undertake market surveys on behalf of Canadian suppliers.

Electrical Equipment—Several Canadian firms are exploring the possibilities of obtaining engineering and consulting work for the Public Utilities Board's (PUB) new thermal power station, planned for commercial operation in 1975. The first stage of this new station will have two 120-megawatt re-heat steam turbo-generators, together with oil-fired boiler units. A third 120-megawatt generator is envisaged as a second stage. The estimated total cost of the first stage of this station is U.S.$33 million, excluding the cost of land. Apart from the 1975 station, Singapore's present Jurong Power Station (stages one and two) will have a total installed capacity of 480 megawatts by 1973, when stage two is completed. World Bank financing was granted to the PUB for stage one of the Jurong Station and it is expected the Bank will also approve financing for stage two. Financing for the 1975 station will be essential, but Singapore has had no difficulty obtaining funds at competitive rates. Suppliers' credits for equipment may also be necessary. Expansion in power utilities is a must because of rural electrification, urban renewal schemes, and the development of major industrial areas at Jurong, Kallang Basin and Kranji.

The door is open to Canadian suppliers because Canadian engineering consultants are already well known to the PUB. Several Canadian firms have completed engineering studies for the Singapore Government in this field. Both in Singapore and in neighboring countries such as Malaysia, there is a sizable demand for generators, boilers, transformers, portable sub-stations, switchgear, and electric motors. Canadian suppliers should send our office complete technical data and company literature for presentation to the PUB and firms selling electrical equipment. Generally, British standards are followed for electrical and mechanical equipment, but equivalent standards are also acceptable. British firms lead in sales of mechanical equipment, followed closely by German and Japanese companies.

Cargo-Handling Equipment—Singapore is also making a determined effort to improve its transportation facilities, though it is already the world's fourth busiest port. Shipping tonnage for 1970 reached a record high of over 39 million metric tons. Some 40,000 vessels, mainly tankers and merchant ships, transporting almost 150 million tons of cargo, called here last year. Continued growth is expected and Singapore hopes to overtake Yokohama as the world's third busiest port. A container terminal (700-foot feeder berth) at the East Lagoon was completed at the end of 1970 and the first 1,000-foot container berth is due to be finished this year.

The Port of Singapore Authority (PSA) will spend over U.S.$33 million in 1971 to develop and improve its facilities. Of this, U.S.$19 million is earmarked for major port development projects. The largest is the nearly completed East Lagoon container terminal. Port enhancement projects will take up U.S.$3.5 million and U.S.$5.5 million will be spent on projects to improve port operation (buildings, roads, electrical installations and communications, wharves, and small craft). Industrialization has necessitated the expansion of the port which serves the principal industrial estate at Jurong. The present wharves of 4,260 feet will get an additional 2,800 feet and supporting facilities. The Asian Development Bank (ADB) has granted a loan of U.S.$8.3 million for this purpose. Consulting engineers and contractors have already been invited to prequalify and Canadian consultants have submitted proposals.

As a result of these projects, there is a substantial potential market for cargo-handling and ancillary equipment, especially for bulk-handling cranes and forklift trucks, marine winches, and small pallet trucks. This growing market for cargo-handling equipment suggests that Canadian exporters should take a closer look at it. (Table 2 lists some existing port equipment.)

TABLE 1

CANADA'S EXPORTS TO SINGAPORE OF INDUSTRIAL MACHINERY, TOOLS, AND PARTS

	1970 $
Woodland log-handling equipment	800,000
Files, rasps and hand tools	211,000
Cranes, derricks, conveyors and hoists	118,000
Welding equipment, rods and metal-fabricated products	94,000
Chain saws and parts	69,000
Mining and drilling equipment	63,000
Generators, electric motors and parts	49,000
Valves, bearings and parts	23,000
Equipment and parts for ships and boats	19,000
Pumps and parts	11,000
Total	**1,457,000**

TABLE 2

MECHANICAL EQUIPMENT AT THE PORT OF SINGAPORE, 1970

	Capacity
249 forklift trucks	2,800–6,000 lb.
8 freightlifters	8,960–18,000 lb.
11 tractors and 150 trailers	2–40 tons
26 mobile cranes	2–10 tons
1 mobile crane	27½ tons
1 floating crane	80 tons at a radius of 78 feet
16 miles railway track with rollingstock	

Airport Equipment—Singapore's Paya Lebar International Airport received its first jumbo jet in April. Plans are already well under way to accommodate greatly increased air traffic in the 1970's as the airport, which can handle 1.5 million passengers a year, may be dealing with 3 million before 1975. The master plan for the expansion of Paya Lebar, based partly on the rec-

ommendations of a firm of consultants, is divided into three phases. The first phase (now being undertaken) is the extension of the present passenger terminal building to twice its size. International consulting engineering firms were invited to submit proposals for this project. The Asian Development Bank recently approved a loan of U.S.$20.5 million to the Singapore Government and one of the projects to be financed under this loan is a passenger terminal building to be completed by 1976 on a 100-acre site. By 1991, Singapore will have four passenger terminal buildings.

Canada has been active in supplying luggage-handling equipment, but there are also opportunities for wheeled fire-fighting trucks, electronic flight information display systems, and telecommunications equipment.

Oil Exploration and Shipbuilding Equipment—Another windfall for Singapore has been the stepped-up activity in oil exploration and oil refining in the area. More than 90 companies are currently looking for oil in Malaysian and Indonesian waters and most of them use Singapore as a supply and service base. The obvious spin-off from the oil boom has been into shipbuilding and ship repairing. There is tremendous activity in local shipyards building supply craft, survey launches, work-boats and oil rigs. As a result, metal fabricating, welding, cutting and shaping machinery and tools are in great demand. Canadian manufacturers of welding equipment, milling machines, lathes, presses, drilling and other power tools may be able to compete in this growing market with British, German, and Japanese suppliers.

Canadian oilfield equipment manufacturers may wish to visit Singapore to determine operating requirements, study local transportation and delivery problems and prices, and have a first-hand look at the market. Many oil-exploration companies base their administrative operations in Singapore and essential purchases for offshore activities are made here. Canadian oilfield equipment suppliers should send us complete data and literature about their products for preliminary market surveys. We have a list of all the oil firms based in Singapore.

Logging, Sawmilling and Woodworking Machinery—Extensive logging operations in Malaysia and Indonesia have created a growing demand for wood-harvesting and processing equipment. Canadian wood-harvesting machines are well established, with sales of over U.S.$800,000 in 1970. This figure would be much higher if sales to other countries in the region were included.

Canadian machinery manufacturers should be alert to the growing needs of the secondary timber industries at Kranji, a 240-acre industrial estate situated on the northern side of the island. This complex needs sawmill machinery suitable for hardwoods. Production is concentrated in plywood, parquet and moulding plants, using machinery from Germany, Britain, and Japan. Some of the mills are equipped with drying kilns, imported mainly from Australia; Canadian drying kilns may be able to compete. The demand for woodworking machinery should increase substantially as modern machinery and technical knowhow are important to this growing industry.

Many companies which have set up forest operations in other countries make Singapore their head office. Machinery manufacturers interested in exporting to Southeast Asia might wish to consider setting up joint ventures in Singapore for assembly and servicing operations. Caterpillar, for example, has a large spare parts depot in Singapore serving its Southeast Asian customers.

Construction Equipment—Complementing industrial development is Singapore's urban renewal program. Old city buildings are being demolished →

When the Jurong Power Station, shown here, is completed in 1973 it will have a total installed capacity of 480 megawatts. Singapore also plans a thermal power station, scheduled to begin operation in 1975, with three 120 Mw steam turbo-generators.

This lonely-looking piece of giant equipment is engaged in coastal reclamation work. The size of the machine can be judged by comparison with the men. Construction equipment is one of the sectors offering excellent market prospects.

gradually and replaced by high-rise apartments and commercial office buildings. All this means a need for high-pressure pumps for water supply, packaged boilers and calorifiers for hot water, passenger elevators, and tower cranes. There is little scope for Canadian air-conditioning equipment because domestic units are assembled locally and tariffs on imported units are high. The market for industrial (central) units is monopolized by U.S. suppliers. There is some chance of selling fire extinguishers and sprinkler systems but British and Japanese prices must be matched.

Machinery for Electronics Industry—Singapore now has over forty electronics manufacturing and assembly plants, mainly subsidiaries of United States firms. These labor-intensive industries do not create much demand for machinery and tools, although there is some scope for the sale of wave-soldering machines. Philips Industries has decided to set up four factories to manufacture television sets, radios and household appliances. Britain's Plessey Group will invest U.S.$25 million to produce record changers and telecommunications equipment. Rollei-Werke's three plants will manufacture optical and photographic equipment.

Packaging Machinery—As Singapore's export-oriented industries penetrate more overseas markets, chances to sell more sophisticated packaging equipment will increase. Moreover, Singapore's rising standard of living, now the second highest in Asia after Japan, will create a greater demand for packaging machinery as a result of more emphasis on imports of bulk foodstuffs for local packaging. Canadian packaging machinery suppliers should attempt to introduce their equipment now, because Singapore's packaging industry is expected to provide a large proportion of the needs of such countries as Indonesia and Malaysia.

Canadian manufacturers of industrial, mechanical and electrical machinery and tools should include Singapore in their travel plans. Films, descriptive literature, c.i.f. Singapore prices, and a good sales presentation are all-important in obtaining business. The market is growing rapidly and we hope Canadian firms will take advantage of the opportunities it presents. For further information write to the Canadian High Commission, P.O. Box 845, Singapore 1, Singapore.

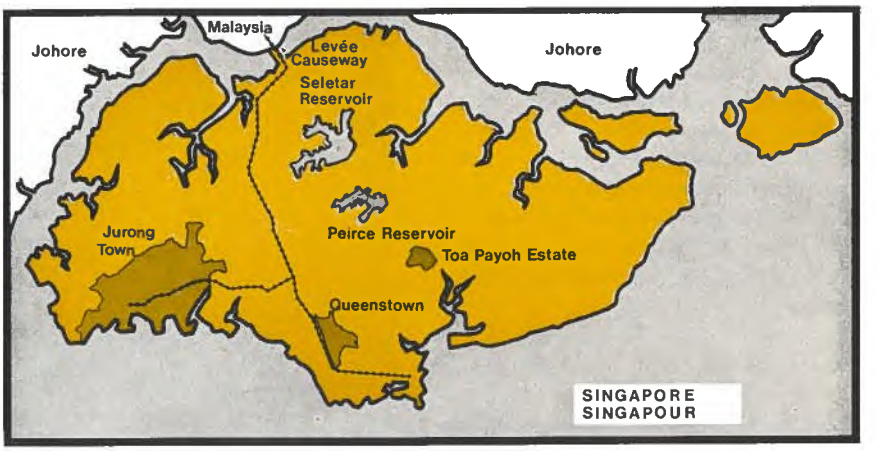
Singapore in Brief

Area: 225.6 square miles.

Population: 2,049,500.

Language: Malay is the national language. Malay, Mandarin, Tamil and English are the official languages. Most businessmen speak and correspond in English, which is the language of administration and commerce.

Currency: Singapore dollar; one S$ = Cdn. $0.33 (May 1971).



Foreign exchange and import controls: Singapore is essentially a free port, although import duties are levied on certain products locally produced (e.g. petroleum, tobacco, liquor, detergents, rubber, textiles, and electronics). Import regulations are covered by the Customs Ordinance, 1960, with subsequent amendments. "Inward Declarations" on forms obtainable from the Singapore Controller of Imports and Exports must be submitted on all imported goods and payment may be effected only after surrender of shipping documents.

Singapore is a member of the sterling area, but Canadian and U.S. dollars are convertible for business transactions. Singapore has no foreign exchange control in the sterling area, but non-sterling countries must make application to the Foreign Exchange Controller for import of and payment for goods. Goods from Communist Bloc countries are imported under special licence obtainable from the Controller of Imports (Ministry of Finance).

Weights and measures: imperial system, but metric system being introduced over period of next five years.

Capital and chief port: Singapore.

Economy: traditionally an entrepot center, but rapid industrialization has occurred in the past ten years. Relies mainly on trade, shipping, industrial production, and tourism.

Standard of living: per capita GNP = $850 (approx.)

Total imports: 1970—$2.08 billion; 1969—$2.5 billion.

Chief imports: (per cent) 1970—petroleum (crude products) 15.7, rubber 10.5, machinery 9.4, textiles 9.0, rice 1.8, timber and logs 2.6.

Chief suppliers: (per cent) 1970—Malaysia 20, Japan 19, United States 10.4, Britain 7.1, People's Republic of China 4.1.

Value of Canadian imports: 1970—$10.8 million; 1969—$4.8 million.

Chief imports from Canada: ($ million) 1970—aircraft and parts 2.8, newsprint 1.9, zinc 0.97, log-handling equipment and parts 0.79, potash 0.7, wheat 0.65.

Total exports: 1970—$1.59 billion; 1969—$1.58 billion.

Chief exports: (per cent) 1970—rubber 30, petroleum products 20, ships' and aircraft stores 5, textiles 3, coffee 2.3, timber 2.2.

Chief markets: (per cent) 1970—Malaysia 21, United States 12, Republic of Vietnam 8, Japan 7, Britain 6.

Value of Canadian purchases: 1970—$20 million; 1969—$22 million.

Chief Canadian purchases: ($ million) 1970—rubber 12, canned pineapple 3, textiles 2, lumber 0.73, wigs 0.4.

Prices: quote in Canadian dollars, c.i.f. Singapore.

Usual terms of payment: sight draft to cover trial orders. Cash against documents or 60 days' credit to meet competition. Letter of credit transactions are normally acceptable because local funds are available for most purchases.

Samples: of no commercial value, duty-free; with commercial value, dutiable at regular commodity rates but duty refundable on re-export.

Documentation, customs tariffs, marking and labelling: consult the Asia Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

Correspondence: all correspondence should be sent airmail; 25 cents each half ounce.

For detailed information on this market write to: Asia Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa, or Commercial Counsellor, Canadian High Commission, P.O. Box 845, Singapore 1.

Show of the Month

The National Restaurant-Hotel-Motel Convention and Educational Exposition, to give it its full name, held last May in Chicago, saw 19 Canadian companies exhibiting under the auspices of the Department of Industry, Trade and Commerce. It was a "vertical" trade show—in other words, aimed directly at the catering trade, and those who came to see the exhibits were all people with an interest in the industry.

On-site sales at this type of fair are not expected to break records, because most sales take place after negotiations which may not be concluded until after the show ends. Yet the Canadian exhibitors managed to chalk up sales worth $67,000, and estimated their future sales as a direct result of the show in the neighborhood of $2.5 million. If more of the exhibitors had had agents representing them in the United States, the sales figures might have been even better.

This trade fair is considered the most important of its type in North America, and a total of 878 companies exhibited. The fair attracted business visitors from Europe, Australia, the Middle East, Africa, the Caribbean, all parts of the North American continent, and Central America. Attendance this year was estimated at 150,000, an increase of 25 per cent over last year.

To show the degree of interest in their products, the Canadian exhibitors received over 1,200 serious requests for more information on goods displayed, requests that should lead to sales.

Certain equipment related to the food service industry and electrical equipment must have United States Standards approval before being sold in the United States, and some exhibitors had not received this before the fair opened. But comments from officials, who seemed generally impressed with the Canadian equipment, made it clear there would be no problem in obtaining this approval.

As can be seen from these pictures, the Canadian stands attracted plenty of visitors. Those who came to the Quest Metal Products stand (above) were interested in seeing what the company had to offer in kitchen ventilation equipment.

One of the busiest stands was the one run by Pierre & Paul Julep. Pierre (Villeneuve) can be seen juggling the cups, while Paul (Desormiers) takes what appears to be a well-deserved rest in one corner of the stand.

Hallcraft Electronics was exhibiting Auto-Waiter systems for drive-in restaurants. Some of the firm's equipment can be seen below, being inspected by interested visitors.

Head Office Directory

The Department of Industry, Trade and Commerce is located in Tower B, Place de Ville, 112 Kent Street, Ottawa. A few of the Branches have their offices in other buildings and the Directory makes this clear.

For the businessman who wishes to telephone any of the officers listed, the procedure is:

From outside Canada: ask the local long-distance operator for Canada, Area Code 613, plus 99 and the local listed under each Branch.

General Inquiries: 992-9386

Inside Canada but outside Ottawa: dial 1, followed by the Area Code 613, 99 and the local.

Inside Ottawa: Dial 99 and the local.

	Dial 99 and	Floor
MINISTER'S OFFICE		
Minister of Industry, Trade and Commerce		
The Hon. Jean-Luc Pepin	6–1880	22
Executive Assistant: Paul Labbé	6–1880	22
Admin. Assistant: C. R. D. Kelly	6–1880	22
Minister's Advisory Council		
A /Executive Secretary: M. K. Paumann	5–7485	12
Minister Responsible for the Canadian Wheat Board	**Bourque Bldg., 305 Rideau St.**	
The Hon. Otto E. Lang	5–7127, 6–6861	1160
Grains Group	**West Memorial Bldg., 344 Wellington St.**	
Co-ordinator: W. E. Jarvis	5–7127	5
Marketing: J. McNaught	2–7404	5
Production: H. Leggett	2–7801	5
Transportation: R. J. Shepp	2–7702	5
Liaison Canada Grains Council: C. F. Wilson	2–2109	5
Executive Secretary: N. A. O'Connell	5–7127	5
Machinery & Equipment Advisory Board	**Tower B, 112 Kent St.**	
Secretary of the Board: W. H. Chandler	2–5800	11
Textile & Clothing Board	**Tower A, 320 Queen St.**	
Chairman: Dr. C. A. Annis	6–1157	4
Enquiries:	6–6993	4
Preparatory Commission for Metric Conversion	**Tower B, 112 Kent St.**	
Chairman: S. M. Gossage	6–3948	21

	Dial 99 and	Floor
DEPUTY MINISTER'S OFFICE		
Deputy Minister		
J. F. Grandy	6–3560	22
Executive Assistant: A. A. Lomas	6–3560	22
Senior Assistant Deputy Minister (Industry and Trade Development)		
Andrew G. Kniewasser	2–1037	22
Executive Assistant: Gilles Morin	2–7428	22
Special Assistant:		22
Assistant Deputy Minister (Trade and Industrial Policy)		
Maurice Schwarzmann	2–2649	19
Executive Assistant: R. W. Burchill	5–6980	19
Assistant Deputy Minister (Operations)		
Robson G. Head	5–6277	12
Executive Assistant: J. L. de Lorimier	5–6580	12
Assistant Deputy Minister (External Services)		
T. M. Burns	2–5969	7
Executive Assistant: R. E. Wright	2–0933	7
Assistant Deputy Minister (Administration)		
Guy D'Avignon	2–0056	22
Office of Economics		
General Director: V. J. Macklin	5–8489	13
Office of Tourism	**150 Kent St.**	
General Director: T. R. G. Fletcher	6–5651	9S

Industry and Trade Development

Senior Assistant Deputy Minister Andrew G. Kniewasser	2–1037, 2–1038	22
Executive Assistant: Gilles Morin	2–7428	22
Special Assistant:		22
GRAINS PROGRAM OFFICE	**West Memorial Bldg.**	
Chief W. J. O'Connor	5–8374	5
OFFICE OF SCIENCE AND TECHNOLOGY		
General Director Sydney Wagner	5–7151	21
Special Assistant: M. R. M. Dale	2–5001	21
Director (Policy) H. C. Douglas	2–4143	21
Director (Science Advisers) E. S. Sanderson	6–2500	21
Planning and Evaluation Chief: D. H. E. Cross	6–6108	21
Product Innovation Activity I. S. McLeish	2–6791	21
OFFICE OF DESIGN		
General Director Robbins L. Elliott	2–0341	20
OFFICE OF PROMOTIONAL SERVICES		
General Director L. J. Rodger	2–7411, 2–2262	5
World Exhibitions Liaison: G. P. O'Keefe	6–1592	5
Historical Section Chief: Miss O. Mary Hill	2–5401	4

	Dial 99 and	Floor
PUBLICITY BRANCH		
Director J. A. Murphy	5-7137	4
Deputy Director K. A. Prittie	2-6435	4
Canadian Division Chief: B. T. McLaughlin	5-7271	4
News Services Manager: R. M. Shaw	2-2186	4
Editorial Adviser: C. Bruyère	5-8353	4
Production Planning Division Chief: R. Dagenais	5-6448	4
Distribution: Mrs. M. Gougeon	5-6963	4
International Division Chief: K. V. D. Gardner	5-7164	4
Managing Editor Periodicals R. T. Waugh	6-4012	4
"Canada Courier" Division Chief: Mrs. A. Armstrong	5-7489	4
"Foreign Trade" Division Chief:	6-4012	4
Graphics Division Chief: R. H. Williamson	5-7274	4
Special Publications Division Chief: J. K. Purvis	5-7161	4
INDUSTRY, TRADE AND TRAFFIC SERVICES BRANCH		
Director G. M. Schuthe	5-8308	3
Deputy Director C. Varkaris	5-8308	3
Export and Import Permits Division Chief: S. G. Barkley	5-8356	3
Industrial Traffic Services Division Chief: H. A. Hadskis	5-7169	3
Import Analysis Division Chief: J. G. MacKinnon	2-4446	3
Industrial and Trade Enquiries Division Chief: K. E. Hacker	2-4441	3
Directories Section J. Y. LaFleche	5-7171	3
FAIRS AND MISSIONS BRANCH		
Director D. A. W. Olliver	6-6153, 5-7251	5
Planning and Programming C. P. McPherson	5-7252	5
Western Hemisphere Division W. P. Schutte	2-8855	5
Eastern Hemisphere Division R. S. Long	2-8069	5
Special Projects Division B. Choquette	5-7334	5

External Services

	Dial 99 and	Floor
Assistant Deputy Minister T. M. Burns	2-5969, 2-0581	7
Executive Assistant: R. E. Wright	2-0933	7
PROGRAM OFFICE—EXTERNAL SERVICES		
Defence Industry Productivity Program Chief: J. C. E. Mitchell	2-1490	7
Industry Modernization for Defence Exports Projects Manager: L. A. Lynch	2-1292	7
MARKET PLANNING		
J. W. Webber	2-0445	7
E. G. Eeles	5-8726	7
Incentives for Participation in Capital Projects Abroad	2-0933	7
TRADE COMMISSIONER SERVICE		
General Director H. M. Maddick	5-8337, 5-8338	6
Finance and Administration Director: N. W. Boyd	2-5669	6
Personnel Director: J. H. Nelson	2-5561	6
Operations and Development Acting Director: R. M. Dawson	2-5456	6
Regional Co-ordinators		
Africa and Middle East	6-2723	6
Asia and Oceania	2-5461	6
Europe "A"	2-1655	6
Europe "B" J. B. McLaren	6-3424	6
Latin America & Caribbean D. I. Ditto	2-3058	6
United States J. E. G. Gibson	6-5140	6
MARKET DEVELOPMENT GROUP		
Director D. J. Janigan	2-2614	6
Project Marketing Division (Resource and Industrial) Chief: P. R. Bravo	6-7085	6
Project Marketing Division (Social and Commercial) Chief: G. W. J. Rahm	2-1068	6
Project Marketing Division (Techniques and Industrial) Chief: P. F. X. Russell	6-7211	6

	Dial 99 and	Floor
INTERNATIONAL DEFENCE PROGRAMS BRANCH		
General Director D. H. Gilchrist	2–5260, 2–4864	7
Director F. T. Jackman	2–8584	7
U.S. Market Development Division Chief:	2–3456	7
Overseas Market Development Division Chief: F. J. McNaughton	2–8626	7
Project Marketing Division Chief: F. Dugal	2–1679	7
Market Research and Analysis Division Chief: P. C. Boire	6–2543	7

Operations

Assistant Deputy Minister Robson G. Head	5–6277	12
Executive Assistant: J. L. de Lorimier	5–6580	12
PROGRAMS OFFICE—OPERATIONS		
Director G. S. Conger	5–7249	14
General Adjustment Assistance Program Chief: P. E. Quinn	6–4560	14
IRDIA Program Chief: D. A. Kellough	6–2501	14
PAIT, IDAP and PEP Programs Chief: W. R. Graham	5–7174	14
AEROSPACE, MARINE AND RAIL BRANCH		
General Director J. C. Rutledge	2–7318, 6–1288	9
Industry and Trade Development Programs		
Director G. E. Hughes-Adams	2–0605	9
Air Chief: J. L. Harrison	2–1001	9
Marine Chief: M. J. Colpitts	2–0285	9
Rail and Propulsion Chief: E. P. Bishop	2–0051	9
Company and Support Programs		
Director H. R. Foottit	6–2035	9
Aircraft Chief: H. A. Staneland	5–6405	9
Propulsion, Marine and Rail Chief: H. Roberts	2–1569	9
Ship Subsidies Chief: H. K. McIntosh	2–7830	9

	Dial 99 and	Floor
AGRICULTURE, FISHERIES AND FOOD PRODUCTS BRANCH		
General Director M. J. Heney	2–1289, 2–1489	15
Acting Director A. J. Stanton	2–1100	15
Livestock, Meat and Dairy Products Division Chief: L. H. McMillan	2–0001	15
Cereals, Bakery and Edible Oils Division Acting Chief: H. T. Armstrong	2–0015	15
Fruit, Vegetables and Special Crops Division Acting Chief: S. B. McKenna	5–8245	15
Fisheries and Fish Products Division Chief: A. J. Hemming	5–8107	15
International Commodities Division D. H. Burns	2–0012	15
Programs Division Chief: W. R. Parkinson	2–0012	15
APPAREL AND TEXTILES BRANCH		
A/General Director L. C. Howey	2–1207	8
A/Director J. E. Akitt	2–4078	8
Fashion Co-ordination Mrs. D. E. L. Taylor	5–6287	8
Programs Division Head: M. Hersh	2–1081	8
Clothing Division Chief: H. Sherman	2–1048	8
Textiles Division Acting Chief: M. Chapleau	2–1045	8
Leather and Footwear Division Chief: G. A. Dubois	2–1051	8
Policy Support Section Head: N. E. Walker	5–7207	8
CHEMICALS BRANCH		
A/General Director A. M. Tedford	2–9456, 2–5760	14 14
A/Director G. E. McCormack	2–6905	14
Industrial Chemicals Division A/Chief: A. E. Leneveu	2–1071	14
Plastics and Rubber Division Chief: A. G. Pinard	2–1054	14
Chemical Specialties Division Chief: Dr. H. A. Showalter	2–1591	14
Programs Division Assistant Director: W. D. Dawson	2–1758, 2–4761	14

	Dial 99 and	Floor
ELECTRICAL AND ELECTRONICS BRANCH		
General Director E. A. Booth	2–8160	10
Industry & Trade Development Director: T. C. Jones	2–2243	10
Electrical Division Chief: V. E. Tant	2–9043	10
Electronics Division Chief: C. D. Quarterman	2–1091	10
Consumer Products & Components Division Chief: P. U. Aasgaard	2–9084	10
Special Projects Division Chief: R. Sangster	2–8897	10
Company Development Programs Director: G. R. Logan	2–8366	10
Division I Chief: P. E. J. Wilburn	2–1884	10
Division II Chief: J. R. Mercier	2–9804	10
Division III Chief: R. J. Burns	2–1393	10
MACHINERY BRANCH		
General Director J. J. McKennirey	2–7181, 2–1129	11
Industrial & Trade Development Director and Secretary, Machinery Equipment Advisory Board W. H. Chandler	2–5800	11
Mechanical Products Division Chief: J. H. O'Connell	2–0324	11
Mechanical Equipment Division Chief: A. Chiperzak	2–0321	11
Industry Machines and Engineering Services Division Chief: R. C. Wallace	2–4082	11
MEAB Secretariat R. J. Billard	2–7267	11
General Analysis and Development J. P. Reny	2–0039	11
Incentives Programs Director: J. C. Stavert	2–4737	11
Machinery Program Analysis Division Chief: S. A. Radley	2–1359	11
General Programs Division R. K. McGregor	2–0371	11

	Dial 99 and	Floor
MATERIALS BRANCH		
General Director R. D. Hindson	2–1113	12
Special Assistant: H. W. Pfeffer	2–3796	12
Director D. G. Laplante	2–5672	12
Iron and Steel Division Chief:	2–0025	12
Non-Ferrous Metals Division Chief: S. H. Rochester	2–0088	12
Industrial Minerals Division Chief: R. J. Jones	2–1581	12
Construction Division Chief: J. A. Dawson	2–0028	12
Programs Division Chief: H. E. Wilson	2–1015	12
MECHANICAL TRANSPORT BRANCH		
General Director C. D. Arthur	6–4122	5
Director T. C. Arnold	5–6627	5
Automotive Programs Division Chief: D. P. W. Wood Asst. Chief: O. V. Lonmo	2–4478 2–4478	5 5
Automotive Industries Division Asst. Chief: W. J. Patrick	5–8231	5
Automotive Adjustment Assistance Division D. P. W. Wood F. Wanko	2–4478 2–0021	5 5
Agricultural, Construction and Special Vehicles Division Chief: D. W. C. McEwan Asst. Chief: D. M. Izzard	2–1027 2–1027	5 5
Technological Assistance Division Chief: R. F. Linden Asst. Chief: I. G. Lochhead	2–1024 2–1024	5 5

	Dial 99 and	Floor
WOOD PRODUCTS BRANCH		
General Director J. R. Midwinter	6–4963	13
Director E. J. Ward	2–7128	13
Lumber, Plywood and Panel Products Division Chief: E. W. Smith	2–0068	13
Furniture and Secondary Wood Products Division Chief: M. N. Murphy	2–1545	13
Pulp and Paper Division Chief: G. C. Campbell	2–0065	13
Printing, Publishing and Allied Industries Division Chief: G. E. Pallant	2–0093	13
Programs Division Chief: J. E. Hebert	2–0095	13
Research and Planning Unit Head: R. W. Ross	2–0068	13

Trade and Industrial Policy

Assistant Deputy Minister Maurice Schwarzmann	2–2649	19
Executive Assistant: R. W. Burchill	5–6980	19

OFFICE OF AREA RELATIONS

General Director R. E. Latimer	6–4176	19
POLICY PLANNING BRANCH Director: J. H. Stone	2–7641	19
WESTERN HEMISPHERE AFFAIRS BRANCH		
Director G. W. Green	2–5176	19
United States Division Chief: C. J. Kelly	6–5471	19
Latin America Division Chief: N. R. Cumming	6–5546	19
Caribbean Division Acting Chief: D. J. McJanet	2–5528	19
EUROPEAN AFFAIRS BRANCH		
Director A. W. A. Lane	2–2250	19
Britain Division G. R. Gough	2–6531	19
EEC Enlargement Task Force Chief: G. Elliot	Tower A 6–6966	4
Western Europe Division Chief: F. P. Weiser	6–1825	19
Eastern Europe Division Chief: J. D. Blackwood	6–3645	19
PACIFIC, ASIA, AFRICA AFFAIRS BRANCH		
Director F. R. Petrie	2–2421	19
Pacific Division Chief: J. L. MacNeil	6–5381	19
Asia Division Chief: J. B. O'Neill	2–6806	19
Africa Division Chief: C. L. Bland	2–7594	19

OFFICE OF GENERAL RELATIONS

General Director M. G. Clark	5–7119	20
GENERAL TRADE POLICY BRANCH Director: W. M. Miner	2–4100	20
GATT Division Chief: R. D. Gualtieri	5–8228	20
UNCTAD-OECD Division Chief: A. R. Porter	5–8228	20
Special Trade Activities Division Chief: A. L. Halliday	5–8228	20
COMMODITY TRADE POLICY BRANCH Director:	6–1917	20
International Resources Division Acting Chief: G. R. Ritchie	5–8418	20
Agriculture Division Chief: E. W. Stewart	5–8418	20
Commodity Agreements Division Chief: E. W. Stewart	5–8418	20
INTERNATIONAL FINANCING BRANCH Director: A. R. Hollbach	6–3995	20
Financial Institutions Division W. Gibson-Smith	6–3995	20
International Development & Aid Division L. H. Brown	6–5357	20
Commodity Financing Division Chief: J. M. Babcock	6–5418	20

	Dial 99 and	Floor

OFFICE OF INDUSTRIAL POLICY ADVISER

General Director L. F. Drahotsky	6-2413	19
Director J. M. Bélanger	6-1841	19
Industrial Policy Division Chief:	6-3070	19
Programs Division Chief: B. S. Barewal	6-1408	19

OFFICE OF SPECIAL IMPORT POLICY

	Tower A 320 Queen St.	
Special Adviser to the Assistant Deputy Minister (Trade and Industrial Policy) Campbell Stuart	2-3386	4
J. M. MacKillop	6-2387	4
W. Boychuk	6-2387	4
A. J. Sarna	6-2387	4
E. W. Weybrecht	6-2387	4

Administration

Assistant Deputy Minister Guy D'Avignon	2-0056	22

PERSONNEL BRANCH

General Director G. V. Tunnoch	6-5761	16

FINANCIAL SERVICES BRANCH

General Director Ian Craig	5-6126	18
Financial Analysis Director J. G. Sheldrick	2-2888	18
Comptroller R. L. Gibbs	6-3639	18
Financial Audit Director J. J. Power	6-4520	18

PROFESSIONAL AND ADMINISTRATIVE SERVICES BRANCH

General Director R. K. Cox	6-4010	17

PROGRAM PLANNING AND ANALYSIS BRANCH

General Director L. D. Nemesvary	6-2045	16

	Dial 99 and	Floor

Office of Economics

General Director V. J. Macklin	5-8489	13
Advisor Industrial Economic Planning: A. M. Coll	6-5195	8
Executive Co-ordinator: T. E. Bocking	6-5390	13

GENERAL ANALYSIS BRANCH

Director C. Schwartz	2-8900	13
Canada and United States Division Chief: D. F. McKinley	2-7667	13
General Assignments Division Chief: H. R. Smale	2-5266	13
Overseas Analysis Division	6-2538	13

INVESTMENT ANALYSIS BRANCH

Director J. H. Latimer	2-3847	21
Capital Expenditure Division Chief: A. N. Polianski	5-6384	21
Corporation Returns Division Chief: N. S. Hutchinson	5-7722	21
Foreign Investment Division Chief: R. J. Loosmore	6-5884	21
International Companies Division Chief: T. R. Vout	2-1061	21

MARKET ANALYSIS BRANCH

Acting Director A. C. Kilbank	2-7408	8
Manufactured Products Division Chief: W. G. Gray	6-5722	8
Regional Trade Patterns Chief: H. D. Henderson	6-5611	8
Resources Commodities Division Chief: R. J. Konecny	6-5871	8

PRODUCTIVITY BRANCH

Director I. Bernolak	2-1722	21
Research and Development Division Chief: L. E. Turner	2-1303	21
Interfirm Comparisons Division Chief: G. G. McLeod	6-5144	21
Economics of Technology Consultant: J. G. Snaauw	6-5299	21
Economics of Management Consultant: R. C. Gilstorf	6-5298	21

Office of Tourism — 150 Kent Street

	Dial 99 and	Floor
General Director T. R. G. Fletcher	6–5651	9S
TRAVEL INDUSTRY BRANCH		
Director D. C. Bythell	6–5651	9
Research & Development Division Chief: J. W. Gibson	5–8426	9
Industry Evaluation Division Chief: L. C. Munn	5–6367	9
International Division Chief: D. Williamson	5–8429	9
CANADIAN GOVERNMENT TRAVEL BUREAU		
Director Dan Wallace	2–3166	2
Deputy Director Roland Boire	2–5256	2
Offices Abroad Assistant Director: O. Tiessen	2–1384	2
Marketing Assistant Director: D. Livingstone	5–8127	2
Advertising Manager: G. Bethell	2–2944	3
Operations Manager: M. E. Campeau	6–3134	2
Publicity Services Manager: J. A. Carman	2–6373	3
Publications Division Chief:	2–5180	2
Travel Trade Relations Manager: G. Tawse-Smith	2–2077	2
Support Services Chief: D. J. Molloy	2–1680	2
Travel Information Services Acting Chief: D. Jago	2–3334	4

Regional Offices in Canada*

	Telex	Phone
HALIFAX, Nova Scotia		
Sir John Thomson Building 1256 Barrington Street	014–422829	426–3851 **(area code 902)**
Regional Manager: D. J. Packman (Territory includes Newfoundland)		
FREDERICTON, New Brunswick		
Eastern Canada Building 212 Queen Street	014–4640	454–9707 **(area code 506)**
Regional Manager: F. D. Grimmer (Territory includes P.E.I.)		
MONTREAL 128, Quebec		
Suite 1700, Commerce House 1080 Beaver Hall Hill	0120280	283–6254 **(area code 514)**
Regional Manager: J. G. Touchette		
TORONTO 111, Ontario		
Suite 3001 Toronto Dominion Centre P.O. Box 114	0221691	369–3711 **(area code 416)**
Regional Manager: L. H. Ausman		
WINNIPEG 1, Manitoba		
Suite 1104 Royal Bank Building 220 Portage Avenue	035287	985–2381 **(area code 204)**
Regional Manager: G. A. Gillespie		
REGINA, Saskatchewan		
Suite 651 Saskatchewan Wheat Pool Building 2625 Victoria Street	0312745	525–9814 **(area code 306)**
Regional Manager: G. A. Cooper		
EDMONTON 15, Alberta		
500 Chancery Hall 3 Sir Winston Churchill Square	0372762	422–7178 **(area code 403)**
Regional Manager: W. Mackenzie Hall		
VANCOUVER 1, British Columbia		
Room 2003 Board of Trade Tower 1177 West Hastings Street	0451191	666–1434 **(area code 604)**
Regional Manager: J. F. Murray		

*These offices operate under the direction of the Industry, Trade and Traffic Services Branch.

Thoughts on Leaving Boston

Robert Higham recently completed two years of service as Consul and Trade Commissioner in Boston. Reposted this past summer to Bangkok, he takes a reminiscent look at his experiences in helping Canadians to sell to New Englanders—and comes up with some sound advice for them.

There is one outstanding feature of a posting to Boston for any Trade Commissioner. It becomes evident within days of his arrival and only increases with his experience at the post. It is the opportunity.

There is little doubt that New England is the most natural of export markets for a great portion of Canadian industry. It is a populous (11.5 million people), rich ($4,046 per capita income) and convenient market, both geographically and in terms of commercial access. It is closer to many Canadian companies than a large percentage of their domestic customers, and perhaps even more important, many Canadian manufacturers are closer to New England customers than are a great many competing American suppliers.

There is room in New England to sell almost any kind of manufactured product that is competitive in Canadian or export markets. There is opportunity to establish business relations with companies which cover the whole United States market, and with New England based international companies of the largest order. There are purchasing offices here for some of the country's largest hotel and restaurant chains. There is a constant demand for new Canadian sources of processed foods of all descriptions and for all types of general consumer goods. New England industry needs continuously competitive offers for all types of custom manufacturing services, for the supply of component parts, and for completed assemblies.

The biggest feature and the most unforgettable aspect of a posting to Boston is the opportunity. That will be hard to leave behind.

Robert Higham pictured against a background of a Boston harbor scene.

Because we cannot expect to be competitive in every sector of this enormous market, a Boston Trade Commissioner must often put new orders of priority on his efforts at trade promotion. We have to remind ourselves to spend our time where results will be greatest, fastest and most lasting. At the same time we must be prepared to exploit this market for the benefit of new and small Canadian companies looking for their first export experience.

As I leave, we seem to be switching our attention once again to some new current opportunities and to some new areas based on tomorrow's prospects. For example, Canadian firms have recently surprised us with their ability to bid competitively on very large construction contracts, both to supply major building components or to undertake the erection of entire projects. Suddenly we are working very hard at increasing Canadian activity in the New England construction industry. For similar reasons, we are looking to increase Canadian interest in bidding on the thousands of municipal tenders which are re-

→

leased in New England every year. Everything from castings to school furniture is apparently open to Canadian bidders, and we want to coax more Canadian firms to try for more of this business.

With a longer-range view in mind, we are searching for ways to encourage Canadian participation in industries now entering what appears to be a new era of rapid growth. Among those recently identified as of prime interest in New England are oceanography, medical electronics, water and air pollution control equipment, and needed equipment for the already giant data processing industry. Here are areas where Canadian companies should be looking to develop the expertise required to remain competitive in today's world. The technology of New England could be a major source of new products and new production techniques, and many industries in Canada could benefit by studying the activities, directions and strategy of their New England counterparts. We would like to help introduce more Canadian firms to New England companies, research agencies and institutions and to firms which specialize in providing information to facilitate the exchange of technology and in placing manufacturing-under-licence agreements on behalf of their clients.

Why don't we do even better in this market? Why do Canadians not take maximum advantage of the lessons and sales opportunities to be found here? The list of reasons is much the same as in all Canadian export markets, only shorter. New England does not differ significantly from Canada in its business customs and practices; the language is the same; we understand the currency, and Canadians enjoy an unusually warm reception here. We could not design a more ideal market in which to build or expand export sales. When we fail in New England, it is difficult to blame "conditions."

My list of reasons for our limited success has just two items on it. The first one is *confidence*. Too often, a Boston Trade Commissioner finds himself working with Canadian firms which are convinced that they won't be competitive in price, that their production is too small, or that the freight charges to get their products

Bustling, busy Boston, home for two years of the author of this article. He feels that Canadians could do much better in this ready-made market if they could gain more confidence in exporting their products and become more professional in the way they export. New England, he says, is where the opportunities are greatest.

"all the way to Boston" will put them out of the market. Too often, he has to work for some time with Canadian companies to persuade them to let him try introducing their products to potential agents or customers who might well consider any reasonable source of a currently scarce commodity. When we do introduce certain firms to what we think are good contacts, this confidence problem is often reflected again in their approach or in their attitude to the buyer. Somehow, these companies actually convince themselves that they won't succeed here, even though many of their colleagues do. This reduces their enthusiasm for selling in New England.

Reduced enthusiasm leads to item number two—*professionalism*. Like most Trade Commissioners, I sometimes discover that a Canadian company just doesn't answer letters from a contact I have introduced. Then too, Canadian companies come into this market not fully prepared. They come with prices in Canadian dollars, f.o.b. their plants. They come without knowing the rate of duty on their products. They come without samples or with samples of products they no longer make. They come with a product suitable for the buying season just finished. They come unannounced. They come on local holidays. They come for a one-day trip when three days are needed. Or they may not come at all. They start an inquiry by mail, request our help, obtain introductions, and then can't fit a visit into their schedule—or don't realize how necessary personal contact is.

This lack of professionalism sometimes hinders efforts of companies that have a very marketable product or expertise to sell, but fail to recognize the need to effect the minor changes in it that would make it suitable for the slightly different tastes or requirements of a slightly different market. These firms fail to take into account advice from their local representatives on modifications or style changes to make their products saleable here. This lack of exporting proficiency just confirms what they knew all along. . . and we're back to the confidence part of our list.

There is one outstanding feature of a Boston posting for any Trade Commissioner who has completed a tour here. It is the opportunity—the opportunity realized, and sometimes the opportunity missed.

Yugoslavia
Where East and West Do Meet

Yugoslavia embraces Socialist-Communist ideology but trade is carried on by licensed firms competing with each other. Canadian firms are increasing their sales here.

C. A. CARRUTHERS, Commercial Secretary, Belgrade

Yugoslavia commercially, politically and economically refuses to be categorized as either East or West. It is here that the words of Rudyard Kipling, "East is East and West is West and never the twain shall meet," do not stand up. For centuries Yugoslavia has been the meeting-place for East and West and it continues to be so today. Geographically, ideologically, and religiously Yugoslavia continues to straddle the two worlds.

For several hundred years the Ottoman Empire occupied part of Yugoslavia and left indelible marks on the people—their customs, food, appearance, dress and religion (there are about 1½ million Muslims). It was, however, in Yugoslavia that the Turkish westward advance was stopped. Long before this invasion, Yugoslavia was one of the routes the Crusaders took to the East; before that, it was one of the principal routes for the Romans to Central Europe and farther east. Even the people themselves came originally from the East.

Many people express surprise that Yugoslavia's 20 million inhabitants, divided into six republics and five nationalities, and with four languages, three religions and two alphabets, continue to survive as a nation, but perhaps it is this very diversity that helps them to meet their problems.

Today this cultural cross-fertilization is accompanied by an ideological one, as Yugoslavia follows a Communist-Socialist ideology, but one different from that of the U.S.S.R. and its eastern neighbors. The traditional centralized state organizations of Communist countries have virtually disappeared and there seems to be no conflict in permitting a decentralized market economy somewhat similar to those in Western Europe.

A bird's-eye view of the inside of a Yugoslav copper mill. Yugoslavia has large deposits of copper and is making great efforts to increase its production.

Enterprises are run by a workers' self-management system: the employees participate in directing development and operations, and in deciding where profits should be spent or how they should be distributed among the employees, depending on their functions. Profit is no longer frowned on but state control is, and the process of decentralization has run the gamut from the workers' council in the individual firm all the way to participation in government. Increasingly, the Government is being decentralized, and economic controls are being placed more firmly in the hands of the individual republics.

There is probably no better example of this meeting between East and West than Yugoslavia's largest trade fair at Zagreb. Every year major trade delegations and large numbers of individual businessmen visit this fair from both Eastern and Western

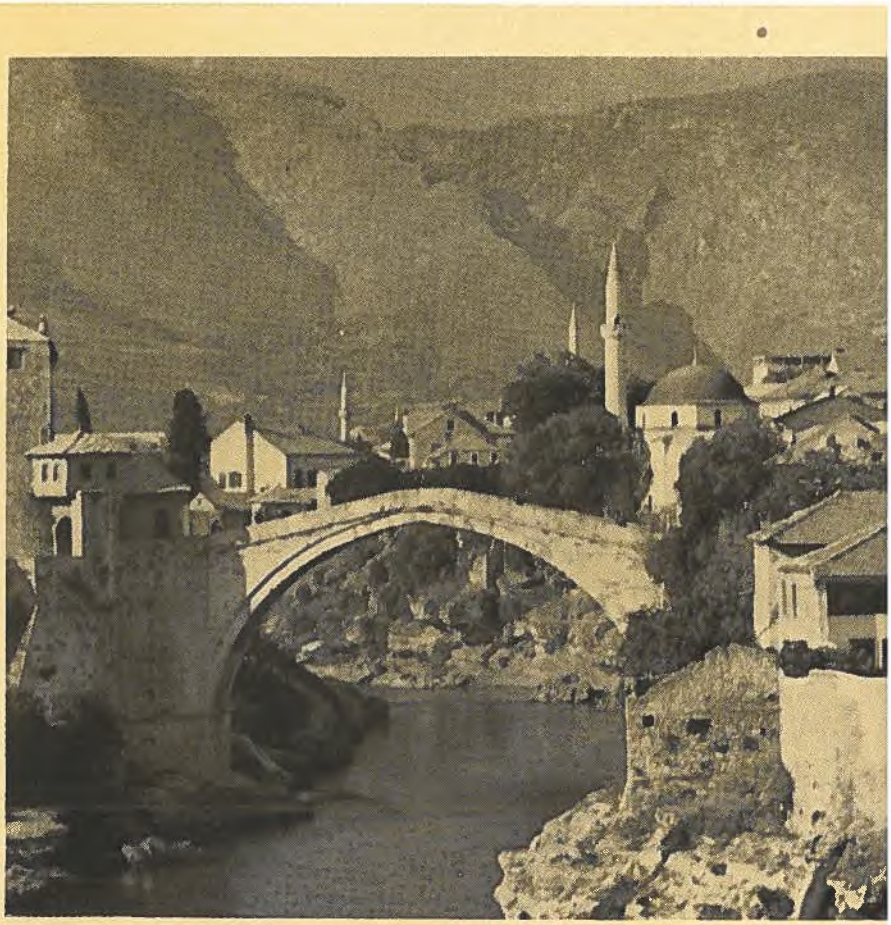
→

This bridge was built by the Turks many hundreds of years ago during their occupation of the country. Note the minarets in the background of the picture.

Europe and, last year, from the People's Republic of China and the Arab world.

It should be emphasized again that Yugoslavia has no state trading organizations. Many Canadians still write letters to our office and make calls asking to meet the state officials responsible for importing various items. Hundreds of firms are licensed to carry on business in the import-export field and there is fierce competition between firms seeking either to represent a product or to import it from abroad. Organizations such as manufacturing companies, trading companies, educational and artistic firms are run by workers' self-management committees. This concept of ownership by workers was introduced in 1950 and, in practice, gives the workers complete freedom to operate and manage their own organization. It may be confusing to Westerners, particularly when they think of participation in a joint venture, but under the system the workers' council can delegate powers to a foreign firm and so work out meaningful relationships to the benefit of both partners. It does seem to have proved a successful way of developing the Yugoslav economy and at least in one field, management-worker relations, has shown a remarkable advance over similar organizations in other countries.

Economic development—At the end of World War II, approximately 75 per cent of the workers were still employed in agriculture, but this has now decreased to less than 50 per cent. About 85 per cent of the arable land is still in private hands, but there are no plans for any sort of collectivization. Yugoslavia is normally self-sufficient in food products although in 1970 (because of floods and abnormal conditions) a number of things, including 500,000 tons of wheat, had to be



A Roman coliseum at Pula, now the site of an annual film festival. These two pictures contrast the mixed historical background of Yugoslavia.

imported. Conditions for this year's crops appear to be better, and it is expected that no major agricultural imports will be required.

Industrially, Yugoslav production has been increasing at a great rate, by 12 per cent in 1969 and 9 per cent in 1970, with a consequent overheating of the economy and a large import bill causing serious problems.

The main areas for development are infrastructure or communications, including roads, railroads, and telecommunications. Great efforts are also being made to develop the raw material sectors, including non-ferrous metals, pulp and paper, and ferrous metallurgy. This should cut down imports of raw materials sharply and make Yugoslavia self-sufficient in or an exporter of these commodities. Fortunately, it has the largest mineral resources in Europe, with the exception of the U.S.S.R., and these should contribute greatly to development in the next few years. Tourism is another major area that is expanding and is proving a valuable source of earnings (about $360 million last year).

Foreign Trade—Total Yugoslav trade is increasing rapidly but, like other countries seeking a high degree of internal development and industrialization, imports are increasing much more rapidly than exports. In 1968, for instance, exports were valued at U.S.$1,265 million and imports at U.S.$1,797 million, and in 1969 at $1,475 million and $2,135 million. Last year exports rose to $1,670 million and imports to $2,845 million. Liberalization of trade and foreign exchange restrictions and a reorientation of trade toward convertible currency countries have, of course, contributed to the rise in imports. In the three years 1968, 1969 and 1970, the percentages of exports to convertible currency areas were 52, 55.5 and 63.5. In the same years, the percentages of imports from those areas were 67, 70.4 and 74.

This import surplus was one of the factors leading to devaluation of the dinar by 20 per cent earlier this year. This was expected to spur exports and slow up imports, but so far has not had much effect. It is still hoped, however, that this rather unpopular step will help to maintain a rapidly de-

Joint Ventures? Others Find Them Profitable

Since 1967 more than 30 foreign firms have invested approximately $60 million in Yugoslav firms and, from all reports, are finding it worthwhile.

Now the Yugoslavs are taking significant steps to make investment more attractive to the foreigner. One of the prerequisites is the introduction of up-to-date marketing and industrial techniques to help Yugoslavia's technical progress.

A number of uncertainties have caused many firms to defer investment in Yugoslavia, one of which is the inability to understand fully how a foreign investor can participate in a workers' self-management enterprise. Under the present law there is an investment ceiling of 49 per cent by a foreign firm, with a minimum of 51 per cent held by the Yugoslav enterprise. This does not, however, seem to be a serious handicap because, by the terms of the contract, management decisions can be made jointly and the foreign investor has a say in management. More serious has been the lack of guarantees to the foreign investor in the event of any government changes and the uncertainty of repatriation of equity should the venture cease to exist. The requirement that 20 per cent of profits be re-invested in Yugoslavia has also been a deterrent to some potential investors.

These objections are being overcome by legislation being enacted. The introduction to the proposed law reads:

"Should the joint venture contract cease to exist because the business goals have been achieved (i.e., because the term provided for in the contract has expired), or if the contract has been annulled for one of the reasons provided for in this Law, the foreign investor shall have the right to transfer his invested resources (that is, the remainder of them), in accordance with the Federal regulations dealing with foreign currency matters.

"Following the entry in the contract registration book providing for investment by a foreign partner in a domestic enterprise, if the law which regulates such an investment changes, the relations fixed in the contract shall be regulated by the provisions of the law which were valid on the day when the contract was registered (if this course is more favorable for the partner concerned)."

This last paragraph simply means that no new conditions can be imposed that will be worse than those in effect at the time the joint venture was registered.

The regulation that at least 20 per cent of profits remain in Yugoslavia is also being eliminated, leaving the foreign investor free to do whatever he wishes with his profit after taxes. His tax rates are 35 per cent, but lower rates apply in some of the "developing regions": In Bosnia and Herzegovina, for instance, 17½ per cent is proposed, with differing rates in Montenegro, Macedonia and the Kosova region.

Just over a year ago the International Investment Corporation for Yugoslavia (IICY), was set up to promote joint ventures between foreign companies and Yugoslav enterprises in industry, mining, tourism and agriculture. (Under the 1967 legislation, joint ventures are prohibited in banking, insurance, internal transport, communications, commerce and public services.) The IICY has, among its charter shareholders, 15 leading Yugoslav banks, the International Finance Corporation of the World Bank, and 40 other banks from Western Europe, the United States and Japan. The IICY is actively assisting firms to establish joint ventures and seeking foreign partners for possible investment. The first British joint venture agreement was signed recently and much of the preliminary work and some investment in the venture was provided by the IICY.

Yugoslavia is looking to Canada in such areas as pulp and paper and mining, where we have well-known expertise. This, however, does not exclude Canadian firms in other areas which might be interested in exploring this method of participating in Yugoslav development. They can get more information from the IICY administrative offices in London, England.

veloping economy and restore a manageable balance-of-payments position.

At first glance, the commodity trade deficit of nearly U.S.$1,200 million out of a total trade of $4,500 million appears drastically out of proportion, but it is largely offset by the inflow of currency from invisibles. Workers have been allowed to migrate to European countries to provide needed manpower and to relieve unemployment at home, with the result that there are now about one million workers in Western Europe, all sending money back to Yugoslavia. In 1970 this was the largest source of invisible earnings, at approximately $415 million. Together with the $360 million from tourism and substantial earnings from transportation, it has substantially reduced the balance-of-payments deficit. It is hoped that with other measures being taken, 1971 will be healthier economically.

Canada-Yugoslavia Trade—Canada's exports to Yugoslavia have been small but have risen steadily since the opening of a trade office here in 1967. The groundwork done by trade fair participation, and by visits of missions, government officials and businessmen, started to pay off last year. Coinciding with a tremendous increase in Yugoslav imports, Canada's sales to Yugoslavia rose by more than 300 per cent to $26.9 million last year. In 1967 they were valued at $3.5 million, went up to $6.5 million in 1968, and in 1969 were worth $8 million. Our imports from Yugoslavia have risen from $3.8 million in 1967 to $7.2 million last year.

This sharp increase in exports did not result from any one purchase like grain, although several new and major commodities have appeared. Nor is it a "one shot" increase. Our total exports to Yugoslavia will be maintained or increased and a $30 to $50 million market can be expected, provided there is no serious downtrend in the Yugoslav economy.

As the table shows, much of our export business with this country is made up of products derived from pulp and paper and the mining and mineral industries. This will continue, but sales in the manufacturing, machinery and transportation equipment fields should also increase. One of the encouraging developments is in diesel railway locomotives. A significant sale of 37 locomotives was recently made to one of the major railway enterprises. This has since been followed by another sale of 20 locomotives to another Yugoslav railway company. Additional deliveries from Canadian plants will probably follow because Yugoslavia will need several hundred diesels in the next few years and Canada is favorably placed to get some of the business.

Significant expansion in the mining and pulp and paper fields has already resulted in promising contacts and business probably will be obtained in this area also. Wood pulp and pulpwood should continue to be active sellers for several years as long-term contracts are filled and capacity is expanded.

Our aluminum sales, however, will probably fall off over the next three or four years, as local bauxite and alumina refining plants are brought into production. This may also happen in copper because there are large deposits here, and the country is working hard to increase the production of existing mines.

But our over-all prospects look good, at least for the next two or three years. From then on it will depend on solid business relationships, either as a steady supplier or possibly through some joint venture (see the accompanying box feature).

Yugoslavia now sells a wide range of products to Canada but few in large quantities. Efforts are being made to increase trade, with some success, but for a variety of reasons results have been slow. One reason is distance and the fact that companies can sell in the home or neighboring European markets for the same profit as in North America. Quality control and packaging are showing great improvement and soon should not represent any hindrance to future North American marketing.

In summary, prospects for increasing two-way trade with Yugoslavia are good and businessmen looking to Europe for new partners in import, export or joint ventures should make a point of including Yugoslavia on future itineraries.

WHAT CANADA SELLS TO ... AND BUYS FROM YUGOSLAVIA

	$'000 1969	1970
Hides	314	302
Pulpwood	—	3,167
Scrap iron and steel	389	420
Copper scrap	1,961	1,592
Brass and bronze scrap	31	204
Asbestos	990	1,094
Wood pulp	906	3,959
Plastic and synthetic rubber	284	25
Aluminum pigs, ingots, etc.	600	3,255
Copper products	1,446	3,822
Lead ingots, etc.	—	458
Construction maintenance machinery and parts	567	57
Locomotives	—	7,774
Aircraft engines	223	35
Total, all exports	**8,023**	**26,916**

Source: Statistics Canada

	$'000 1969	1970
Cashew nuts	297	358
Hops	101	78
Glove and garment leather	397	599
Cotton yarn	457	423
Rayon yarn	57	211
Cotton fabrics	144	93
Mercury	111	—
Fuel oil	427	608
Non-ferrous metals	33	104
Bolts, nuts, screws	156	45
Hydraulic turbines and parts	—	510
Lathes	137	69
Pipe fittings, copper	209	174
Magnesia	415	971
Furniture, wooden	269	243
Overcoats and topcoats	295	203
Outerwear, knitted	49	124
Ski boots	219	366
Footwear	159	315
Skis	105	113
Tablecloths	105	72
Total, all imports	**5,632**	**7,248**

Markets for Medical and Hospital Equipment

Italy

Jamaica and Bahamas

South Africa

Italy

Extensive local production but large imports of unique items. Canadian exporters should try selling advanced products; Government is offering financing.

UGO BOSCHETTI, Commercial Officer, Milan

Italy is a major manufacturer and an important exporter of medical equipment but it is also a good market for unique and sophisticated equipment from abroad. Canadian manufacturers can benefit from an Italian Government appropriation of $100 million which is earmarked for financing imports during the 1970's of scientific and medical equipment and apparatus not produced domestically.

Broadly speaking, there are two types of domestically made equipment in which the Italian industry keeps pace with the most advanced countries. The first includes most standard electric diagnostic instruments, such as cardiographs, encephalographs, myographs and cardioscopes. The second covers more complex apparatus such as polyphysiographs and polyanalizers, which are used for scientific research and top-level diagnostics. In addition, but of the same importance, there is the production of all types of equipment for reanimation and intensive coronary control instruments as well as nuclear medicine apparatus.

In fact, a wide range of medical equipment is produced locally and covers an estimated 95 per cent of routine diagnostic and about 90 per cent of the more demanding special diagnostic requirements. There are some exceptions, however, which local industry is constantly striving to fill.

These exceptions are worth examining because they may be of special interest to Canadian companies. However, it is not only a question of supplying the remaining 15 per cent of those standard and special diagnostic requirements that Italy does not produce at present (there is practically no foreign equipment that does not have its Italian counterpart) but of seeing whether, in that 15 per cent, there are some sophisticated or exceptionally modern instruments that could be substituted for a similar locally made product. There is also the fact that the quick pace of technological development in electronics often renders a two- or three-year-old instrument obsolete.

National production in this field has increased steadily—from $22 million in 1966 to $65 million in 1970. Moreover, unofficial statistics show that in 1970, 55 per cent of production was sold in Italy and the remainder was exported (1970 exports totalled $25 million).

At present, Italian firms are making a remarkable effort to widen their foreign and domestic outlets and are keeping production highly competitive, not only in terms of price but of quality as well.

Although Italian manufacturers of medical equipment are faced with tough competition from other European countries such as France, Germany, Britain and Switzerland (not to mention the powerful United States firms and Japan) Italian exports in this sector reached $11.5 million in 1967 and jumped to $20.3 million in 1969.

The accompanying table deserves special attention by Canadian exporters. Almost all items indicated in the 1970 statistics show a remarkable increase compared with 1969. Total imports in 1970 rose by about $4 million, reaching about $27 million. The reason for the sharp increase in imports can be explained by the so-called "Law No. 471". This bill, published at the end of 1969, provides an appropriation of U.S.$100 million to be used during this decade (1970 to 1980) for the import of medical and scientific equipment and apparatus not manufactured in Italy. One of the purposes of the law is the modernizing of existing hospital and medical facilities, and the reaching by 1980 of

→

the goal set by the World Health Organization: "ten beds for every thousand inhabitants" in public hospitals. To reach this target, Italy has to build new hospitals and clinics with a total of 225,000 beds. Currently there are 515,607 beds, divided as follows: public hospitals, 1,423 with a total of 425,557 beds; private clinics, 1,061 with a total of 90,050 beds.

The enforcement of Law 471, financing the purchase of high precision instruments from abroad, has obviously put on the alert Italian manufacturers of medical equipment. A number of foreign firms have already started publicity campaigns indicating that they will benefit from this financial support from the Italian Government. This was done even though the law clearly states that financing can be granted only to imports of equipment not produced in Italy.

Italian Imports of Medical Equipment

Commodity	$'000 1969	1970
Electrocardiographs	222.8	494.5
Dental instruments and apparatus	1,410.0	1,304.5
Anaesthetic apparatus	251.7	323.3
Diagnostic instruments	825.7	745.8
Mecano-therapy appliances	474.8	452.8
Aerosol therapy and reanimation equipment	589.0	666.0
Hearing aids	1,079.1	1,441.5
Orthopædic appliances	975.8	1,310.0
X-ray apparatus	3,166.7	3,538.9
Dental, ocular and other prosthesis	966.5	1,759.1
Other medical equipment n.e.s.	10,330.0	11,800.0
Parts and accessories, all	2,166.7	2,328.3
Medical, dental, surgical and veterinary furniture	442.3	580.3
Total	**22,901.1**	**26,744.0**

Main suppliers: France, United States, West Germany, Switzerland, Britain and Japan.

This has led to a great deal of concern among Italian manufacturers because it is extremely difficult to determine whether certain machinery from abroad is of a type not being manufactured locally. Consequently Italian manufacturers have requested the Government to issue instructions about determining if such items are "unique" and/or "not produced in Italy".

In addition, as scientific instruments are not identical, it is considered advisable to have representatives of Italian scientific and technical industries attend the meetings of the committee established to examine applications for import financing to ascertain whether the requirement "non-production in Italy" is actually followed. In fact, the law provides that the sessions of this committee "may be attended by technical and financial experts".

The Italian Department of Finance has already provided ample guarantees to cover this matter. In turn, a group of Italian manufacturers of scientific instruments and laboratory equipment charged with the solution of the problem has decided to prepare an "Italian Industry Directory of Medical Equipment and Laboratory Instruments". This will include the complete range of Italian products in this line so that similar imports cannot benefit from the special financing.

The same group of Italian manufacturers is also investigating, through the main research institutes, what scientific instruments cannot be made by the local industry. The results of this investigation will be submitted to the Italian Government and to the committee.

The first result of this investigation is the following information, listing a number of items not produced in Italy which should be purchased abroad, utilizing the provisions of Law 471:

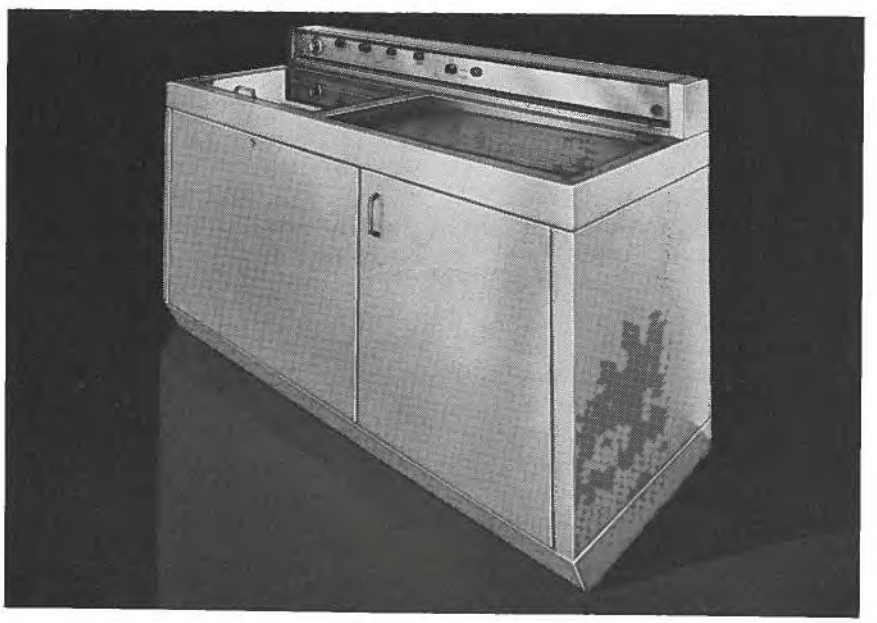
1. Mass spectrographs for the study and analysis of liquid and/or solid substances.

2. Liquid scintillators for use in pharmacology and medical studies on metabolism by means of radioactivity.

3. Nuclear magnetic resonance sets for structure studies to be carried out in analytical chemistry.

4. High-powered electronic computers.

However, these are not the only sales possibilities for Canadian manufacturers in the scientific and medical



Typical of the kind of equipment that might be sold in Italy is this automatic washer, made in Quebec, that cleans glassware, surgical instruments, etc., individually.

field. Italy is an open market and consequently any instrument can be offered if it appears to be unique.

To this end, our office made a survey of the specialized trade. This revealed that the following instruments are still imported from abroad. Even if they are produced in Italy, there is keen interest on the part of Italian distributors in examining offers from Canada:

General surgery apparatus
Anæsthetic equipment
Analyzers, physiological parameters
Apparatus for childbirth analgesics

Diagnostic apparatus and instruments
Angiography apparatus
Apparatus for radioisotope and ultrasound diagnosis
Apparatus for basal metabolism
Apparatus for industrial psychology
Apparatus for virology
Oscillographs
Oscillometers
Spirometers

Mecano-therapy, aerosol therapy and reanimation equipment
Transfusion equipment
Artificial respiration apparatus
Mechanical respirators
Iron lungs

Hearing aids
(In-ear and spectacle types)

Orthopaedic instruments
Bone-nailing apparatus
Bone-breaking apparatus
Suspension apparatus
Traction apparatus
Skeleton traction stirrups

Parts and accessories
Electric control panels for cauterizing apparatus
Control panels for endoscopy and radiology
Triodes for physiotherapy and diathermy
Tubes, infrared
X-ray tubes (diagnostic and therapy)
Ultraviolet generating tubes (quartz bulbs)
Tubes for macro- and micrography

How to Sell—Our experience suggests that the first step a Canadian manufacturer should take once he decides to enter the Italian market is to send to the Canadian Consulate General (Via Vittor Pisani 19, 20124 Milan) a comprehensive set of technical literature on the product he wants to introduce, plus c.i.f. Genoa quotations. The Commercial Office of the Consulate will then be able to contact the trade and report whether there are any real sales possibilities for the product.

Should this investigation prove favorable, penetration into the Italian market should be made through selected agents and/or distributors who should be provided with sample equipment for demonstrations. Once agents are appointed, personal followup is recommended to instruct their personnel in the use and maintenance of the equipment. Well-known agents are accepted in Italy by most major institutions not as a source of medical information but as a useful and necessary medium for obtaining what is needed. At this stage, literature should be printed in the language requested for a wider promotion in territory. Canadian manufacturers must also be prepared to share with their distributors the cost of advertising, printing and promotion material.

It is essential that Canadian exporters do not try to compete with existing Italian equipment or technology but exploit new fields of instrumentation.

In summary, the introduction of Canadian-made medical and scientific equipment into the Italian market will be facilitated if these guidelines are followed:

1. Offer new technology and unique instrumentation.

2. Be competitive in price and quality.

3. Select proper distributors and assist them when products are introduced.

4. Utilize the "import financing plan" of Law 471, if possible.

5. Be prepared to send distributors samples of equipment for demonstration purposes.

We invite Canadian manufacturers of scientific and medical equipment to accept our "diagnosis and prescription" and create a new and profitable business in the Italian market.

Canadians Display Teaching Aids in Venezuela

Education in Venezuela is big business. The demand for educational equipment and teaching aids increases every year, and by the school year of 1974-75 the Government expects that about 2,940,000 students will be enrolled in schools and colleges across the country. There are now 12,000 primary and secondary schools in Venezuela, nine universities, two teacher training institutes and one technical institute. Two more universities and two more teacher training institutes will be built over the next four years.

Sophisticated teaching aids, such as electrical and metallurgical laboratories, educational TV equipment, electronics, physics and chemistry equipment are not manufactured locally, and are purchased from local firms representing foreign suppliers. In past years Canadian firms have participated to only a minor extent in tenders issued by the Ministry of Education, private institutions and military academies. Canadian capability has been largely disregarded.

In an attempt to change this situation, the Canadian Embassy earlier this year decided to set up a small exhibition on the Embassy premises to display equipment manufactured in Canada. Its purpose was twofold: to bring to the attention of the Venezuelan authorities and education officials what Canada has to offer in the field of sophisticated educational equipment, and secondly, to allow Canadian firms to seek local agents.

Eight companies took part and their exhibits included equipment for teaching electronics, electricity and physics; audio-visual aids; films; and multiple-answering teaching aids. The exhibit attracted about 300 visitors during the three days it was open. It was not designed for on-site sales and none were expected, but despite this nearly $7,000 worth of equipment was sold. Three companies already had agents, three have confirmed representation as a result of the exhibition and, at date of writing, the other two are still in the process of trying to arrange suitable terms with agents.

Jamaica and Bahamas

J. P. LEFEBVRE and J. H. LANG, Assistant Commercial Secretaries, Kingston

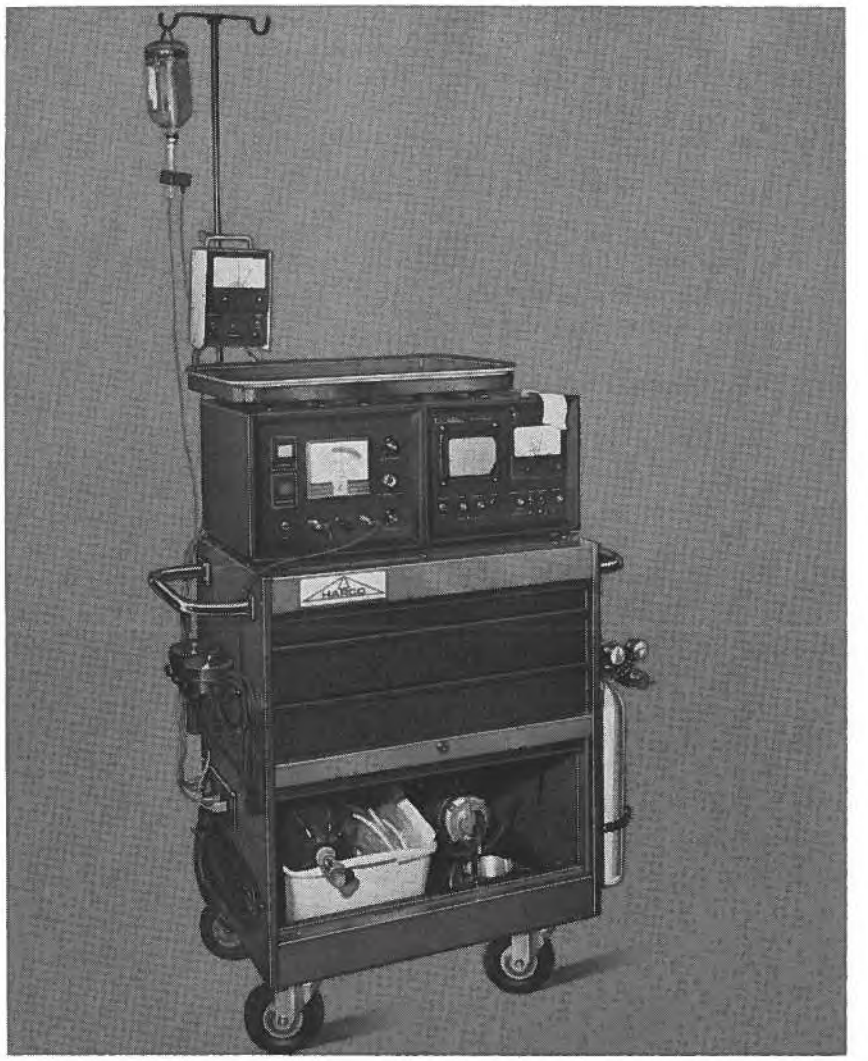
Jamaica is divided into 45 medical districts serviced by 26 hospitals offering approximately 4,000 beds. Included in these figures are specialized institutions such as a maternity hospital, a mental hospital, a sanatorium, a pediatric hospital, a teaching hospital and a leprosarium. In answer to special needs and to ease the pressure on regular hospitals, the Government contributes to the maintenance of health centers and comprehensive units for special treatment.

Some six private hospitals, offering a total of approximately 500 beds, meet the needs of the upper and upper middle classes of Jamaicans and expatriates. These institutions are owned and operated by private practitioners and by members of various religious faiths. (See accompanying list.)

Hospital boards are appointed on a regional basis by the Minister of Health and are responsible for the day-to-day management of public hospitals. (See accompanying list.) Long-term planning is the function of the Ministry of Health, which takes into consideration any sociological factors in deciding on the location and size of a hospital, which services are to be offered, and on the type of equipment to be installed. The Department of Public Works, under the Ministry of Communications and Works, implements the project. In consultation with the Ministry of Health, the Department prepares architectural and engineering drawings and specifications, selects the equipment, and awards contracts.

Most professional services for the expansion of existing facilities or the planning of minor projects are supplied from within the Department of Public Works which has developed, over the years, skill in this particular field still unequalled by private Jamaican firms. Major hospital projects are contracted to international professional groups of architects, engineers and contractors.

Over the last five years, the Government has embarked on a program of decentralization of medical facilities. What are termed "major hospitals" will be built and some of the present ill-equipped regional hospitals will be downgraded. These major hospitals are to be provided with modern back-up facilities capable of offering the entire range of diagnostic, laboratories and treatment facilities to fill the needs of the areas they serve. Tentatively, the planned locations for the seven major hospitals are in Kingston (3), Montego Bay, St. Ann's Bay, May Pen, and Mandeville or Savanna-la-Mar.



Among the advanced medical equipment that Canada is ready to sell abroad is this "crash cart" that combines a defibrillator and a Cardialert that records abnormal heart rates automatically. It's actually a miniature hospital room on wheels.

The Kingston corporate area has three institutions that could become major hospitals: the Kingston Public Hospital, University Hospital, and King George V Jubilee Memorial Hospital. No definite agreement has been reached or any announcement made on the future of these hospitals, but it is almost certain that they will be converted into major hospitals. In the meantime, the following extensions are taking place or being considered.

Kingston Public Hospital—During this fiscal year and the next, the Government will finance the construction of a staff canteen, a nursing school, a casualty department, and interns' quarters and will replace 200 beds

in the existing facilities. These improvements are temporary because the whole hospital needs an uplift. Independent experts have even suggested that it be closed and replaced by another elsewhere.

King George V Jubilee Memorial Hospital (sanatorium)—This hospital has 45 acres of land, which gives it plenty of room to expand into a "major hospital". Since its inception in 1939, this sanatorium, with 206 public beds and 22 private rooms, has served the island as a center for specialized treatment (especially surgical) of tubercular and non-tubercular chest conditions, and in recent years one third of the beds have been empty. A decision has to be taken on the future of this hospital. It will either be closed, releasing its team of doctors and its expensive equipment, or it will be expanded into a major cardiology center, unique on the island.

University Hospital—This teaching hospital can already be considered as a major one. The newest in Jamaica, it comes under the University of the West Indies, with the Ministry of Finance responsible for the recurrent costs and the Caribbean member Governments of U.W.I. sharing the teaching costs.

The University Hospital may get a nuclear diagnostic unit. Jamaica will have two cobalt therapy units when the Montego Bay Hospital is opened, and is already the main center in the Commonwealth Caribbean for cancer treatment and nuclear medical technology. Add to this the fact that U.W.I. has the only medical faculty in the region, and it would seem logical to upgrade the service already provided by installing such a unit.

Montego Bay Hospital—The 400-bed Montego Bay Hospital, when it receives its first patient in 1972, will be the most modern in Jamaica. With 13 laboratories, a kidney transplant unit, cobalt therapy unit and psychiatric wing (among other facilities), it will represent a first in medical technology here. Canada has supplied several sophisticated pieces of equipment under CIDA aid, and this will be the first Jamaican public hospital for which beds, laundry, and kitchen equipment will be sourced and purchased in Canada, again under CIDA aid. Tenders for these should be called at the end of this summer.

May Pen Hospital—When the Montego Bay development is completed in 1972, extra funds will become available for the May Pen Hospital. It will be a 200-room hospital with nurses' home, interns' quarters, intensive care units, maternity ward, diagnostic laboratories, and X-ray equipment. The Department of Public Works is working on the blueprints for this project to be ready for construction when funds are available. The only development taking place on this site now is the erection of a much-needed maternity ward.

St. Ann's Bay Hospital—St. Ann's Bay presents a special planning problem because it is in the heart of the tourist zone. Visitors often donate medical equipment or money to the hospital, which makes the growth of the facilities sporadic and often different from what was planned. Bauxite companies that have their headquarters in the area have also been generous. These conditions have resulted in the local hospital board, in charge of the day-to-day administration, possessing a greater importance than its counterpart in most other institutions. Although theoretically under the wing of the Ministry of Health and earmarked to become a major hospital, the private sector and the board often take decisions based on donors' preferences. Present government plans include the construction of a 36-bed ward and five private rooms.

Jamaican Hospitals, Boards and Chairmen

Private Hospitals

Andrews Memorial Hospital
27 Hope Road
Kingston 10
A. B. Marshalleck, chairman

St. Joseph's Hospital
4 Duke Street
Kingston
Peter Judah, chairman

Nuttall Memorial Hospital
6 Caledonia Avenue
Kingston 5
Steve Rhoden Parchment, chairman

Medical Associates
18 Tangerine Place
Kingston 10
Dr. J. T. Burrowes, chairman

Hargreaves Memorial Hospital
32 Hargreaves Avenue
Mandeville
Dr. A. U. Dujon, chairman

Hope Institute
Elletson Flats
Kingston
Mrs. Sylvia Boothe, matron

Boards and Chairmen

Kingston region
Frank Barrow
c/o Desnoes & Lyons (Solicitors),
4 Duke Street
Kingston

Spanish Town region
Edwin Wint
c/o Ariguanabo Mills
Spanish Town

Mandeville region
The Honorable W. Coke
Stonehaven, March Road
Mandeville

Savanna-la-Mar region
Major Trevor Robinson
c/o WISCO
Frome

Montego Bay region
The Honorable Walter Fletcher, C.B.E.
42 Fort Street
Montego Bay

St. Ann's Bay region
The Honorable W. V. Parnell
Braco
Duncans P.O.

Port Maria region
The Honorable C. A. Touzalin
Highgate

Port Antonio region
L. C. Motta
Fort George Street
Port Antonio

George V Sanatorium
Keble Munn
92½ Mountain View Avenue
Kingston 3

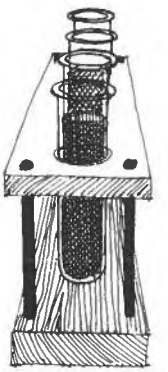
Mandeville or Savanna-la-Mar Hospital—A decision has yet to be taken on which of the two institutions should be expanded into a major hospital. Mandeville has 124 and Savanna-la-Mar 150 beds. This development has a lower priority than those already mentioned and it is difficult to predict what decision will be made and when.

Other developments include an extension to the Victoria Jubilee Hospital, financed by the World Bank, which will bring beds up from 160 to 324. Engineering specifications are being written. An 11-bed intensive care unit is being added to the 300-bed Children's Hospital. Construction of this unit should start early this fall. The Bellevue Hospital in Kingston, the only one for the mentally ill, will be enlarged and some minor renovations will be made to the 51-bed Alexandria Hospital. Twenty outpatient health centers will be built throughout Jamaica with World Bank financing.

Responsibility for Procurement—Procurement for new government hospitals is done by the Ministry of Health on advice from the Department of Public Works, through the Supply Division of the Ministry of Finance. The Department of Public Works sometimes receives "carte blanche" from the Ministry of Health to write the specifications and procure furnishings, construction materials and other specific equipment directly. Members of a hospital board may influence some of the procurement decisions. Individual hospitals can source those goods purchased under annual recurrent or capital expenditure budgets and can buy direct. If there are technical or professional considerations, the Department of Public Works or the Ministry of Health lends a hand.

International tendering is mandatory, of course, for projects financed by the World Bank. If a project is financed by a specific country, procurement is usually tied to the country making the loan. In Canada, for example, the Canadian Commercial Corporation calls for tenders.

Private hospitals, in sourcing their requirements, usually go on past experience, but they may decide to try a product introduced to them by a salesman or local agent. If the agent is known to the Supply Division of the Ministry of Finance or to the hospital, he may be asked to submit prices for products bought repeatedly. But bulk purchases of equipment, furnishings, furniture, etc. for a new hospital will generally be made directly from the manufacturer to obtain a quantity discount and save the agent's commission. Special exceptions can be made (and agents will get their commissions) if it is agreed in the contract that servicing will be supplied locally, and parts and components stocked. Such an arrangement is particularly advantageous in the sale



of equipment such as X-ray units and electronic devices. Both private and government hospitals normally buy replacements from local agents.

Certain specified drugs are admitted duty-free from all sources. Commonwealth suppliers enjoy a margin of preference of 6 or 12 per cent on other medical and pharmaceutical products.

The Bahamas

The population of the Bahamas is about one tenth that of Jamaica, and therefore it has fewer public health facilities. The Ministry of Health is responsible for planning developments, managing, and purchasing medical supplies and equipment, and maintaining a Community Nursing Service.

Most health services are centralized in Nassau and Freeport. There are some 40 clinics or cottage hospitals scattered throughout the Out Islands, and a Flying Doctor Service. Patients who cannot be treated locally are taken to Nassau's 425-bed Princess Margaret Hospital. This is the largest in the Bahamas. Also in Nassau are the 230-bed Sandilands Rehabilitation Center for mental patients, a 15-bed leprosarium and the recently completed 140-bed Geriatric Hospital.

There are also two private hospitals in Nassau, the Bahamas Medical Center (White Clinic) and the Rassin Hospital, which together have 50 beds.

In Freeport, the Rand Memorial Hospital has 75 beds, a research laboratory, medical, surgical, maternity, and children's wards. The Antoni Clinic, a private institution, specializes in gynecology, obstetrics, and oral and maxillo-facial surgery, and the Lucayan Medical Group (also private) has facilities for general surgery, pediatrics, and internal and diagnostic medicine.

Plans for expanding the facilities have been temporarily shelved, but a functional program study has been completed for a proposed 700-bed hospital to replace the aging Princess Margaret Hospital in Nassau.

Day-to-day purchases of medical, surgical and general supplies are handled by the hospitals themselves. The chief purchasing officer at Princess Margaret Hospital also procures for Sandilands and the Geriatric Hospital. Pharmaceuticals are purchased by the Chief Pharmacist, Princess Margaret Hospital. Purchases of drugs and supplies total approximately $1.6 million each year. The Administrator, Rand Memorial Hospital, is responsible for all procurement; purchases total approximately $500,000 a year.

Until a few years ago, most medical and surgical supplies were purchased from Britain. Shortage of storage facilities and other problems have caused a shift to North American suppliers. This shift is now accelerating as the medical staff becomes accustomed to North American products. Canada enjoys a preferential rate of duty—18 per cent compared with 28 per cent for non-Commonwealth suppliers.

If you are a supplier of goods or services in the hospital field and are interested in the Jamaican or Bahamas market, write to the Commercial Secretary, Canadian High Commission, P.O. Box 1500, Tobago Road, Kingston 10, Jamaica, giving us a brief description of your products. This could be a good market area for you.

South Africa

PETER W. BELANGER, Assistant Trade Commissioner, Cape Town

This is Groote Schur Hospital in Cape Town, where Dr. Christian Barnard performed the first human heart transplant operation. The standard of medical care is high but the South Africans still look to other countries to supply advanced medical and hospital equipment. Canadians could make progress in selling here by appointing and supporting a well-qualified agent or distributor.

South Africa has been undergoing the most extensive hospital expansion program in its history during the past few years. Many new hospitals have been or are being constructed and existing ones enlarged and refurbished. There are now more than 825 hospitals and 135,000 hospital beds in South Africa and the number is expected to increase by at least 10,000 in the next five years. A substantial number of beds will also be required for replacement purposes.

South African hospitals fall into three main categories: state hospitals, provincial (including university) hospitals, and private institutions (which include church-supported hospitals). There is no central hospital authority for the country as a whole.

The Central Government is primarily responsible for the prevention of infectious diseases and controls all mental, T.B. and military hospitals, health clinics, and leper institutions. All other hospital services fall under provincial administrations, which in turn subsidize a large number of private institutions. The provincial administrations themselves work independently of each other, and there is virtually no standardization and over-all planning of hospital services and equipment.

As expansion programs have accelerated, so has the demand for hospital and medical equipment, most of which must be imported. Competition is keen, with Britain, Germany, the United States and Japan the major suppliers. Canada has sold little medical equipment to South Africa other than cobalt beam therapy units. But if prospective Canadian exporters are willing to make a real effort to develop this market, their export performance could improve significantly.

The standard of medical services in South Africa is high and there is a continuing demand for advanced medical and hospital equipment—particularly bio-medical engineering equipment, surgical instruments, hospital communications equipment, X-ray and therapy equipment, and electronic laboratory equipment. Any medical equipment incorporating labor-saving devices has market possibilities because of rising labor costs and the growing

→

shortage of nursing staff. Disposables too are of interest, although South African manufacturers are beginning to establish themselves in this field. Dressings, needles, syringes, sterilizers and medical furniture are produced locally.

Although the South African market is not large enough to encourage local manufacture of most sophisticated hospital and medical equipment, licensing arrangements or joint ventures may attract certain Canadian companies and should not be overlooked.

All purchasing of equipment and supplies for hospitals under provincial administrations or state control is handled through tenders. Tenders are accepted only from qualified South African manufacturers, agents and distributors who are well established in the country and can provide the necessary back-up services.

Provincial hospital administrations account for the major portion of South African imports of hospital and medical equipment. Usually hospitals submit their requirements individually to the purchasing department of the provincial hospital administration. The purchasing department analyzes these requests and draws up specifications for the type of equipment required. Once this has been determined, notices of tender are published.

If key hospital personnel are interested in a special type of equipment, the notice of tender may become a mere formality because the specifications will be written to match that particular product.

Price as well as quality may be a factor in government purchases. A preference rate of 1 to 10 per cent, depending on the amount of local content, is given to local manufacturers on provincial and state hospital tenders. Low bids can be rejected, however, on the basis of quality. Private hospitals normally purchase their requirements through central purchasing committees, without calling for tenders. Group buying among private hospitals is not practised here.

To gain access to the South African market, it is essential to appoint a qualified agent or distributor who is well known to local hospital authorities and has a good knowledge of the market.

A good agent or distributor will be aware of sales opportunities before tenders are published. By cultivating the appropriate hospital authorities, he ensures maximum exposure of his product to the right people.

Most agents and distributors of medical and hospital equipment in South Africa represent a company on an exclusive basis only. They do so to avoid price wars, duplication of effort, and the danger of carrying a product line that is being inadequately serviced by a competing firm.

For an initial market survey, an agent or distributor requires descriptive literature and price lists. Attractive and informative literature can be extremely useful in developing interest in a product. If the potential appears to be good, a sample will then be needed for demonstration purposes. For more expensive equipment, it is customary for the agents or distributors to receive samples at a special introductory price or on consignment.

Once a hospital has shown a strong interest in a particular piece of equipment for a trial period, there is an excellent possibility that sales will result.

If your company manufactures advanced, competitively priced equipment, can offer prompt delivery and after sales service, and you are willing to visit the market yourself if necessary, you may find it worthwhile to investigate South African possibilities. The Canadian Trade Commissioners in Cape Town and Johannesburg welcome inquiries from prospective exporters.

Nigeria Reserves Business Fields

Nigeria is reserving 26 areas in the business field exclusively for Nigerians; the decree announcing this will be issued shortly. Included are: retail trade; bread and cake making; soft drink bottling; rice milling; poultry farming; bicycle and motorcycle tire manufacture and tire-retreading; manufacture of candles; singlets, and ordinary garments, not combined with production of textile materials; laundry and dry-cleaning; hairdressing; haulage of goods by road; passenger bus services and taxis; shipping, clearing and forwarding agencies; travel agencies; pools and lotteries; printing; assembly of radios, record players and television sets, not combined with the manufacture of components; newspaper publishing and printing; radio and television broadcasting; advertising agencies and public relations firms; brick and tile manufacture; jewellery making; theaters and casinos.

Foreign businessmen will be banned from 22 other areas unless the fixed capital is more than $560,000 and Nigerian equity participation more than 40 per cent. Included are: brewing; meat processing; fishing; manufacture of cosmetics, insecticides, pesticides and fungicides, soap and detergents; screen printing on cloth; dyeing; manufacture of suitcases, briefcases, handbags and other textile leather goods; manufacture of matches; paper conversion industries; distribution agencies for machinery and technical equipment; distribution and servicing of motor vehicles; scheduled and chartered internal air transport services; coastal and inland waterways shipping; construction; manufacture of cement and paints; wood conversion industries; manufacture of bicycles, wire and nails, and furniture making.

The Government will provide support for its Nigerianization program through the establishment of an industrial training fund, the development of industrial development centers, by direct government participation in certain industries, and through liberalization of credit facilities by the commercial banks.

JOHN D. TENNANT
Commercial Secretary, Lagos

Trade Lines

Abu Dhabi sets up development fund

Abu Dhabi has set up a $140 million fund to help development in other Arab countries. The fund is headed by Crown Prince Shaikh Khalifah ibn Zayid, Abu Dhabi's Prime Minister, and has a seven-member board of directors. Abu Dhabi is the second country to set up such a fund; Kuwait has since 1961 lent about $229 million for Arab development—Beirut

Australia to pipe natural gas

The Western Australian State Electricity Commission is considering a plan to pipe natural gas through 30- to 34-inch diameter pipes from Palm Valley (90 miles southwest of Alice Springs), in the Northern Territory, to Perth, a distance of more than 1,600 miles—Melbourne

Belgian paper firm to increase capacity

S.A. Papeteries de Belgique, Belgium's leading producer of newsprint, has announced its intention to invest 600 million B.F. ($12.2 million) to boost the capacities of factories at Langerbrugge, Duffel and Lembeek. At Langerbrugge, near Ghent, where newsprint and magazine paper are made, the capacity for magazine paper production is to be increased. At the same plant, the raw material preparation division will be adapted to permit greater consumption of domestic timber. At Duffel, near Malines, the packaging division is to be enlarged. At Lembeek-lez-Hal, the capacity for production of notebooks and envelopes will be expanded—Brussels

France helps Morocco

France will grant the equivalent of $95 million in aid to Morocco. Of this, the equivalent of $69.4 million will be for projects and $25.6 million to help the balance-of-payments situation. The projects will include technical co-operation and assistance in industrial and other areas. France will also supply 10,000 tons of wheat to Morocco. Last year, French aid to Morocco was equal to $56.3 million—Madrid

Japan retains Canadians for Peruvian survey

Terra Surveys Ltd. and Geoterrex Ltd., Ottawa, have been retained by Metallic Minerals Exploration Agency of Japan to assist Mitsui Mining and Smelting Company Ltd. in its mineral exploration program in southern Peru. Terra and Geoterrex will carry out aerial color photography and perform a high sensitivity magnetometer survey. Their geophysicists will integrate the photo-geology derived from the color photography with their interpretation of the magnetics—Lima

New Zealand wool prices drop

New Zealand farmers sold 1,419,928 bales of wool at auction during the 1970/71 season which ended June 30, 42,621 fewer bales than were sold during the previous season. The average price realized for greasy wool, as against scoured wool, was 20.84 cents a pound, compared with 22.03 cents last season. The total proceeds from wool sold at auction was 7.24 per cent less than it was last season, although the weight was down only 2.18 per cent. Provisional wool export figures for this season are 1,980,504 bales, down about 75,000 from last season—Wellington

Norway's crude iron output drops

Crude iron production at Norsk Jernverk, Norway's only important ironworks, dropped in the first six months of this year to 241,000 tons because a furnace was put out of action. The comparable figure for last year was 258,000 tons. Iron slag output, at 444,000 tons (414,000 tons in January-June, 1970), was higher than budgeted. Production in other sectors of the plant was also above the corresponding figures last year—Oslo

Norway lifts price freeze

The Norwegian Government has repealed the price freeze on goods and services, in force since December 1970. The freeze had created difficulties, particularly for importers, several of whom said they would have to discontinue business if the regulation remained—Oslo

Scottish power contract let

The South of Scotland Electricity Board has placed a contract worth $225 million with the Nuclear Power Group for construction of an oil-fired power station at Inverkip in Renfrewshire. The station, comprising three 600-megawatt units, will be in operation by July 1978 and preparation of the site has already begun. The main civil engineering and building contract has been awarded to Sir Robert McAlpine and Sons. C. A. Parsons and Co., a subsidiary of the Reyrolle Parsons group, will supply reheat turbine generators with condensers and feed-heating plant worth $50 million. The $3.1 million contract for the fuel-oil handling and storage systems went to Whessoe Ltd., and the the contract for the manufacture, construction and

commissioning of three 660-megawatt boilers goes to Clarke-Chapman-John Thompson Ltd., also of Nuclear Power Group—Glasgow.

Scotland claims biggest store group

Following its recent acquisition of E. Dingle and Co. of Plymouth, England, and Switzer and Co. of Dublin, Ireland, Scotland's House of Fraser now claims to be Britain's largest department store group. Among Fraser's earlier acquisitions was the world-famous Harrods—Glasgow

West Germany buys two billion eggs

West Germany last year imported a total of two billion eggs, 17 per cent over 1969. Imports of egg products (eggs, egg whites and egg yolks), however, at $86 million (139,105 metric tons) were worth $4 million less than the 121,786 metric tons imported in 1969. The bill for all foodstuffs imported last year was $5.97 billion, a rise of 8.2 per cent over the previous year. Of this total, 44 per cent was supplied from EEC countries and 11 per cent from the United States—Bonn

Foreign Tariffs and Trade Regulations

Costa Rica

On July 15, 1971, a multiple exchange rate system was introduced in Costa Rica in accordance with imported products classified into three distinct lists:

List "A"—Preferential imports from outside Central America—imports from Central America—old obligations and import and export of registered capital to enjoy the official rate of exchange—*Buying*: 6.62. *Selling*: 6.65.

List "B"—Products on this list will pay a 15 per cent foreign exchange surcharge—*Selling*: 7.64.

List "C"—Imports of these items will be subject to a 30 per cent foreign exchange surcharge—*Selling*: 8.64.

Under the new regulations, all imports of items not included on any of these lists and invisible transactions will not be eligible for foreign exchange from the Bank and importers will therefore have to go to the free market to buy currency for payment.

Further information regarding the rate of exchange applicable on specific products may be obtained from the Latin America Division, Office of Area Relations.

Dominican Republic

The Dominican Republic recently introduced Insurance Law 126 to assist local insurance firms. Under the new law, effective August 20, 1971, all insurance business done in the Dominican Republic must be handled by local companies. All imports must now be done on a c. & f. basis only and insurance coverage must be taken out locally.

Peru

New import restrictions have been introduced by Peruvian Government Resolution No. 1091-71, brought into effect under the General Industrial Law 18350 and its regulations. Under the resolution, locally-made industrial products must be registered with the Ministry of Industry and Commerce in order to limit imports of similar goods. As the manufacturers involved submit their applications, the Ministry of Industry and Commerce will be preparing quarterly lists showing the tariff item number, a description of the product, the name of the manufacturer and the registration number. The first list which contains approximately 400 items was published in the *Official Gazette* on July 5, 1971.

Anyone who wishes to import an item incorporated into the lists, must support his case on either of the following three contentions:

1. that local production is non-existent,

2. that local production does not conform to accepted technical standards,

3. that local production is insufficient to cover total demand.

An import licence must be obtained from the Ministry of Industry and Commerce before importing any of the items on the list. Peruvian Consuls abroad are precluded from issuing consular invoices on the products listed unless a licence is produced.

Further information about specific products may be obtained from the Latin America Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa, Ontario, K1A 0H5.

Venezuela

The Venezuelan authorities, under a joint decree by the Ministries of Finance and Development published in the *Official Gazette* No. 29570 of July 29, have abolished the requirement to obtain an export licence for most products made in Venezuela which have reasonable prospects of being exported.

Export Opportunities

The inquiries listed below come from several sources, including various Branches of the Department in Ottawa and the Trade Commissioner Service posts abroad. Exporters should correspond directly with the companies or agencies mentioned, using the addresses given, and should send copies of the correspondence to the Trade Commissioner for follow-up. The Department of Industry, Trade and Commerce cannot assume any responsibility for trade negotiations that exporters may enter into with these firms, nor can it vouch for their commercial standing.

Aluminum wire manufacture, printing ink

NIGERIA—Firm presently manufacturing aluminum doors, windows and curtain walls seeks materials and technical advice for establishing additional manufacture of aluminum wire netting and nails. The firm is also interested in manufacturing printing inks. Contact: E.A. Adedeji, Managing Director, Ducana (West Africa) Ltd., Industrial Estate, Block 3 Unit 1, Yaba, Lagos.

Canned salmon and meat

JAMAICA—P. Levy, of Levy and Salmon Ltd., P.O. Box 11, Kingston 8, wants a Canadian source of canned salmon in half-pound and one-pound sizes and of canned meats in 6-ounce and 12-ounce sizes. Supplier should not be already locally represented.

Civil engineering joint ventures, partnerships

NIGERIA—Several Nigerian civil engineering firms have expressed interest in forming joint ventures or partnerships with Canadian firms to take advantage of Nigeria's opportunities under the country's development plan. Nearly half a billion Canadian dollars will be spent under the 1970-74 plan on roads, airports, ports and buildings. Contact: Commercial Secretary, Canadian High Commission, P.O. Box 851, Niger House, 1/5 Odunlami Street, Lagos.

Domestic appliances

NIGERIA—Lagos firm is expanding to set up national distribution center for domestic appliances, including refrigerators, stoves and air-conditioners using propane gas or electricity (240 volt/50 cycle), and seeks Canadian sources of supply. Contact: A.O. Karunwi, A.O. Karunwi Ltd., 6 Lancaster Road, Onike, Yaba (Lagos), Nigeria.

Plywood machinery patents

SPAIN—Firm now manufacturing and installing wood drying and treatment equipment wants contact with Canadian manufacturers of plywood making and finishing machinery to obtain patent rights and technical collaboration with a view to manufacturing in Spain on a royalty basis. Contact: Talleres Mocama S.L., Apartado Correos 9, Chivirella, Valencia.

Wallpaper machinery

FINLAND—Oy Sanduddin Tehtaat Company is extending its plant and is seeking contacts with Canadian manufacturers of special machinery for the manufacture of wallpaper. Contact: Jukka Suonio, President, Oy Sanduddin Tehtaat, Viertolant. 10, Helsinki 73, Finland.

Agencies Wanted

Aluminum ingots, copper concentrate

AUSTRIA—Viennese agent seeks 2,000 tons of aluminum ingots, 99.5 per cent purity, and an unspecified amount of copper concentrate. Quote prices and availability north European port to Commercial Counsellor, Canadian Embassy, P.O. Box 190, 1013 Vienna.

Animal feeds, veterinary equipment

SPAIN—Productos Neosan seeks exclusive agencies for pharmaceutical and biological products for livestock, material for poultry industry, dry skimmed milk and raw materials for animal feeds, and surgical instruments and other equipment for veterinarians. Contact firm at Apartado 1227, Barcelona 16, Spain.

Chemical industry machinery

SWEDEN—Canadian companies manufacturing centrifuges and vacuum filters for screw-conveyors for the chemical industry are being sought by G. Thurne, President, Thurne Teknik AB, Drottninggatan 15, 111 51 Stockholm C.

Container-handling equipment, paraffin for paper industry

FINLAND—Commission agent wants to locate Canadian suppliers of container-handling equipment and of paraffin for the paper industry. Contact: Jana Oy, Kluuvikatu 8, 5th floor, Helsinki, attention Teppo Uitto.

Dental equipment

KUWAIT—Local firm seeks Canadian suppliers of dental laboratory equipment including machinery, sterilizers and instruments; of filling material, mirrors, white/yellow gold, surgical instruments and X-ray films; and of dental chairs, stool X-ray units and other equipment and materials. Contact: Mohammad Saieed Mohammad Yakoub, Khiyat-ul-Ferwania, Habib Street, Kuwait.

Electrical, electronic equipment

SPAIN—Large firm of suppliers and installers of electric and electronic equipment seeks to represent Canadian manufacturers of instrumentation equipment, components and electronic apparatus. Contact: Commercial de Electricidad S.A., Maria Diaz de Haro, 11 Bilboa, Spain.

Foodstuffs

GAMBIA—Several firms are interested in importing Canadian foodstuffs. George Madi, Shyben Madi, Box 184, Bathurst, The Gambia, wants Canadian quotations particularly on canned fish, fruits, and vegetables. Foods for hotel use would interest (1) J. Madi, Director, S. Madi Ltd., 11 Russell Street, Bathurst, The Gambia, and (2) Ali Jacobs, Palmgrove Hotel, Box 475, Bathurst, The Gambia.

Furniture

GAMBIA—Two firms seek Canadian supplies of completely knocked down wooden and metal furniture. Contact: (1) Mr. Maurel, Manager, Maurel and Prom, P.O. Box 262, Bathurst, The Gambia; (2) Ali Jacobs, P.O. Box 432, Bathurst, The Gambia.

Hospital equipment

FINLAND—Firm of commission agents seeks Canadian sources of supply of vacuum pumps, vacuum packaging, packagings and freeze driers. Contact: I. Nemes, President, Nemitex Oy, Hakolahdentie 3 A, Lauttasaari, Helsinki.

Household appliances

WEST INDIES—Grenada firm wants to contact Canadian suppliers of household appliances such as vacuum cleaners and shampoo machines. Contact: Leslie Pierre, Director, George F. Huggins and Co., Ltd., Young Street, St. Georges, Grenada. W.I.

Knitted goods, kraft and crepe paper, rebuilt industrial machinery

UNITED STATES—Export agents specializing in sales to Iran, Lebanon, Kuwait and Haiti want to represent Canadian manufacturers of knitted goods, kraft and crepe paper, and rebuilt industrial machinery in

these countries. Contact: D. H. Murad, manager, United States-Orient Agencies Inc., 110 West 40th St., New York, N.Y. 10018.

Kraft paper and kraft paper bags

UNITED STATES—Import/export merchants selling to Europe, Central and South America, the Middle East, South and West Africa and Asia want to act as agents for Canadian manufacturers of kraft paper and kraft paper bags. Contact: R. Leuwenstein, International Burlap Bag Co., 600-606 West 110th St., New York, N.Y. 10025.

Lumber, pulpwood, veneer logs

UNITED STATES—Export agents selling worldwide outside the United States seek to represent Canadian suppliers of lumber (both Eastern and Western species), pulpwood, and veneer logs. Contact: H. I. Winkler, president, Ernst Siedelmann Corp., 19 Murray St., New York, N.Y. 10007.

Machinery for the vegetable oil industry

UNITED STATES—Export agents specializing in sales to Venezuela seek to represent Canadian manufacturers of machinery for use in the vegetable oil industry. Contact: H. Semack, president, Semack Trading Co., Inc., 80 Wall St., New York, N.Y. 10005.

Novelty and gift items

UNITED STATES—Milshire International Corp., which specializes in sales to the Middle East, the Far East, and Africa, wants to represent Canadian suppliers of novelty and gift items. Contact L. J. Sabnani, president, Milshire International Corp., 102 Franklin St., New York, N.Y. 10013.

Paper industry felts

FINLAND—Runeberg Teknisk Byra AB, seeks contacts with Canadian manufacturers of felts for the paper industry. Contact: I. Rompotti, general manager of above firm, at Bulevardi 14, 3rd floor, Helsinki.

Pickled meats and frozen pork picnics

UNITED STATES—Export agent specializing in sales to the Caribbean area wants to represent Canadian suppliers of pickled meats and frozen pork picnics. Contact: Mrs. J. Amelar, Joseph Amelar Co., 395 Broadway, New York, N.Y. 10013.

Pipes, tubes, fittings

UNITED STATES—Export agent selling outside North America would like to represent Canadian manufacturers of iron water pipe, copper and brass pipe and tubing, fittings and valves, and boiler and condenser tubes (stainless steel, carbon steel, and non-ferrous). Contact: E. J. Mogol, president and treasurer, Astubreco Inc., 53 Park Place, New York, N.Y. 10007.

Ship steering gears

FINLAND—Company operating as commission agents wants to locate Canadian suppliers of steering gears for ships and other equipment for ships. Contact: Jana Oy, Kluuvikatu 8, 5th floor, Helsinki, attention Teppo Uitto.

Wanted: Manufacturers

This information is intended to promote additional manufacturing in Canada. Further material on items listed is for prospective Canadian manufacturers only. No responsibility is assumed for claims or statements made. Address inquiries, quoting item numbers, to: Industrial and Trade Enquiries Division, Department of Industry, Trade and Commerce, Ottawa, K1A 0H5 Canada.

Packaging film

Belgian firm offers under licence the Canadian production and marketing rights to its two weights of high density, silk, paper-like polyethylene packaging film. The films are made from polyethylene resins using a blow extrusion process. They are waterproof and greaseproof, and have a wide range of commercial and domestic uses. The regular weight, used for wrapping flowers, foodstuffs, etc., is produced in thickness of 12 to 18 microns. The heavy duty film, developed mainly for bag making and mechanical wrapping, is in thicknesses of 18 to 20 microns. Literature available. **Item 2465**

Building materials

British firm offers under licence the Canadian production and marketing rights to its line of new compounds for use in the construction industry. These products include two decorative non-crack plastic ceiling and wall coatings for plasterboard or concrete, and a range of seven resin formulations for use with concrete. The ceiling and wall coatings give a new standard of elasticity which reduces the incidence of cracking from drying, shrinkage or moisture movement. The polyester resin formulations are designed for use with concrete for sealing, patching, attaching, grouting, etc. Advantages claimed include ease of mixing, rapid setting and a permanent bond stronger than concrete. Literature available. **Item 2466**

Structural foam system

American company seeks Canadian licensee to manufacture and market its structural foam system. This system consists of four models of automatic equipment which will expansion-mould polyethylene, ABS, styrene, etc., in low-cost aluminum moulds, producing rigid, structurally sound parts at a rate of up to 1,000 lb. per hour. Maximum size of parts is 30 feet long by 6 feet wide, with wall thicknesses from $\frac{1}{4}$ to 4 inches. Literature available. **Item 2467**

Plastic wadding material

Australian company offers under licence the Canadian production and marketing rights to its extruded cellular foam wadding material. This material is manufactured from a chemically-blown, non-toxic grade of low density polyethylene. It is normally heat-laminated to a thin solid film of low density polyethylene, and flame treated to facilitate bonding where required. A particular use of the foam is in the packaging of breakable containers. Literature available. **Item 2468**

Safety axle

American company offers under licence the Canadian manufacturing and marketing rights for its safety axle device which provides third axle support for half-ton and three-quarter-ton vehicles. The axle is positioned under the truck frame behind the rear wheels. This new accessory, it is claimed, helps to reduce the danger of overhang and to improve over-all stability by better weight distribution through a combination of coil springs, axle support and eight-inch wheels. It is designed for trucks carrying camper units, livestock, machinery, etc., and is capable of carrying up to 2,000 pounds of the vehicle's load. Literature available. **Item 2469**

Hair-setting tape

American inventor offers under licence the Canadian manufacturing, marketing and export rights to his perforated hair-setting tape. This tape is a plastic non-woven, non-porous material with pressure-sensitive adhesive on one face and numerous air directing flaps projecting outward from the other face. The air circulating under and through the tape assures that hair will dry faster and have smoother ends. Choice of colors. Literature available. **Item 2470**

Flat-roof drain heads

German company is seeking a licensing arrangement with a Canadian firm to produce and market a new intake head for flat-roof drainage. The device incorporates thermal insulation for the head and a built-in electric system which can be activated when temperatures drop to the freezing point. The drain parts are constructed of an aluminum alloy and are dip-coated with a bituminous lacquer for protection. It is claimed that the head prevents freezing and leaking. Literature available. **Item 2471**

Regulator for fluids

German firm is seeking a licensing arrangement with a Canadian company to manufacture and market its device for regulating the passage of liquids. The regulator consists of an undulated profiled core which is attached to the cover plate of the governor where the water inlet openings are located, a resilient ring, and the housing of the governor. The regulator is installed in place of the normal seal ring. The advantages claimed are easy installation, small size, and low noise during passage of liquid. Suitable for washing machines, heaters and dishwashers. Literature available. **Item 2472**

Construction system

American inventor offers under licence the Canadian production and worldwide marketing rights to a honeycomb construction system that he claims is a new development in low cost construction. The basic materials are concrete, metal and paper. The system combines techniques for stiffening structural panels by corrugation and by using cellular or honeycomb matrices. The end result is a structure which is lightweight yet strong. The system is said to be suitable for homes, multi-purpose buildings, mobile homes, amphibious vehicles, etc. Literature available. **Item 2473**

Medical and surgical equipment, display case

French inventor is offering under licence the production and marketing rights in Canada for the following items:

A perfusion armband allowing the patient to move his arms and facilitating perfusion proceedings.

A tranquilizing appliance in the form of a box the same size as a small portable television set, using the psychological and physiological effects of color combinations with controlled breathing.

A portable, manually-operated resuscitation device providing heart massage and assisted breathing.

A portable and self-contained apparatus for rapid blood transfusions, intended primarily for emergencies but also usable in the operating room.

A display case which makes it possible for an article to be displayed by adhesion to the glass. It may be fitted with a revolving base and built-in battery lighting.

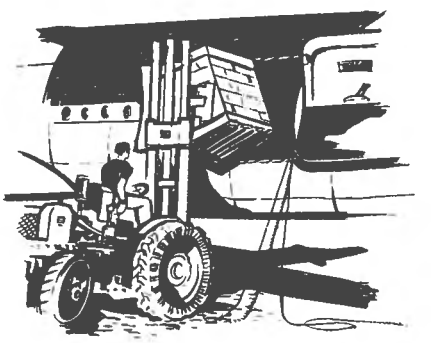
Literature available. **Item 2474**

Central heating accelerators

French concern wishes to negotiate a licensing agreement with a Canadian manufacturer for the production and marketing in Canada of its central heating accelerators. These circulating pumps are intended to speed up the circulation of water in central heating installations. The system, which has a rotor immersed in the water of the installation rather than the normal pacing gland, eliminates all pump maintenance since the blades are lubricated by the water. Literature available. **Item 2475**

Map holder

Canadian inventor offers under licence the Canadian manufacturing rights and worldwide marketing rights to a map holder, intended principally for use in an automobile. The holder consists of a slotted frame into which a map can be inserted. A locating lamp carried by a mounting block is automatically moved beneath the map as pointers are moved along N-S and E-W grid scales on two sides of the frame. The light is powered from the car's electrical system: for example, using a cigarette lighter plug. The holder can be stored beneath the car seat or under the dash. Literature available. **Item 2476**



NASA-Owned Inventions

These inventions are patented in Canada and are available for licensing on an exclusive or non-exclusive basis for royalties or other considerations. Both the case number and title of items should be quoted when inquiring about NASA licensing opportunities.

For the following cases manufacturers should contact: Assistant General Counsel for Patent Matters, Code GP, National Aeronautics and Space Administration, Washington, D.C. 20546.

Improved system for a solar array

An improvement has been made in the electrical interconnection of solar cells in an array of solar batteries. Each individual cell of a shaded battery is electrically connected in parallel with a corresponding cell of an illuminated solar battery. By this arrangement, uninterrupted current flow is maintained in the event that the illuminated cell fails to function. **NASA Case No. GSC-10344**

Traffic control system and method

System and method for position locating, deriving centralized air traffic control data, and communicating via voice and digital signals between a multiplicity of remote aircraft and a central station, as well as a peripheral ground station(s), through a synchronous satellite relay station. **NASA Case No. GSC-10087-2**

Transverse piezoresistance and pinch effect electromechanical transducers

This invention is a replacement for strain gauges and accelerometers. The transducer, of anisotropic piezoresistive material, includes a body of semiconductor material having a longitudinal force axis that is skewed with respect to the crystallographic orientation of the body. The device produces a much larger electrical signal for a given stress than presently known in the prior art. **NASA Case No. ERC-10088**

Unsaturating saturable core transformer

The transformer of the present invention will not saturate at any time under any conditions for any length of time. The device includes a pair of stacked, uncut, saturable magnetic cores having a plurality of windings. The cores operate in parallel and provide a means of detecting, warning and suppressing any impending saturation before saturation can occur. **NASA Case No. ERC-10125**

Microwave flaw detector

This invention provides a flaw detection system utilizing microwave energy which is radiated to the test surface and which varies in a cyclic or return-to-zero manner. The test surface modifies the reflected

electromagnetic energy in accordance with the surface condition. This reflected energy is demodulated and then correlated, either with itself or with a reference pattern, to provide an indication of irregularities in the surface. **NASA Case No. ARC-10009**

Method and apparatus for measuring the damping characteristics of a structure

Spectral analyzers and correlation computers have been used in the past to provide the most useful damping data. However, these types of apparatus either require too much time or can only be used with linear systems. This invention relates to an automatic on-the-line instrument for measuring the damping characteristics of a structure or system during excitation by random forces or influences. The apparatus is comprised of at least two parallel sampling circuits which perform time sequential sampling operations on predetermined portions of a given input signal. **NASA Case No. ARC-10154**

Gravity gradient attitude control system

A system for controlling and stabilizing the attitude of an artificial earth satellite includes a gravity gradient member mounted in a gimbal arrangement to have two degrees of freedom. The angular deviation of the gravity gradient member and the satellite relative to the local vertical and the spacecraft angle command input signal selectively drive a plurality of inertial momentum wheels provided to dampen the gravity gradient member librations. **NASA Case No. GSC-10555**

Process and apparatus for making diamonds

Diamonds of industrial grade may be fabricated from graphite by this simple but effective apparatus. An exponential horn is vertically positioned with its small end in a graphite receiving pocket. A magnetic hammer above the horn generates a shock wave in the exponential horn and due to the horn geometry, the velocity of the shock wave is amplified and the shock wave energy concentrated so that all of the energy arrives simultaneously at the small end of the horn. This energy is transferred to the graphite in the anvil pocket and results in pressure and temperature levels that cause the graphite to be transformed, in part, to diamonds. **NASA Case No. MFS-20698**

Inverter with means for base current shaping for sweeping charge carriers from base region

Inverters are used to convert a source of direct current to alternating current, or alternately to convert a source of direct current to a first voltage level alternating current and then to a second desired direct current voltage level. The concept employed in the inverters of this invention employs semiconductors and utilizes means for base current shaping for sweeping charge carriers from the base region. The circuit inhibits abnormal surges, spikes or ripples. Short circuit protection is provided. A further feature is the provision of a means for controllable separation of the base drive current reduction and base drive current overdrive into two distinct and separate time intervals. **NASA Case No. XGS-06226**

For the following cases, manufacturers should contact: Fire Protection Materials, Avco Corporation, Avco Systems Division, Lowell Industrial Park, Lowell, Mass. 01850

Fire retardant foams

This invention improves upon polyurethane foams as fire resistant materials by improving their characteristics and by imparting fire suppressant and fire retardant characteristics. The invention relates to the modification of closed cell, rigid and semi-rigid polyurethane foams in the density range of from 0.50 to 50 pounds per cubic foot. The modified foam may then be applied by conventional methods. Outstanding protection against fire has been achieved. **NASA Case No. ARC-10098**

Intumescent paints

Intumescent (swelling or expanding) paints useful for fire protection have been produced. Conventional intumescent paints suffer from many disadvantages. This paint overcomes these disadvantages and provides outstanding protection. Upon heating, such a paint intumesces, chars and provides a flame resistant coating. **NASA Case No. ARC-10099**

Modified polyisocyanurate polymer foam

This invention relates to a fire retardant polyisocyanurate foam which is resistant to high temperatures and which has exceptional dimensional stability. The crux of the present invention is the employment of a polyol having grafted acrylonitrile side chains which cyclize at elevated temperatures to form stable heterocyclic structures. **NASA Case No. ARC-10280**

Polymeric vehicles as carriers for sulfonic acid salt of nitrosubstituted aromatic amines

Intumescent coatings when applied to the surface of an article provide protection from fire and heat. This invention relates to an intumescent agent which contains the ammonium salt of 4-nitroaniline-2-sulfonic acid and a polymer of the mercaptan type which may contain disulfide linkages or polyoxyalkylene linkages. **NASA Case No. ARC-10325**

International Loans

Tanzania will improve road system

Tanzania will further improve its primary highway system, upgrade agricultural feeder roads, increase its maintenance capabilities and undertake road improvement studies with the assistance of a $6.5 million credit approved by the International Development Association (IDA), of the World Bank Group. The credit is for 50 years, with a 10-year grace period and is interest free.

The project aims primarily at stimulating agriculture, the mainstay of the Tanzanian economy. Tanzania's development policy places heavy emphasis on raising living standards in the rural areas, which are often distant from the main population centers and have poor road connections for transporting commodities.

The project includes paving 125 miles of the main southern trunk road between the port of Mtwara and the regional agricultural center of Masasi; upgrading 295 miles of agricultural feeder roads in the Geita district and Mara region on Lake Victoria in the north by creating and equipping road improvement units in those areas; and providing assistance in supervising the project and for staff training. Engineering and other studies of an additional 155 miles of roads for possible future development will be undertaken.

The project is scheduled for completion in mid-1974. It will be implemented by the Roads and Aerodromes Division of the Ministry of Communications, Transport and Labour, P.O. Box 9144, Dar es Salaam, Tanzania.

Export market study in Ceylon

Ceylon will receive a grant from the Asian Development Bank for technical assistance in conducting a market study for the Ceylon Oils and Fats Corporation, a government-owned corporation set up in 1956. It is planning to expand its plant for the manufacture of chemical products, mainly for export, using coconut oil as a basic raw material. The plant expansion will cost an estimated $5.7 million.

Products produced mainly for export include pharmaceutical-grade glycerine, various fatty acids fractions and derivatives of lauric acid, such as sodium lauryl sulphate, a wetting agent. Other products include detergents, alkyd resins for manufacturing paint, hydrogenated bakery fats, shortening and margarine.

Trade Commissioners on Tour

In Canada

If you wish to meet the officers whose itineraries are listed below, get in touch with—

In Ottawa—
Department of Industry, Trade and Commerce

In Fredericton, Halifax, Montreal Toronto, Winnipeg, Regina, Edmonton, Vancouver—
Regional Office, Department of Industry, Trade and Commerce

In Windsor, Ontario—
Greater Windsor Industrial Commission

In all other centers—
the local Board of Trade, Chamber of Commerce, or Industrial Commission

Denmark

T. W. Harboe, Commercial Officer, Copenhagen, Denmark:

Vancouver—October 11-14

Winnipeg—October 15

Toronto—October 18

Montreal—October 19-21

Halifax—October 22

Temporary Duty in Ottawa

Trade Commissioners on temporary duty in Ottawa may be contacted through the Trade Commissioner Service, phone 996-7231 (area code 613).

D. S. Armour

Consul and Trade Commissioner
Hamburg, Germany
September 20-October 8

G. Bruneau

Assistant Commercial Secretary
Tel Aviv, Israel
October 5-15

T. W. Harboe,

Commercial Officer,
Copenhagen, Denmark
October 4-8

E. G. Maguire

Consul General
Hamburg, Germany
October 4-8

In Territory

Businessmen who would like Trade Commissioners to undertake assignments for them should write to the post as soon as possible.

Antigua, Montserrat, St. Kitts

J. G. Tardif, Assistant Commercial Secretary in Port-of-Spain, Trinidad, will visit Antigua, Montserrat and St. Kitts, October 11-15.

Bolivia

Trade Commissioners from the Lima, Peru, office visit Bolivia approximately every two months.

Bulgaria, Hungary, Romania

Trade Commissioners in the Vienna, Austria, office make frequent visits to these countries.

Cyprus

An officer from the Tel Aviv, Israel, office visits Cyprus approximately every two months.

Dominican Republic, Haiti, Virgin Islands

Trade Commissioners from San Juan regularly visit the Dominican Republic, Haiti and the Virgin Islands.

Finland

A Trade Commissioner from the Stockholm, Sweden, office visits Helsinki once a month for about a week, except during July and August.

Iraq

F. Ian Wood, Commercial Counsellor in Beirut, Lebanon, will visit Baghdad October 2-16.

Persian Gulf

Officers of the Beirut, Lebanon, office will vist the Persian Gulf as follows:

John Marrow, Commercial Officer: Bahrain October 2-4, Qatar October 5-8, Abu Dhabi October 9-12 and Dubai October 13-16.

Emile Maklouf, Commercial Officer: Kuwait October 14-21.

Saudi Arabia

S. G. McDowall, Commercial Secretary in Beirut, Lebanon, will visit Saudi Arabia October 8-21.

South Korea

Trade Commissioners from the Tokyo, Japan, office visit the Republic of Korea (South Korea) approximately every two months for a week.

Surinam

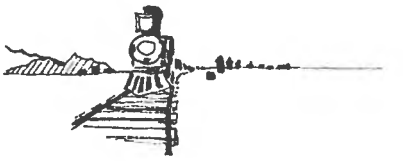
G. H. Musgrove, Commercial Secretary in Port-of-Spain, Trinidad, will visit Surinam October 4-7.

Turkey

Trade Commissioners in Ankara visit Istanbul frequently.

Visas for the Canton Fair

Canadians who wish to attend the Fall Fair in Canton, China, should realize that it is no longer possible to obtain a visa in Hong Kong. The intending visitor must apply first to the Fair authorities or to one of the trading corporations for an invitation to the fair. When the invitation is received, he must apply for a visa to the Embassy of the People's Republic of China, P.O. Box 8935, New Terminal, Alta Vista, Ottawa 8. The application must include the applicant's name, date of birth, occupation, name of company or government agency represented, number and type of passport, arrival date and length of stay in China, place of entry and exit, itinerary and special requirements, and two passport photos. Visa will not be issued until 21 days after the invitation is presented to the Embassy. Passports with a Taiwan stamp in them will not be accepted.



Foreign Exchange Rates

These nominal quotations may help exporters in checking prices, but they should consult their banks before making any firm commitments. When more than one rate is shown, the one to be used depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

The mid market rates only are quoted, except when buying and selling rates are specified. The buying rate is that at which banks purchase exchange from exporters; the selling rate is that at which banks sell exchange to importers.

Rates used exclusively in non-merchandise trading are *not* included in this table.

For conversion of column one to the U.S. dollar equivalent *multiply* by .98. **To convert column two, *divide* by .98.**

Country and Currency	Value of foreign currency unit in Canadian dollars at September 9	Value of Canadian dollar in foreign currency units
Algeria Dinar	.2093	4.78
Argentina Peso (free)	.2033	4.92
Australia Dollar	1.1653	.86
Austria Schilling	.0414	24.15
Bahamas Dollar	1.0156	.98
Belgium and Luxembourg Franc	.0210	47.62
Bermuda Dollar	1.0397	.96
Bolivia Peso	.0406	24.63
Brazil Cruzeiro (official free)	.1885	5.31
Britain Pound	2.4972	.40
British Honduras Dollar	.6078	1.64
Burma Kyat	.2133	4.69
Ceylon Rupee	.1706	5.86
Chile Escudo (bank rate)	.0858	11.65
(free)	.0362	27.62
China, People's Republic of Renminbi	.4188	2.39
Colombia Peso (fixed)	.0500	20.00
Congo (Kinshasa) Zaire	2.054	49
Costa Rica Colon	.1533	6.52
Cuba[1] Peso	.....	.....
Czechoslovakia Koruna	.1411	7.09
Denmark Krone	.1386	7.22
Dominican Republic Peso	1.0156	.98
Ecuador Sucre (official)	.0406	24.63
El Salvador Colon	.4063	2.46
Fiji Dollar	1.1724	.85
Finland Markka	.2418	4.14
France, Monaco, etc.[2] Franc	.1842	5.43
Franco-African Republics[3] Franc	.0037	270.27
French Pacific[4] Franc	.0101	99.00
Germany D Mark	.2994	3.34
Ghana New Cedi	.9953	1.00
Greece Drachma	.0338	29.59
Guatemala Quetzal	1.0156	.98
Guyana Dollar	.5136	1.95
Haiti Gourde	.2031	4.92
Honduras Lempira	.5078	1.97
Hong Kong Dollar	.1676	5.97
Hungary Forint (official)	.0921	10.85
Iceland Krona (official)	.0115	86.96
India Rupee	.1371	7.29
Indonesia[5] Rupiah	.0027	374.22
Iran Rial	.0134	74.63

Country and Currency	Value of foreign currency unit in Canadian dollars at September 9	Canadian dollar in foreign currency units
Iraq Dinar	2.8438	.35
Ireland Pound	2.4972	.40
Israel Pound	.2418	4.14
Italy Lira	.0017	588.24
Jamaica Dollar	1.2486	.80
Japan Yen	.0030	333.33
Kenya Shilling	.1441	6.94
Korea, Republic of Won	.0027	370.37
Lebanon Pound (free)	.3220	3.11
Malaysia Dollar	.3318	3.02
Mexico Peso	.0838	11.93
Morocco Dirham	.2040	4.90
Netherlands Florin	.2946	3.39
Netherlands Antilles Florin	.5385	1.86
New Zealand Dollar	1.1687	.86
Nicaragua Cordoba	.1451	6.89
Nigeria Pound	2.8835	.35
Norway Krone	.1466	6.82
Pakistan Rupee	.2133	4.68
Panama Balboa	1.0156	.98
Paraguay Guarani (free)	.0081	123.46
Peru Sol (free)	.0234	42.74
Philippines[6] Peso (free)	.1582	6.32
Poland Zloty (fixed basic rate)	.2577	3.88
Portugal & Colonies[7] Escudo	.0353	28.33
Saudi Arabia Riyal	.2273	4.40
Sierra Leone Leone	1.2371	.81
Singapore Dollar	.3358	2.98
South Africa Rand	1.4586	.69
Spain & Dependencies Peseta	.0147	68.03
Sweden Krona	.1995	5.01
Switzerland Franc	.2543	3.93
Syria Pound (free)	.2711	3.69
Thailand Baht (free)	.0489	20.45
Trinidad & Tobago[8] Dollar	.5078	1.97
Tunisia Dinar	1.9346	.52
Turkey Lira	.0677	14.77
United Arab Republic Pound (official)	2.3359	.43
United States Dollar	1.0156	.98
Uruguay Peso (free)	.0027	370.37
Venezuela Bolivar (official free)	.2260	4.42
Yugoslavia Dinar (official)	.0677	14.77

1. There is no trading in Cuban pesos in U.S. or Canadian banks at present.

2. Franc is also used in French Guiana, Guadeloupe and Martinique.

3. Chad, Central African Republic, Congo (Brazzaville), Dahomey, Gabon, Ivory Coast, Islamic Republic of Mauretania, Niger, Senegal, Upper Volta, Cameroon, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.

4. New Caledonia, New Hebrides, French Polynesia.

5. Exchange rate at December 9, 1970.

6. Exchange rate in Philippines on floating basis with daily quotations by banks.

7. Approximately same rate for Portuguese territories in Africa.

8. Also used in Barbados, Leeward and Windward Islands.

Scientific and Educational Products Shown at Cleveland

C. R. DONLEY, Assistant Trade Commissioner, Cleveland

Science department chairmen from high and junior high schools and purchasing officials from many of the more than thirty school boards in the greater Cleveland area were among the visitors to a two-day show of Canadian-made scientific educational equipment in the Cleveland Consulate.

The display featured scientific apparatus and vocational equipment manufactured by ten Canadian firms. Organized by the Consulate staff, it was aimed at exposing professional educators and school administrators to Canadian products and capabilities. Some of the exhibits were manned by head office personnel from the Canadian companies, while other firms used their local representatives.

Among the instructional aids shown were atom models, biology transparencies and museum mounts, lasers and optical physics instruments. An exhibit of modular laboratory furniture and another of corrosive-resistant piping systems added to the science-classroom atmosphere of the show, and demonstrations on an audio-visual module and a student responder system generated considerable interest. Also shown were electrical power sources, meters, and electronic teaching aids.

The Canadian science theme was complemented by a slide presentation dealing with the Ontario Science Center in Toronto, and receptions held on each of the two days helped create a relaxed, friendly atmosphere for the visitors.

Several of the participant firms already were represented in Cleveland; these and others discovered numerous sales leads in the area. Some of the unrepresented firms found local agents with whom they signed agreements. The manufacturers who attracted the most favorable attention were those who were prepared with delivered duty-paid prices in U.S. dollars, sales literature designed for the education market, and attractive presentations.

Joel Snitman (left) president of Projection Arts, shows biology transparencies to Edward Everstine, a local manufacturers' representative, at Consulate show.

Canadian representatives travelling to the show with displays had little trouble clearing customs, and many drove their products directly to Cleveland in their automobiles. While direct sales were not expected to result immediately from the show, since educational products are generally purchased through tenders, Canadian products received new and worthwhile exposure through the Cleveland exhibition.

Several Canadian companies producing educational products of good design and high quality and competitive in price are already marketing in the Midwest area covered by the Cleveland office.

It is easier to attract potential buyers to a group showing of several products than to a single company display, though facilities in the Cleveland Consulate are available for either sort of presentation. An exhibit by a group of Canadian companies, with showings spread over several afternoons, allows time for individual appointments with buyers and/or potential representatives. The Consulate can usually arrange such appointments, either before or upon arrival of visitors, though advance notice is helpful.

The use of the Consulate display space is a simple and relatively inexpensive way to display products in pleasant surroundings. The Consulate staff can arrange to send out invitations and costs can be shared with the exhibitors. While Trade Commissioners often initiate such showings, the Consulate staff would be pleased to hear proposals from individual firms, groups of companies with complementary products, or Canadian trade associations. Bring your products to Cleveland, and we'll bring the buyers to you.

A Bit of Canada in Australian Skies

Helicopter Utilities, one of the biggest commercial helicopter operators in the world, has just received its first Sikorsky S-58T, shown here at its new home base in Australia. This machine, the first of five ordered by the company, is powered by the PT-6 Twin-Pac turbine engine developed by United Aircraft of Canada Limited.

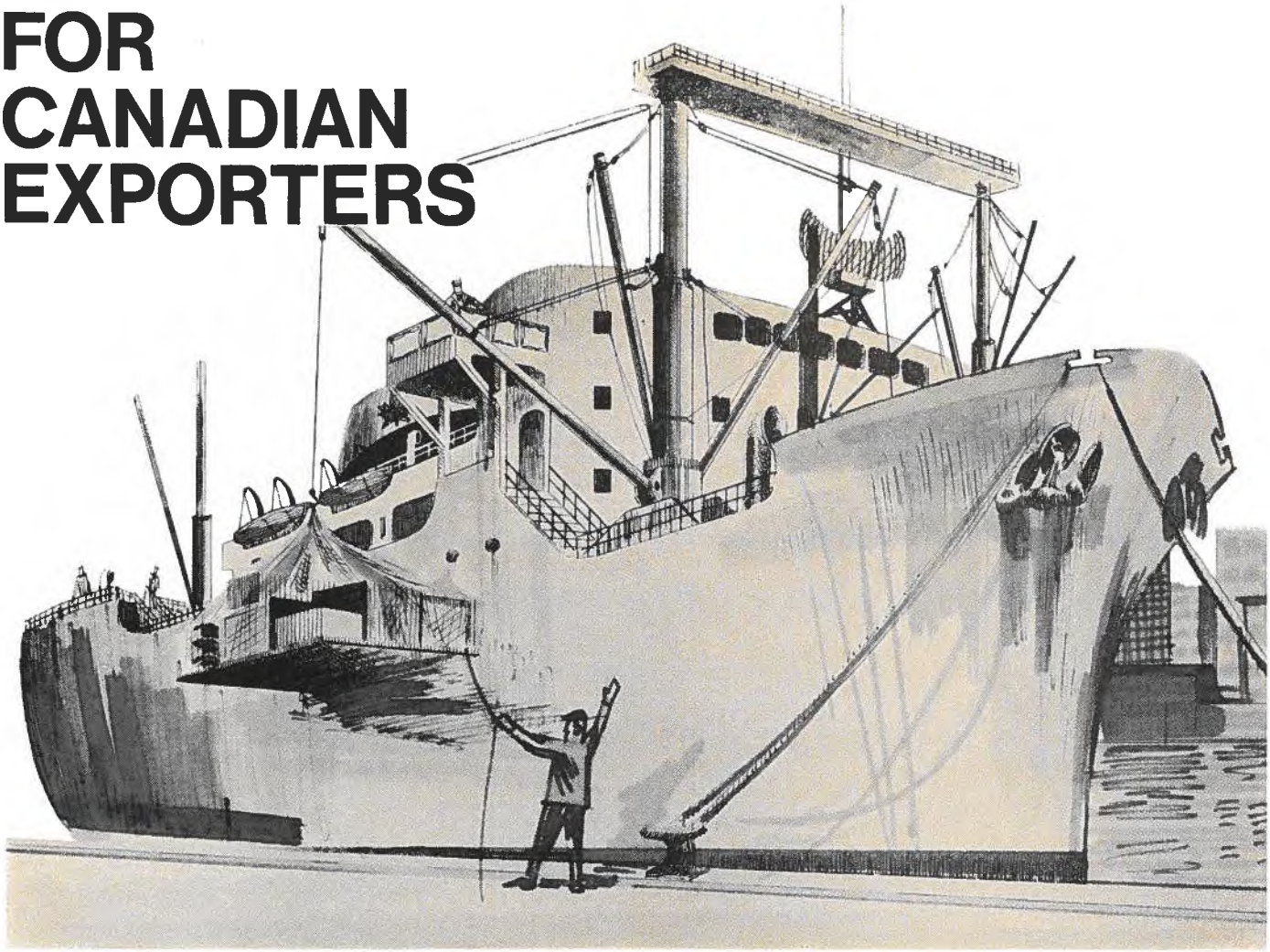
The Twin-Pac, as its name implies, is a twin-engine version of UAC's PT-6 turbo-prop engine and develops 1,800 horsepower. It is capable of providing enough output from one engine to keep the helicopter airborne in an emergency. United Aircraft of Canada has sold more than 500 Twin-Pacs to date, and more than 30 of them to Sikorsky.

Helicopter Utilities, part of the Australian general aviation group Airfast, will have 50 machines in operation by the time the other four S-58Ts on order are delivered. It also has an option on a further five, for a total cost approaching $12 million. The company does about a third of its work with the oil industry, notably maintaining communications with offshore platforms, where the added safety factor of an extra engine is a decided advantage. Another third of its business is with mineral search companies, and the rest with government and semi-government agencies. But because of the better economics of the turbine engine and the added safety factor of the Twin-Pac, the firm will be able to look at short-haul helicopter communications within cities and at other passenger-carrying work—Canberra.

If undelivered return to:
Information Canada
Ottawa, Canada K1A 0S9

CANADA
POSTAGE PAID
PORT PAYÉ

MARKETS FOR CANADIAN EXPORTERS



PLANNING A BUSINESS TRIP TO JAPAN, PERU, BOLIVIA OR MEXICO?

The Department of Industry, Trade and Commerce has something that will help you work out many important details – and it's free for the asking – a series of booklets you'll find helpful and interesting. Called Markets for Canadian Exporters and published in English and French, there's one on Japan, Peru Bolivia and Mexico and we've started one on West Germany.

The booklets tell everything from when to travel and when not to travel, the best buying seasons, how to invoice and document, to when not to wear a heavy suit in Bolivia and how to avoid getting fleeced in a Japanese night club.

There's information on each country, its religions, customs, public holidays, transportation snags. They tell you how to do export business quickly and efficiently – how to collect a debt or register a trade mark. And of course there is general information on each country's economy and foreign trade, with tips on tipping, gift giving, and entertaining.

They're obtainable at any of the department's regional offices in Fredericton, Halifax, Montreal, Toronto, Winnipeg, Regina, Edmonton or Vancouver.

Or if you prefer, clip the coupon on this page and mail it to us, specifying the booklet you want. We'll see that you get your copy promptly.

Oh yes... have a pleasant trip.

Mail to:
Publicity Branch
Department of Industry, Trade and Commerce
Ottawa 4, Ontario

I wish to receive Markets for Canadian Exporters as shown below:

- ☐ **Japan**
- ☐ **Peru/Bolivia**
- ☐ **Mexico**
- ☐ **Germany**

Name: .....
Company name: .....
Address: .....